

ABSTRACT

The rapid growth of cellular network customer rate promises great venture to telecommunication industry. This attracts cellular operators to do their best to win market share. The availability of variety cellular operators, on other side, also increases churn rates, since now customers have wide options to choose from. In research we conducted, it is indicated that simPATI prepaid card in Bandung regency suffers from high degree of churning, and it is necessary that further exploration be accomplished to collect information that can be used as input to Telkomsel to regain market share.

To formulize customer retention program for simPATI prepaid card, it is important to know characteristic of customers who churned to other prepaid card and what caused it. The survey was conducted using Simple Random Sampling method, whose its primary data collecting step is undertaken through questioner. Information collected was further analysed using descriptive statistic method, i.e. frequency, cross tabulation and chi square.

From information collecting step, we found that most of the customers who did churning fall in age range 18-25 years and are students. Primary prepaid card they use is IM3 from Indosat. Most of participants discontinued using their simPATI card after 6 months to 2 years and did not join simPATI zone membership. The major technical reason was very high fee rate, whereas major non-technical reason was lost of card.

Based on our research, it is concluded that a customer retention program is needed to lessen churning rate from simPATI card. The program could be SMS tariff discount to other simPATI card members, conducting mobile banking service to all customers, socializing simPATIzone, informing latest card preloading date more often, controlling starter pack to prevent its price below its nominal.

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