

ABSTRACT

In retaining customers, PT. Telkomsel needs a way to predict the customer's risk when it will become churn. When predicting churn, there are various data processing techniques that can be applied. One of them is the churn prediction model. Large companies must implement the churn prediction model to be able to detect or know the possibility of a churn before their customers effectively leave the company which can affect the company's revenue.

This study intends to examine the effect of price perception, perceived quality, after-sales service on customer satisfaction and how customer satisfaction influences churn decisions through quantitative approach methods using simple random sampling techniques. The analysis was performed using Structural Equation Modeling (SEM) equation modeling through SPSS and AMOS by using 5 variables, namely price perception, perceived quality, after-sales service, customer satisfaction and churn decisions through 20 indicators on the five variables.

Of the four hypotheses tested; price perception (H1) has a positive and significant effect, perceived quality (H2) has a positive but not significant effect, after-sales service (H3) has a positive and significant effect on customer satisfaction. Consumer satisfaction (H4) has a positive influence on churn decisions, this proves that consumer satisfaction has not been able to hold someone not to churn, given the competition in the telecommunications business that is very tight, not necessarily a satisfied consumer does not do churn. This is because the perceived quality of Telkomsel customers does not affect consumer satisfaction.

Keywords: Price perception, perceived quality, after-sales service, customer satisfaction, churn