ABSTRACT

The objective of this research is to reduce Speedy's customer churn rates in PT Telkom DCS Area Denpasar by increasing customer loyalty that can retain customers. The proposed variables that have associated with customer loyalty are alternative attractiveness, customer satisfaction, corporate image dan switching cost.

Data was collected through a survey using questionnaires to 196 Speedy's customers in DCS Area Denpasar that have minimum six months subscribe. According on the calculation of the value of significance and correlation of several hypotheses, it is known that all the previously formulated hypotheses have been proven. Alternative attractiveness, customer satisfaction, corporate image and switching cost have a relationship with customer loyalty. Switching cost has the highest correlation whereas the correlation value is 0.539 and significance value is 0.000.

Due to formulate the recommendations of customer retention program, an analysis to determine improvement priorities based on the position of certain variables in the diagram of importance level and actual performance that received by customer was conducted. Recommendations are formulated based on the suggestion of Speedy's customer in DCS Area Denpasar and benchmark from other companies. The superior program of this research are information of complaint handling progress, periodic customer feedback, sponsorship program, advertising program "Cintai Produk Dalam Negeri" and mySpeedy Account.

keywords   : churn, alternative attractiveness, customer satisfaction, corporate image, switching cost, customer loyalty, customer retention program