

ABSTRACT

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ENHANCING CUSTOMER LOYALTY IN THE GAMING LAPTOP MARKET: COMPARING THE EFFECTS OF CUSTOMER SATISFACTION AND CUSTOMER-COMPANY IDENTIFICATION

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In the competitive modern world of business, business experts believe that customer loyalty is the key to business success. The notion that customer satisfaction is the main determinant of customer loyalty dates back to years ago until studies found that customer loyalty can be built upon customer-company identification. Besides, previous studies indicate that switching barrier has an influence on customer loyalty as it exists in customers' cognitive buying decision process, affecting purchasing patterns such as customer's intention to repurchase or repatronise preferred products or services. However, very few studies are found when it comes to customer loyalty, specifically in the gaming laptop market. Hence, the study aims to examine and compare the effects of customer satisfaction and customer-company identification on customer loyalty in the presence of switching barrier in the gaming laptop market of Asia-Pacific regions. The study uses the judgement non-probability sampling method where an electronic survey is distributed online to 385 (n=385) respondents who own gaming laptops throughout regions of Indonesia, Singapore and China. The research findings derived from structural equation modelling show that customer satisfaction, customer-company identification and switching barriers have a significant influence on customer loyalty. In this study, product characteristics (function, application, design, and price) are found to have significant impact on customer satisfaction while different dimensions of social identities (age, income, social class, and occupation status) have a significance in determining customer-company identification. In addition, it is found that switching barrier (perceived switching cost) has a significant influence on customer loyalty in the gaming laptop market. To summarise, the utilization and implementation of marketing strategies through customer satisfaction alone may not be sufficient in retaining and creating loyal customers as customer-company identification is found to have stronger effect on customer loyalty, whilst considering the role of switching barriers that have an impact on loyalty.

Keywords: Customer loyalty, Customer satisfaction, Customer-company identification, Switching barrier.

References: 90 (1963-2018)