

## ABSTRACT

Internet business development in Indonesia is growing rapidly and wide-open these days. This is indicated by the increasing number of subscribers and internet users. Internet is a media to get all kinds of information quickly and easily, whether used for education, business, or just for entertainment only. A lot of internet service provider compete to each other in order to get as many customer as possible with making improvements on quality of services, so that business competition in the internet world become more stringent. But it is also possible that the customers *churn* from services they have been used, this can happen because lack of customers' needs by the Internet service provider, which will arise customers' dissatisfaction. For this reason the author conducted research in Telkom Madiun. The company is already increase the speed of internet access to meet the needs of customers, such as migrating production tools, but *churn* still happen among many customers of speedy personal. So, the author wants to know what factors are causing the customer *churn*, measure the level of customer satisfaction with *customer satisfaction index* and *customer satisfaction gap index*, determine which variable should be prioritized to get maintenance using *importance-performance matrix*, then formulate the *retention customer program*.

The data gathering technique is done by spreading the questionnaire twice. The first questionnaire distributed to speedy customer who already *churn*, to figure out the factors that causing *churn*. Then the second questionnaire distributed to speedy customers to figure out satisfaction level on their current speedy service. From the calculation and analysis conducted, the *customer retention program* can be formulated.

Result of research shows that the main factor is the decreasing of speedy quality. And after measuring the level of speedy customer satisfaction, it is still on the average performance 69.70. This value is relatively small because the company has been improving the performance of services with the speedy migration. Usually, customers are not satisfied on variables in the responsiveness dimension, because many of the services of companies that are not in accordance with customer expectations, so that variables in the responsiveness dimension must be a priority for maintenance. Thus, the company must be able to increase customer satisfaction with implying *customer retention program*. It also should make the measurement of customer satisfaction level on regular basis, so that the company knows how to change the satisfaction level with increasing customer service from the company and the company can retain customers.

Key Word : *churn, customer satisfaction index, customer retention*