

Abstract

Keeping the existing customers satisfied and retaining them is one the key marketing strategies pursued by most modern organisations nowadays. This is especially significance for firms selling high technology products like telecommunication equipment in this highly competitive business environment. One such firm is Lucent Technologies (Malaysia) Sdn. Bhd. (Lucent) which is eager to deliver excellent service to its existing customer, Cellular Telecommunications Network (Malaysia) Sdn. Bhd. (Celcom), besides exploring the various ways to increase customer loyalty and continuously securing new business.

This study revealed that any increase in the customer satisfaction not only leads to an increase in customer loyalty but also an increase in repeat business which will indirectly leads to an increase in profitability of the firm. More interestingly, this study has found out that any increase in the market share of a product or service does not necessary lead to an increase in customer satisfaction, which in actual fact, the reverse may be true.

However, the survey methodology employed by Lucent is different from those used by the previous research. In its study, Lucent attempted to find out how customer satisfaction leads to an increase in market share and profitability, but the result has shown a negative correlation instead. As such, it is recommended that the management of Lucent to invest more time and efforts in ensuring that Celcom is constantly kept satisfied. Such efforts, among others includes continuous innovation and improvements with the customers at all times.