ABSTRACT

Government policy that requires network to move to the global System for mobile communication (GSM) prior to December 2016. The migration from GSM to CDMA Smart Telecom makes Smart Telecom had to compete with other carriers. This makes the Smart Telecom had to do a proper strategy to retain old customers from moving to another mobile operator when CDMA network can not be used again, and compete to get new customers in GSM/4GLTE. In the competition of the telecommunications industry, customer satisfaction and confidence in the use of a product is very important to keep customers. A provider of cellular operators is always trying to show the excess and provide an interesting promotional offer to take the other service provider customers. For it is in such a condition, the company had to find and build the initiative about the satisfaction which aims to increase the resistance switch. In addition the cost to acquire new customers is greater than the costs incurred for the old customers, then from to keep old customers need for good customer retention

This research is quantitative research involving 120 respondents as samples. How data collection is done with the dissemination of a questionnaire using likert scale of five points. The techniques of statistical analysis done is descriptive analysis and multiple linear regression analysis for hypothesis testing, and for processing the data using SPSS for windows v. 23.

Based on the results of data analysis, it can be noted that the test based on the dependent variables are all partial effect significantly to independent variable, simultaneously switching barriers, customer trust, and customer satisfaction has influence significantly to customer retention. Adjusted R Square value obtained 60.8% while the rest amounted to 39.2% explained by other variables that are not used in this study.

From the results obtained, Smart Telecom had to make a new breakthrough of a more binding customers so customers are not easily turn to other operators. Either in terms of more innovative products from competitors or fares and promos are more interesting to get the desired retention rate.

Keyword : costumer trust, swithing barriers, costumer satisfaction, costumer retention, and service provider smartfren