

Customers Satisfaction and Corporate Image in Government Initiative Influencing Customers Loyalty in Terengganu, Malaysia

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Abstract-Various studies have been conducted to evaluate the relationship between customers satisfaction towards big companies in Malaysia. Nevertheless, the study of customer satisfaction on services provided by the government has not been much. Furthermore, study focusing on Terengganu state administration has not yet been done. Thus, the objective of this study is to look at the effectiveness of government programs and initiatives on young people based on the quality of service offered, government corporate image, customer satisfaction as a consumer to government service and to observe customer loyalty. Quantitative data was obtained by distributing questionnaires to 100 respondents comprising participants of the Terengganu Graduate Transformation Program (TGTP) who had been more than one year following the program. The TGTP participants are university leavers who have been given the opportunity to serve in several agencies and government departments throughout Terengganu. They are given exposure to government administration in various positions in line with their education background and interest. The data were analysed using the IBM SPSS Statistics (Statistics Package for the Social Sciences) software aimed at looking at the relationship between the service aspects offered by the government through various initiatives and programs in Terengganu. The relationship is measured in order to look at the strong bonding which forms the customer loyalty behaviour. The findings show that there is a direct relationship between service quality, corporate image influencing customer satisfaction and customer loyalty.

Keywords--Customer Satisfaction; Corporate Image; Terengganu Graduate Transformation Program (TGTP)

I. INTRODUCTION

A. Background of the Study

This research aims to discover the relationship of customer's satisfaction and corporate image in government initiative which influence customer loyalty. The factors that influenced customers' satisfaction and corporate image in government sectors are explored. It involves services quality that needs the concern of the government's concern in order to create satisfaction and trust, as well as to measure customer loyalty. Therefore, the objectives of good service quality and strong corporate image are to create relative attractiveness and retaining customers. According to O'Driscoll & Randall (1999) and Eby (1999), satisfied employees are more committed to their organization than dissatisfied employees.

As stated by Rust (1995) and Oliver (1980), it leads to customer loyalty that influences satisfaction towards the agencies. It has been supported by other scholars that higher profitability and lower cost are importance in offering customer's satisfaction by having a good service quality (Gundersen, Heide & Olsson, 1996). High quality service is essential for every firm that want to be successful in their organizations. Moreover, service quality, customer satisfaction and customer loyalty are the three elements that many services firm would work for in order to ensure their customers satisfaction. Oliver (1980) has defined that, customer satisfaction or dissatisfaction is resulted from experiencing a service quality encounter and comparing that meet with what was expected. Whereby perceived service quality can be defined as the customers judgment about the service or product produce by the company or organization reflect the value on customers perceptions of what is received. However, according to Bolton & Drew (1991), satisfaction is the assessment requires customer experience while quality does not. Customer that receives bad experience will give less loyalty towards certain service or product.

Satisfaction is a significant mediator of the relationship between service quality and behavioural intentions, providing a strong support for the suggestion that service quality is an antecedent to satisfaction (Cronin, Brady & Hult, 2000). Customer satisfaction is an experimental as an invisible asset. It is not only an improvement for the development of the government agencies, but also can be used in predicting for the operation quality and development of those agencies. Satisfying the customer and building their loyalty are the basic steps to improve and develop the government services. In order to meet the customers' expectation, effective methods are extremely important. Moreover, customer satisfaction can be used as a key to predict corporate image in government

services quality. Service standard must start from the demands of customers and end with the customer's satisfaction. This study is organized as follows. The next section reviews the relevant literature that included previous research on the discovery of customer satisfaction and customer loyalty towards corporate image in government. The subsequent section elaborates the research method for the study. While the final section covers the data analysis and discussion of the findings and conclusion of the study.

B. Problem Statement

Government agencies are facing significant challenges today. A complex economy has created problem that constrained the tax revenue thus forcing many agencies to operate on tighter budgets with smaller staffs. Also, many agencies are also seeing their most knowledgeable and experienced people retire further undermining their ability in serving the customers effectively. At the same time, agencies are put under intense pressure in a way to improve services and become more transparent to citizens and other stakeholder's pressure that stems in part from government mandates. Agencies at all levels of government are being called upon to provide more-responsive service, better collaboration with customers, increased transparency to the general public, and more proactive efforts to improve customer satisfaction.

These pressures are also the result of a broader marketplace environment in which customer expectations continue to rise. Nowadays, citizens and stakeholders demand fast, accurate, and consistent answers from government agencies and they will clearly express their dissatisfaction if those expectations are not met. To make matters worse, customers now have made a demand to be able to deal with agencies across a multitude of communications channels, including phone, e-mail, the Web, mobile devices, and social media. Recently, customers become more demanding and expect to be served better by the government organizations. Hence, the government itself face a challenge in providing high quality of services for the customers. This study investigates the relationship between customer satisfaction and corporate image in government initiative in influencing the customer loyalty. Two factors which are customer satisfaction and corporate image are the key to determine customer's loyalty. According to Andreassen & Lindstad, (1998) two relationships are found to be key roles in formulating satisfaction among customers, to trust and to stay with the company. Therefore, providing superior service should be concerned as the important strategy by the local government to satisfy their customers.

A focus on improving the citizen experience should be given a concern. For example, making it easier to complete a transaction in a more timely manner can improve the citizen's voluntary compliance, make the delivery of services more cost effective, and improve the citizen's trust in government. The customer experience phenomenon may seem far removed from the work of federal, state, and local governments, but it offers important lessons. Hence, agencies rarely have a direct competitor from which they are trying to capture market share. In order to enhance an agency's ability to achieve its mission, outperforming in efforts to meet budget goals, and engaging employees in a superior culture of citizen service, customer-experience improvement efforts offer public agencies important lessons.

C. Significance of the Study

In any government service or service industry, customers will be loyal because they tend to choose a certain service offered by them and customers loyalty becomes evident choices are made by them. The customer also will express high satisfaction levels with that organization in a survey, but satisfaction does not equal loyalty. Loyalty is demonstrated by the actions of the customer meanwhile customers can be satisfied and still not being loyal. The feedback by the customer in this study can help to describe which customers are most likely to respond with satisfaction and become loyal. The study will also give benefits to customers and government agencies.

The information from a customer satisfaction survey provides government with valuable feedback on the issues that are important to the customers. Through the research, customer examined the best services to fulfil their satisfaction and being loyal to the services or product.

This study will increase the understanding pertains to the customer's needs and distresses with the intention to enhance the production and service standards of the agencies. Thus, by observing the customer's satisfaction and put appropriate actions, it is believe can develop more towards customer loyalty and at the same time to keep the revenue and profitability of the agencies.

D. Research Objective

The main objectives of this study are to determine the influence of services quality and corporate image on loyalty, while examining the mediating effects of customer's satisfaction on this relationship. Basically this study is to determine the relationship of Government Corporate Image affecting customers' loyalty.

F. Research Hypothesis



FIGURE 1. PROPOSED HYPOTHESIS MODEL OF THE STUDY

Therefore, the study was conducted to test the following hypothesis:

- H1: Services quality has a positive significant influence on customer’s satisfaction.
- H2: Customers satisfaction significantly mediates the relationship between service quality and customer loyalty.
- H3: Corporate image has positive significant influence customer loyalty.

II. METHOD

A. Research Design

This research used quantitative method to measure the relationship of customer satisfaction and corporate image in government initiative which influence customer loyalty and used survey as the primary source. Quantitative method is one of the research designs that aimed to gather the numerical data and generalizing it across the groups of people or to explain to a particular phenomenon.

B. Data Collection

This survey decided to use close-ended questionnaires only. The survey focused on the perception of the customer towards the government initiative. Then the study will measured the factors influencing customers in making a decision in term of quality service, customer satisfaction and customer loyalty. Finally, the questionnaires were focused on the reaction of customers towards the government corporate image.

C. Population and Sampling

The sampling population focused on the participant from the TGTP (Terengganu Graduates Transformation Programme). This is because the intention of conducting this study was due to low level of loyalty among the participant that makes them to choose another service instead of loyal to a service. The sampling used is purposive sampling technique. It is a sampling in which researcher relies on his or her own judgement in choosing the member of population to be counted as a respondent and participate in the study. They have been given a questionnaire to answer.

D. Data Analysis

After collecting the questionnaires, the results were taken and transferred to SPSS. SPSS version 22 was use used to analyse the data. Then, data is presented in a form of percentage, frequency, mode and median as a descriptive statistical analysis. Descriptive statistical analysis is used to indicate the quantities, frequencies, distributions and classifications of population. This form of analysis also requires researcher to know the concept of the various methods of quantitative analysis such as statistics, measurement scale, distributions, deviations and tabulations.

III. LITERATURE REVIEW

A. Service Quality

Understanding the term “Quality” will reveal that the concept has been defined in many different ways and with different emphasis by the various quality experts and writers on the subject. A number of experts have defined service quality differently, According to Takeuchi & John (1983) stated that quality is an intangible and indistinct construct. As examples intangible quality was found like goodness, or luxury, or shininess, or weight, quality and its requirements are not easily articulated by consumers. The statement is supported by Zeithaml (1990) which stated that services quality is basically intangible, heterogeneous and inseparable. For examples heterogeneous is a major characteristic of services which resulted in variation from one service to another, or variation in the same service from day-to-day or from customer-to-customer.

Services, especially those with high labour content such as consistency of behaviour from service personnel such uniform quality is difficult to assure because what the firm intends to deliver may be entirely different from what customer receives. Service quality as inseparability that connotes the meaning of the producer and the vendor often compromise one economic entity. Inseparability implies that service is simultaneously produced and consumed while physical goods are first produced, then sold and finally consumed. Inseparability of production and consumption often forces the involvement of the customer in the production process. In labour intensive services for example, quality occurs during service delivery, usually in an interaction between the client and the contact person from the service firm. (Lehtinen & Jarmo, 1982). In this situation, the customer input becomes critical to the quality of service performance. Therefore, the connections of heterogeneous, intangible and inseparable are very important to deliver good service quality in the organization.

Zeithaml and Bitner, (1996) mentioned that high quality customer service is not just customer service department but all levels of management and staffs need to accept and have a state of mind regarding customer care. On the other hand, Payne (1995) added that there are factors affecting pressure on customer service due to competition and technology. He also stated that higher standards of service have been demanded by consumers as they are becoming more complex. Moreover, service refers as customer satisfaction, customer delight, service delivery, and customer relationship. Hence, to provide good service to customers, service companies need to take into consideration the important variables of service quality namely, assurance, empathy, reliability, responsiveness and tangibles. Customer service and quality improvement initiatives are closely related to each other (Payne, 1995).

B. Customers Loyalty is the Outcome of Customers Satisfaction

According to Woodcock, Stone & Foss (2003), satisfaction is a good indicator of commitment and repetition of the buying behaviour. Customer satisfaction is a standard to identify the actual feeling of a customer about the quality of services or products. Therefore, customer satisfaction must lead to customer’s loyalty. In addition, it is not only about the direct impression of the product or service quality, but also shows how the product or service meets the customer expectation or demand. Customer loyalty is influenced by the quality of the product or service and other factors, which make customer emotionally involved with the product or service. In the government sectors, the service chains are complicated; every detail in these chains would make an effective ways in attracting the customers. Generally, customer satisfaction does not equal to customer loyalty.

As specified by Dickie (2008), there is a positive relationship between customer’s satisfaction and customer loyalty. Therefore, customer satisfaction is a certain psychological satisfaction. It is an attitude which is shown after the purchasing behaviour. Therefore, customer loyalty is behaviour of continuing the transaction. Customer satisfaction measures customer feelings and commitment of purchasing towards the product or service. Gitomer (1998) stated that customer satisfaction is worthless and customer loyalty is priceless. Related into government organization should be focused their effort in creating loyal customer such as top level managers must lead from the front with customer services and make a good conversation with the customers on what they want and deliver. Hence, customer satisfaction is a key in creating a long-term relationship with customers because ongoing satisfaction leads to loyalty. Once customers have placed trust in a company and are assured that the company will continue to deliver, they will continue to do business with them.

However, Gitomer (1998) also stated that customer satisfaction did not have real value because satisfied customer still will buy the other company’s product or service. There is no reservation that customer satisfaction is the key element which can cause repeating purchasing behaviour. As stated by Rust and Zahorik (1995), customer satisfaction brings customer loyalty and also influences customer satisfaction and loyalty. For an example, loyal customers are those who purchase from the same company repeatedly and they are generally considered an asset to your organization. Ideally, a loyal customer will continue to purchase from the company even in the face of certain challenges like cheaper prices offered by other companies.

Overall, the complete end-to-end experience customers have with an organization from their perspective. In essence, improving customer’s satisfaction requires more complex effort in order to improve the quality across channels and products because customers who are willingly participate in the service delivery process expect a better quality of service.

C. Corporate Image

Organizations nowadays are concerned in managing their corporate image. There is a strong positive correlation between people's perceptions of a company and pro-corporate supportive behaviour. Past researchers on corporate image were incorporated to create a platform for a framework which identifies the variables of a relationship between corporate image and customer loyalty in combination with profitability. There is a strong positive correlation between how people perceive an organization and the pro-corporate supportive behaviour. It is the sum total of these perceived characteristics of the corporation that we refer to as the corporate image.

Oxford Advanced Learner's Dictionary (2000) defined corporate as a connection with a larger business company. Every organization has its image whether the organization does anything about it or not. Corporate image is formed based on the stakeholders' perceptions of specific company actions as well as associated industry and nation issues. An organisation's image to a large extent influences stakeholder's reactions to specific corporate actions and products. According to Rayner (2003), corporate image confers clear-cut advantages and privileges on companies. It proves difficult to imitate, at the same time, it creates responsibilities. Whereas, the obligations that managers and the organization owe must meet the personal standards of the employees, the quality standards of customers, the ethical standards of the community and the profitability standards of the investors.

Corporate image is, therefore, the result of a process by which the public compares and contrasts with the various attributes of companies (Kennedy 1977). All of the factors forming an image about something are part of the experience. For example, a customer will see the name of the company or hear it in a conversation or commercial or perhaps through the media. This starts the creation of an image; what does it sound like, mean, incorporate. They then see a visual presentation of the company like certain colours or works. This encourages the image in one direction. A company's logo is like the heart of the company; it is what reflects the company's identity and can be changed slightly to keep up with trends. Customers rarely hear a company's mission statement, codes of ethics, annual report or company slogan directly; they hear it through advertising or public relations. Then there is interacting with the company through its employees. They project the image of the organization, which is crucial in service organizations where personal interactions can be the key to customer satisfaction (Change Conversations, 2013.)

Complimentary of a corporate image include customer loyalty (Saxton, 1998) and a higher level of customer purchase intention (Yoon, Guffeyn & Kijewski 1993). Having a good corporate image and reputation corporate image is an effective promotional and marketing tool. The organization will receive good feedbacks and this will help to generate more customers. Majority of the public will start spending their money to the particular products and services. Another great thing about having a good corporate image is that there is no longer in need to spend a significant amount of time trying to convince your potential customers to try out what you offer. Moreover previous customers who are greatly satisfied with your service will become your unofficial spokespersons. This will transform organization one of the most trusted and respectable organizations in the industry.

IV. FINDINGS AND DISCUSSIONS

All the relationship measuring the relationship of customer satisfaction and customer loyalty were measured through online based questionnaire. Like scaling from 1 (strongly disagree) to 10 (strongly agree) were used as a medium for researcher to know whether the respondents are agree with the influence of the customers satisfaction in measuring the customer loyalty. According to the results from the survey, respondents have given a positive and negative feedback regarding the issue where the level of the agree for every items were mentioned. The neutral respondents were also recorded in this paper as part of the findings. Above all, we can concluded that the customer satisfaction influence the loyalty of the customers.

A. The Perception of the Customer towards the Government Initiative

TABLE I: THE PERCEPTION ON THE GOVERNMENT INITIATIVE

		<i>No Idea about Government Initiative</i>	<i>Initiative for Good</i>	<i>Exposure to New Experience</i>	<i>Effectiveness of the Program</i>	<i>Benefit of the Government Program</i>	<i>Success of the Program</i>
N	Valid	100	100	100	100	100	100
	Missing	0	0	0	0	0	0
Mean		3.6500	6.8300	6.7600	6.6900	6.7100	6.7700
Mode		3.00	8.00	8.00	8.00	8.00	8.00
Std. Deviation		1.67196	2.04028	1.99555	1.97303	1.97098	2.01938

Table 1 show the construct factors that measure the customer’s perception on the government initiative. There are six items developed to measure the construct, which is scaling from 1 (strongly disagree) to 10 (strongly agree). The items are the no idea about government initiative, initiative for good, exposure to new experience, effectiveness of the programme, benefit of the government programme and the success of the programme. For these items, based on table 1, most of the respondents agreed that initiatives that have been done by the government did create benefits to the customer especially for the respondents.

B. The Factors Influencing Quality Service

Table II show the construct factor that measure the influence of the quality service in helping the decision making by the customer. There are 10 items developed to measure the construct, which is scaling from 1 (strongly disagree) to 2 (strongly agree). The items are making comparison with other agency, the transfer of phone, the integrity of the employee, the appearance of the employee, the influence of the physical appearance, the type of communication, better offer from other agency, the influence of the advertisement as well as the probability of the problem to reoccur in the future. For these items, based on table 10, most of the respondents agreed that quality service from the agency that they got involved does give influence to their satisfaction thus affect their loyalty towards certain service or product.

TABLE II: FACTORS INFLUENCING QUALITY SERVICE

		<i>Comparison with other Agency</i>	<i>Transfer of Phone</i>	<i>Integrity of Employee</i>	<i>Business of the Employee</i>	<i>Appearance of Employee</i>	<i>Influence of Physical Appearance</i>	<i>Type of Communication</i>	<i>Better Offer from Other Agency</i>	<i>Influence of Advertisement</i>	<i>Probability of Problem to Reoccur in Future</i>
N	Valid	100	100	100	100	100	100	100	100	100	100
	Missing	0	0	0	0	0	0	0	0	0	0
	Mean	6.4700	6.3300	6.5100	6.2700	6.7100	6.8700	6.8500	6.5400	6.7800	6.5900
	Mode	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00	8.00	8.00
	Std. Dev.	2.06194	2.04522	2.11056	2.05409	1.87646	2.06292	1.98670	1.93542	2.02799	1.98018

C. Factors Influencing Customer Satisfaction

Table III show the construct factor that measure on how the customer satisfaction affects the decision making of the customer. There are 11 items developed to measure the construct, which is scaling from 1 (strongly disagree) to 10 (strongly agree). The items are the expectation from the services, the credibility of the employee, the standards of the employee, the level of willingness from the employee to act, the satisfaction level towards the employee, the quality of the service, the management of the service, the satisfaction on the information provided, the solution of the problem, the privacy of the problem solved and the feedback of the customer. For these items, based on table 3, most of the respondents agreed that customer satisfaction does give influence their loyalty towards certain service or product.

TABLE III. FACTORS INFLUENCING CUSTOMER SATISFACTION

		<i>Expectation of Service</i>	<i>Credibility of Employee</i>	<i>Standards of Employee</i>	<i>Level of Willingness to Act</i>	<i>Satisfaction Level Towards Employee</i>	<i>Quality of Service</i>	<i>Management of Service</i>	<i>Satisfaction on Information Provided</i>	<i>Solution of Problem</i>	<i>Privacy of Problem Solved</i>	<i>Feedback of Customer</i>
N	Valid	100	100	100	100	100	100	100	100	100	100	100
	Missing	0	0	0	0	0	0	0	0	0	0	0
	Mean	6.6500	6.6300	6.5200	6.5000	6.5300	6.4700	6.4200	6.6000	6.4500	6.5300	6.3100
	Mode	7.00	7.00	7.00	7.00	7.00	8.00	6.00	7.00	7.00	7.00	7.00
	Std. Dev.	1.86610	1.90510	1.82286	1.83402	1.69643	1.73761	1.79888	1.72913	1.92472	1.88270	1.84607

D. Factors Influencing Customer Loyalty

Table IV show the construct factor that measures the influence of few things that bring effect into the loyalty of the customer. There are 11 items developed to measure the construct, which is scaling from 1 (strongly disagree) to 10 (strongly agree). The items are the repetition of services, preparation of service, service facility, and referrals from friends, the best service prepared, positive saying and encouragement of purchasing, willingness to pay more, previous experience in dealing, repetition of purchasing and positive words. For these items, based on table 4, most of the respondents agreed that there are few factors that they took into the consideration in giving their loyalty towards a certain product or services.

TABLE IV: FACTORS INFLUENCING CUSTOMER LOYALTY

		<i>Repetition of Services</i>	<i>Preparation of Service</i>	<i>Service Facility</i>	<i>Referrals from Friends</i>	<i>The Best Service Prepared</i>	<i>Positive Saying</i>	<i>Encouragement of Purchasing</i>	<i>Willingness to Pay More</i>	<i>Previous Experience in Dealing</i>	<i>Repetition of Purchasing</i>	<i>Positive Words</i>
N	Valid	100	100	100	100	100	100	100	100	100	100	100
	Missing	0	0	0	0	0	0	0	0	0	0	0
Mean		6.8700	6.9000	6.9900	6.9800	7.0000	6.7400	6.9400	6.8900	7.7800	6.8800	6.9900
Mode		8.00	8.00	8.00	8.00	8.00	7.00	8.00	8.00	8.00	8.00	8.00
Std. Deviation		1.78464	1.81742	1.82848	1.85309	1.82020	1.93647	1.95825	2.01958	8.29333	1.77115	1.81183

E. Why Does Customer React Differently to Government Issues?

Table V show the construct factor that measures the reaction of customer towards government corporate image. There are seven items developed to measure the construct, which is scaling from 1 (strongly disagree) to 10 (strongly agree). The items are happy with government, fulfilment of expectation; believe with the government initiative, life improvement, and no idea about the government initiative, appearance of the image and information and lack of the government image. For these items, based on table 5, most of the respondents agreed that the respondents somehow do have a positive reaction towards the government corporate image.

TABLE V. REACTION OF CUSTOMER TOWARDS GOVERNMENT CORPORATE IMAGE

		<i>Happy with Government</i>	<i>Fulfilment of Expectation</i>	<i>Believe to Government Initiative</i>	<i>Life Improvement</i>	<i>No Idea about Government Initiative</i>	<i>Appearance of Image and Information</i>	<i>Lack of Government Image</i>
N	Valid	100	100	100	100	100	100	100
	Missing	0	0	0	0	0	0	0
Mean		6.6800	6.6900	6.7100	6.5500	5.1000	6.6600	5.9000
Mode		8.00	8.00	8.00	8.00	3.00	7.00	5.00
Std. Deviation		2.05913	1.96790	2.11915	2.18061	2.18581	1.98591	1.85592

F. Correlation Analysis

1. The Relationship between Quality Service and Corporate Image with the Customer Satisfaction

Table VI shows the correlation analysis of the quality service and reaction towards corporate image with customer satisfaction (n=100) using two tailed correlation. The p- values for the correlation between quality service and customer satisfaction are less than the significant level of 0.05, which indicates that the correlation coefficients are significant. By result of 0.948, quality service and customer satisfaction records a strong correlation as mentioned by Campbell (2009).

TABLE VI. CORRELATION COEFFICIENTS

		<i>COMP_KP</i>	<i>COMP_KS</i>	<i>COMP_RP</i>
COMP_KP	Pearson Correlation	1	.948**	.890**
	Sig. (2-tailed)		.000	.000
	N	100	100	100
COMP_KS	Pearson Correlation	.948**	1	.873**
	Sig. (2-tailed)	.000		.000
	N	100	100	100
COMP_RP	Pearson Correlation	.890**	.873**	1
	Sig. (2-tailed)	.000	.000	
	N	100	100	100

Note: **. Correlation is significant at the 0.01 level (2-tailed).

According to Campbell, a strong correlation should be within the magnitudes of 0.8 and 1.0 while if the magnitude records the value of 0.6 and 0.79, it indicates the correlations are considerably correlated. In this section, it can be seen that there are strong relation between the element of the quality service and reaction towards the corporate image with the customer satisfaction. In other words, it can be said that the quality service offered by agencies and reaction of the customer towards the government corporate image did influence the satisfaction of customers.

2. The Relationship between Customer Satisfaction and Customer Loyalty

TABLE VII: CORRELATION BETWEEN THE CUSTOMER SATISFACTION AND CUSTOMER LOYALTY

		<i>COMP_KP</i>	<i>COMP_SP</i>
COMP_KP	Pearson Correlation	1	.881**
	Sig. (2-tailed)		.000
	N	100	100
COMP_SP	Pearson Correlation	.881**	1
	Sig. (2-tailed)	.000	
	N	100	100

Note: **. Correlation is significant at the 0.01 level (2-tailed).

Correlation analysis between the customer satisfaction and customer loyalty (n=100) using two tailed correlation are shown in Table VII. The p- values for the correlation between customer satisfaction and customer loyalty are less than significant level of 0.05, which indicates that correlation coefficients are significant. The correlation coefficient for this section measuring the relationship between customer satisfaction and customer loyalty records the correlation is highly correlated at the value of 0.881. Looking into the value of correlation, it can be concluded that customer satisfaction did influence the loyalty of customer towards the service. If the customer did not satisfied with the service offered, it will lead the consumer to stop using the same service, thus change for another service or product. The correlation between this elements have produced a strong relationship whereas lack either from this two elements will affect each other in achieving the strong value of correlation.

V. CONCLUSION

This research paper focusing on the relationship of customer satisfaction and corporate image in government initiative influencing customer loyalty. This research seeks to see either there is relationship exist between the customer satisfaction and customer loyalty. The customer satisfaction has been measured in term of the quality service prepared as well as the corporate image of the government itself. The purpose of this paper is to highlight the issue that occurred where the customers tend to change their loyalty this affect the current agency that provide the service and product.

Looking into the result that has been achieved that the hypothesis constructed are acceptable and matched. The hypothesis includes is the customer satisfaction did give influence to the customer loyalty. It is because, through the results, the participants agreed that whenever they are satisfied with the service quality prepared and the image of the corporate, they tend to repeat certain service and product while if they are not feeling satisfied, they will gave up their loyalty towards other agencies.

Through this research also the customers demand for the improvement in the service quality as well as in the corporate image. So, they can continue their loyalty towards the same agencies instead of changing to the other. It's relevant to be applied if this situation happened in the real life where people will stay towards the certain product when they feel that the agency has provided the best service. The medium agencies are used is also important in increasing the loyalty of the customer where the people right now are being more connected with the gadget compared to the direct communication. So, this may help the agencies to keep their customer and be more concerned with the facilities where the best facilities provided deserved the loyalty of the customers. At last, this research has matched the hypothesis created where the satisfaction from the customer did give impact to loyalty of the customers.

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