THE DESCRIPTIVE STUDY ON THE EFFECTIVENESS OF COMPLAINT HANDLING IN RETAINING CUSTOMERS IN COMPANY X

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INTERNATIONAL BUSINESS MANAGEMENT
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WIDYA MANDALA CATHOLIC UNIVERSITY
SURABAYA
2016
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INTERNSHIP REPORT
Addressed to
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WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA
To Fulfill the Requirements for the Bachelor of Economics Degree
International Business Management Program

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2016
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FOREWORD

Praise and thanksgiving to the presence of God Almighty for all the blessings, guidance and blessings to the author until the completion of this thesis entitled "The Descriptive Study on the Effectiveness of Complaint Handling in Retaining Customers in Company X".

Preparation of this paper aims to fulfill one of the requirements to obtain a bachelor's degree in the faculty of business economics Widya Mandala Catholic University Surabaya.

Although it has been tried in accordance with all existing capabilities, but the author is fully aware that this thesis there is still shortcomings. Suggestions and constructive criticism is expected by the authors for improvement in the future.

The authors realize that this paper will not produce good results without their valuable assistance from various parties. Therefore, on this occasion, the author would like to thank to:

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provided help and knowledge for the author during study in International Business Management.

4. The family and friends who have a lot to give moral support to complete this thesis in the end.

The author hopes that this paper will be useful both for science and the development of Widya Mandala Catholic University Surabaya.

Surabaya, June 1st 2016

Author,

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Complaint handling is the essential part of a company to have. It acts as a corrective action for customers if they feel disappointed if the product or service didn’t meet their expectation. It will need to be as effective as it can to prevent disappointed customers to leave and switch to competitors. Some of the important aspects of effective complaint handling are responsiveness, accessibility, and high visibility.

Company X is a market leader in its industry. It is important for a high rank company like Company X to have effective complaint handling. However, although their complaint handling is already advanced and effective in most of the aspects, there is still problem in here and there. The main problem of their complaint handling is the speed of complaint handling process or duration. It causes post-complaint handling dissatisfaction. To overcome with this weakness, Company X should have improvement in its internal coordination to make the process faster. They also have to be more visible to customers related to its complaint handling. For example provide FAQ in company website or detail about the procedure of complaint handling.

The ineffectiveness may not impact directly to customer retention in the short-term as their complaint handling is already effective. But if it is continues for a long time, it may harm company’s image.

**Keyword:** Complaint Handling, Customer Retention