

ABSTRACT

The fact that the increase in PT. Telkomsel revenue is at +52,56% shows that this is the highest revenue compared to three other revenue generators. The growth potential of digital revenue requires Telkomsel to have the right strategy to increase digital service use and to maintain current customers. Segmentation of digital customers must to be organized in several groups with specific characters and patterns to improve PT. Telkomsel of enhancing marketing strategies according to customer characteristics.

The purpose of the research is to apprehend the behavioral segmentation of customers of PT. Telkomsel digital service at Sulawesi Region using the k-medoid algorithm. In addition, the research aims to provide strategy and marketing recommendations to retain existing customers and to expand digital service uses. This paper employs secondary data from customer data during service period at January 2019 to June 2019.

The result shows that there are three segments of customers using Telkomsel digital service namely: potential-to lost, high-value loyal customer, and high-value new customer segments. The division of segments into three clusters has obtained silhouette coefficient value with a good category at 0,72. Potential-to lost is a customer segment that has potential to churn as of it needs improvement in service by enhancing the 4G LTE network. High-value loyal customer is a prominent customer segment which has given a lot of benefit to Telkomsel. Therefore, Telkomsel needs to give rewards to the customers who have used digital service on a certain level to retain customers to keep using the service. High-value new customer is a customer segment which contains new customers with a tendency to use social media service. As a result, it needs a digital channel development in Telkomsel promotion such as Facebook. This study also tested the accuracy of customer segmentation with the results of an accuracy value of 93,44%.

Keywords: Behavioral Segmentation, Digital Services, K-Medoids, Telkomsel