

ABSTRACT

Telkom as the only one provider of PSTN has a high churn level and always increase every year. It cause Telkom's revenue declined, especially in PSTN sector. This condition is very harm for Telkom and if it continued for along time, Telkom will be decline. Because of that, hopefully, this research can create a program to maintain Telkom's customer which can influences their profit later.

In this research, data collecting has taken from questionnaire spreading to Telkom's subscribers. Questionnaire has spread by convenience sampling method. It consist of two parts. The first part about screening and responden's general profile. The second part consist of questions which use to measure variable which have been identified before, there are price, inconvenience, core service failure, responses to service failure, and about responden's perception of customer switching intention.

The result of this research, shows that the reason of responden who have willing to churn caused by influence of price, inconvenience, and responses to service failure. While core service failure are not influence significantly to switching intention.

Based on variables that influences to customer switching intention, then will be create the Customer Retention Programs. The concept of retention program will be used in the existing program. With this program, hopefully churn rate in PSTN will be decrease, Telkom's subscribers will be more loyal and the company will get many advantages and benefit indirectly.

Keyword : customer switching, PSTN, and customer retention program