



The influence of product quality and price on customers' decision to switch from IndiHome

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Article Info:

Keywords:
Product Quality, Price, Switching Behavior

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Article History:

Received : 12-03-2025
Revised : 12-05-2025
Accepted : 21-05-2025

Abstract

Brand switching behavior in the telecommunications industry, particularly among IndiHome customers, is often influenced by factors such as product quality and price. This research aims to examine the impact of product quality and price on customers' decisions to switch brands. The method used is an explanatory quantitative approach, with data collected through questionnaires from 45 respondents who have experienced switching from IndiHome to another service provider. The results indicate that product quality has a positive and significant effect on brand switching behavior. Conversely, price does not show a significant effect on the decision to switch brands. This model is able to explain 38.9% of the variance in switching behavior, suggesting that there are other factors, such as service quality and customer experience, that also play important roles. Theoretically, these findings contribute to consumer behavior literature by affirming that perceptions of product quality have a more dominant influence than price in shaping switching intentions, particularly in the context of subscription-based services like telecommunications. Managerially, the implications of this research indicate that telecommunications companies should prioritize continuous improvement of product and service quality to reduce the risk of customer loss. Although price was not found to have a significant effect, maintaining price competitiveness remains important in facing the intense competition in the industry.

1. INTRODUCTION

IndiHome is an internet service provided by PT Telekomunikasi Indonesia (Telkom) and has become one of the most popular internet service providers in Indonesia. This service offers various home internet packages with varying quality, tailored to meet the needs and preferences of customers. However, despite IndiHome having a large number of customers, many users tend to switch services or change to other providers. Brand switching behavior is a common phenomenon in the service sector, especially in the telecommunications industry (Keaveney, 1995; Bengue & Nugroho, 2021). One of the factors that influence customers' decisions to switch is the product quality and price offered by the service provider. This study aims to identify how product quality and price can affect the switching behavior of IndiHome customers.



According to the [Directorate of Financial Statistics, Information Technology, and Tourism \(2021\)](#), the telecommunications sector in Indonesia has experienced rapid growth, but competition among internet service providers has become increasingly intense. Product quality, including stable internet services, access speed, and after-sales service, plays a crucial role in determining customer satisfaction and loyalty. On the other hand, prices that are considered too high or not aligned with the quality of service provided can drive customers to switch to other providers offering more competitive prices. Based on survey data from [Pahlevi \(2022a\)](#), cheaper internet service providers are often the preferred choice for customers who feel that the price of IndiHome is not commensurate with the quality of service they receive.

One of the studies relevant to this phenomenon is that conducted by [Putra et al. \(2022\)](#), which states that product and service quality are dominant factors in influencing customer loyalty to IndiHome in Jepara. However, this study also found that price has a significant impact on customers' decisions to either continue using IndiHome services or switch to another provider. A similar finding was also reported in a study by [Karnowati et al. \(2021\)](#), which identified that a combination of user experience and service quality could influence brand switching decisions. In the case of IndiHome, many customers experience dissatisfaction with the unstable network quality, leading to a switch to other service providers that offer better quality assurance.

The decision to switch among customers can be influenced by various factors, one of which is price perception. [Keaveney \(1995\)](#) states that a higher price compared to perceived quality can lead customers to seek alternative options that better fit their budget. This aligns with the findings of [Widyaningrum et al. \(2022\)](#), which show that product quality and price are closely related in influencing customers' behavior to switch brands. Research by [Chusnah & Zahratunnisa \(2021\)](#) also highlights that, under certain conditions, such as during the COVID-19 pandemic, factors like price and service quality become the primary reasons for customers to switch to another internet service provider. This research fills that gap by applying an explanatory model to simultaneously test the influence of product quality and price on brand-switching behavior among IndiHome customers, while also comparing the strength of the influence of both variables in the context of subscription services.

Previous research also highlights the importance of service quality in retaining customers and reducing switching behavior. [Hutauruk & Sitorus \(2022\)](#) found that customers' perceptions of poor service quality from IndiHome can affect satisfaction levels and increase the likelihood of switching to another provider. Additionally, [Benge & Nugroho \(2021\)](#) emphasized that brand image and service quality play crucial roles in the loyalty of IndiHome customers in Surabaya. Poor service quality is often linked to a lack of responsiveness from the service provider, which causes customer dissatisfaction and ultimately leads to switching decisions. Not only service quality, but also the customer experience during the use of the product or service plays a significant role. According to [Lappeman et al. \(2022\)](#), a poor customer experience can trigger disappointment, eventually prompting them to seek alternative services. This is reflected in data obtained by [Pahlevi \(2022b\)](#), which reveals that many IndiHome customers have complained about the service

quality, including unstable connections and inadequate customer service. This situation has the potential to be a key factor in switching decisions.

In addition to product quality and price, another factor that influences switching behavior is the customer's perception of the value received. [Santoso \(2019\)](#) explains that switching behavior often occurs when customers feel that the value they receive from a service does not match the price they pay. In this case, customers tend to seek alternatives that offer better value at a more competitive price.

Based on various previous studies, it can be concluded that product quality and price have a significant influence on customer switching behavior. However, this is also influenced by other factors such as service quality, user experience, and the perceived value received by the customer. This study is expected to contribute further in understanding the factors that affect the switching behavior of IndiHome customers, as well as provide recommendations for the company to improve the quality of their products and services to retain customer loyalty. Although the literature has extensively discussed the influence of these aspects, there has not been a comprehensive study exploring the gap between product quality perception and price sensitivity, particularly among IndiHome customers in the post-pandemic era, where consumer behavior and service cost structures have changed significantly. Based on various previous studies, it can be concluded that product quality and price have a significant influence on customer switching behavior. However, this is also influenced by other factors such as service quality, user experience, and the perceived value received by the customer. This study is expected to contribute further in understanding the factors that affect the switching behavior of IndiHome customers, as well as provide recommendations for the company to improve the quality of their products and services to retain customer loyalty.

Thus, the theoretical contribution of this research is to clarify the dominance of product quality perception over price in predicting switching intention in the subscription-based telecommunications industry. Its managerial contribution is to provide practical recommendations for IndiHome management to balance investments in product feature enhancements and pricing strategies in order to maintain market share and reduce churn rate. Thus, this study will thoroughly examine how product quality and price can influence customers' decisions to switch from IndiHome to other internet service providers, as well as provide valuable insights for companies to improve customer satisfaction and loyalty.

2. THEORETICAL REVIEW AND HYPOTHESIS

Product Quality

Product quality is one of the key factors influencing purchasing decisions and customer loyalty. According to [Benge and Nugroho \(2021\)](#), high product quality can enhance customer satisfaction and strengthen their loyalty to a brand. In the context of services like IndiHome, product quality includes various aspects such as network stability and the quality of the internet connection offered. Poor product quality can lead customers to switch to another service provider ([Chusnah & Zahratunnisa, 2021](#)). The study by [Ahn, Rho, & Han \(2003\)](#) in the Korean telecommunications industry shows that the perception of technical service quality (network performance) directly reduces customer churn rate. Meanwhile, [Krishnan & Hartline \(2001\)](#) emphasize that dimensions of non-technical

product quality, such as additional features and ease of use, also strengthen loyalty. The study by [Jones, Mothersbaugh, & Beatty \(2000\)](#) reveals that high switching barriers, such as switching costs or the complexity of migration, moderate the effect of product quality on the intention to switch brands.

[Edeh et al. \(2023\)](#) also show that product quality failing to meet expectations can trigger switching behavior among customers. Additionally, [Hutauruk and Sitorus \(2022\)](#) emphasize that product quality plays an important role in improving customer satisfaction, which in turn reduces the likelihood of switching behavior. Previous research by [Putra et al. \(2022\)](#) also confirms that poor product quality negatively impacts the loyalty of IndiHome customers. [Benge and Nugroho \(2021\)](#) reveal that good product quality positively influences IndiHome customer loyalty but does not reduce the likelihood of customers switching if the pricing is too high.

Other research by [Widyaningrum et al. \(2022\)](#) also shows that high product quality can reduce the likelihood of switching behavior because customers feel satisfied with the service quality they receive. Moreover, [Zaini \(2018\)](#) adds that product quality, both in terms of features and performance, influences consumers' decisions to stay with a particular brand or switch to a competitor. In this context, product quality refers to the attributes customers receive, such as service reliability, internet connection stability, and additional features offered by IndiHome. Poor product quality often serves as the main trigger for consumers to seek better alternatives ([Hutauruk & Sitorus, 2022](#)).

Price

Price is often one of the variables that influences consumers' decisions when choosing a product or service, including in the telecommunications sector. [Keaveney \(1995\)](#) found that prices considered non-competitive can increase the likelihood of switching behavior, especially when customers feel they can obtain similar services at a lower price. In the case of IndiHome, higher service prices compared to other service providers can encourage customers to switch ([Karnowati et al., 2021](#)). In line with this, [Lappeman et al. \(2022\)](#) explain that a high price perception can be an important factor influencing customers' decisions to change brands, especially if they feel that the price does not align with the quality of the service provided. Research by [Widyaningrum et al. \(2022\)](#) also shows that price significantly affects brand switching behavior, particularly among customers with high price sensitivity. [Verhoef \(2003\)](#) then developed a model where transparent and flexible pricing structures (e.g., prepaid vs. postpaid packages) can reduce churn. [Homburg, Koschate, & Hoyer \(2005\)](#) found that price sensitivity varies across customer segments; the higher the emotional attachment to the brand, the smaller the impact of price on switching intention.

Switching Behavior

Switching behavior, or brand switching behavior, is a common topic of study in the field of marketing management, particularly in the context of customer service. A customer's decision to switch from one brand to another is often influenced by several factors, such as product quality and price ([Chusnah & Zahratunnisa, 2021](#)). [Kotler & Armstrong \(2018\)](#) explains that switching behavior is a result of customer dissatisfaction

with a product or service, caused by unmet expectations. In the case of IndiHome, customers are likely to switch if they feel the price paid does not match the quality received. Product quality and price interact in shaping a customer's decision to stay or switch to another brand. [Widyaningrum et al. \(2022\)](#) show that product quality and price have a significant impact on the switching behavior of IndiHome customers in Semarang. The study emphasizes that poor product quality increases the likelihood of switching, but excessively high prices can also accelerate brand switching behavior, even if the product quality offered is still adequate. Research by [Tafiprios and Astini \(2019\)](#) indicates that switching behavior can be minimized by improving product quality and maintaining more competitive pricing, suggesting that both factors are crucial in reducing customer switching behavior.

The decision to switch brands is not only determined by quality and price, but also by switching barriers and overall satisfaction ([Jones et al., 2000](#)). [Xu, Teo, Tan, & Agarwal \(2010\)](#) added that trust and data security also influence churn in digital services. [Herrmann, Xia, Monroe, & Huber \(2007\)](#) showed that the overall experience quality of customer experience from onboarding to after-sales can be a stronger predictor of churn than single variables such as price or technical quality.

Based on the theoretical review provided, the hypotheses proposed in this study are as follows:

- H₁: Product quality has a significant partial effect on switching behavior among IndiHome customers.
- H₂: Price has no significant partial effect on switching behavior among IndiHome customers.
- H₃: Product quality and price simultaneously have an effect on switching behavior among IndiHome customers.

3. RESEARCH METHODOLOGY

This study aims to examine the effect of product quality and price on the switching behavior of IndiHome customers. The research type used is quantitative research with an explanatory approach. The explanatory approach was chosen because this study aims to explain the cause-and-effect relationship between the variables of product quality, price, and customer switching behavior. According to [Narimawatti \(2020\)](#), explanatory research seeks to explore the relationships between existing variables by testing the hypotheses formulated. [Keaveney \(1995\)](#) also stated that studies in customer behavior often adopt an explanatory approach to assess the factors influencing customers' switching decisions.

This study targets a population of customers who have used IndiHome for less than one year and more than one year, residing in Pringsewu Regency. The population includes an unknown number of customers who have subscribed, as the number continues to increase, but still remains within a certain limit, with 45 respondents who have previously subscribed to IndiHome. The research uses purposive sampling, where individuals are selected by the experienced researcher based on specific characteristics relevant to the known population. Therefore, the entire population is considered as the sample, totaling 45 respondents. The sample selection of 45 respondents is based on a balance between the

availability of resources (time and cost) and the minimum requirements for preliminary analysis in the pilot explanatory study.

The data used in this study is primary, obtained through questionnaires distributed to IndiHome customers who have experienced switching. This data includes information regarding customer perceptions of product quality, price, and their experiences related to switching behavior. [Keaveney \(1995\)](#) explained that to measure switching behavior, data regarding customers' decisions to switch brands or services is essential. Therefore, the questionnaire is designed to gain in-depth insights on this matter. [Chusnah & Zahratunnisa \(2021\)](#) also highlighted the importance of accurate data regarding customer experiences to analyze factors influencing brand switching, especially in the context of the telecommunications service industry, such as IndiHome.

However, the use of a sample of 45 respondents has the potential limitation in terms of statistical power. With a relatively small sample size, this study is at risk of having difficulty detecting small effects (moderate to weak effects), thus increasing the likelihood of a Type II error (failing to reject a false null hypothesis). Additionally, the generalization of findings to a broader population becomes limited, so the results of this study should be regarded as preliminary findings (pilot study) that require further confirmation with a larger sample.

The indicators used to measure the variables in this study are based on existing literature. For the product quality variable, the indicators used include reliability, speed, and the quality of services provided by IndiHome. According to [Benge & Nugroho \(2021\)](#), product quality in the context of internet services includes aspects such as network stability and access speed. For the price variable, the indicators used include perceptions of fair pricing and customer satisfaction with the costs incurred, as revealed by [Hutauruk & Sitorus \(2022\)](#). The indicator used to measure switching behavior refers to customers' willingness to switch to another service provider, measured by reasons such as dissatisfaction and bad experiences with the existing service, as discussed by [Karnowati et al. \(2021\)](#).

The statistical model used in this study is Partial Least Squares Structural Equation Modeling (PLS-SEM). PLS-SEM was chosen for its ability to analyze complex relationships between variables, as well as its capability in handling data with non-normal distribution and relatively small sample sizes. PLS-SEM, according to [Edeh et al. \(2023\)](#), is an effective method for testing relationships between latent variables in social and business research. This model will consist of two main paths: between product quality and switching behavior, and between price and switching behavior. The relationship between product quality and price will also be analyzed in this model to assess how these two variables influence customers' decisions to switch service providers. This model can be described as follows:

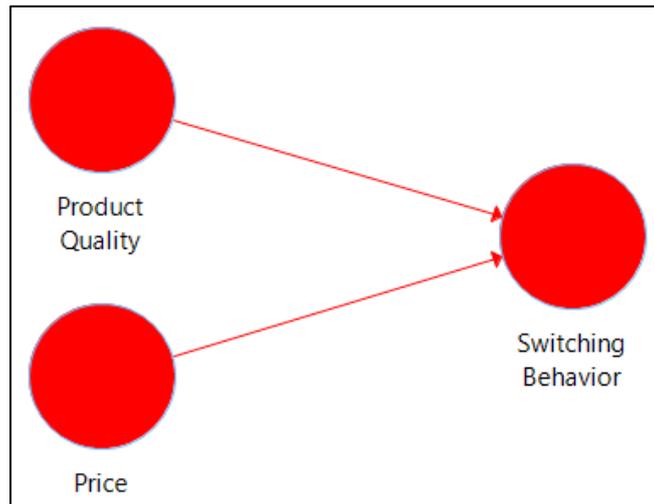


Figure 1. Research model

This model will be analyzed using SmartPLS software, and the results will indicate whether product quality and price significantly affect the switching behavior of IndiHome customers.

4. RESULTS AND DISCUSSION

Evaluation of the measurement model (outer model)

The testing of the outer model includes validity and reliability tests. Validity is assessed based on the loading factor, where an indicator is considered valid if its value is ≥ 0.7 (Ardiansyach et al., 2022). Table 1 shows that all indicators meet this criterion, thus the data can be used for the next steps.

Table 1. Calculation of Loading Factor Values

Indicator	Loading Factor	Indicator	Loading Factor	Indicator	Loading Factor
X1.1	0.854	X2.1	0.829	Y.1	0.738
X1.2	0.888	X2.2	0.908	Y.2	0.868
X1.3	0.885	X2.3	0.964	Y.3	0.885
X1.4	0.799	X2.4	0.928	Y.4	0.871
X1.5	0.746				

Based on Table 1, all the listed loading factor values meet the required criteria, with values ranging from 0.738 to 0.964. Specifically, the indicator X1.1 has a loading factor of 0.854, X1.2 is 0.888, and X1.3 is 0.885, indicating that these three indicators are valid in measuring variable X. Although indicator X1.4 has a lower value of 0.799, it still meets the minimum threshold of 0.7. For variable Y, indicator Y1 has a loading factor of 0.738, which is slightly lower than the others, but it is still valid. The loading factor values for indicators Y2, Y3, and Y4 are higher, at 0.868, 0.885, and 0.871, respectively, further reinforcing the validity of variable Y measurement. Overall, based on the results from this table, it can be concluded that all the indicators used in this study are valid because they have loading factor values greater than or equal to 0.7. Therefore, the data produced can be accepted for further analysis in this quantitative study.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	AVE
Product Quality	0.892	0.700
Price	0.929	0.826
Switching Behavior	0.866	0.710

Based on Table 2, it can be explained that Cronbach's Alpha is used to assess the internal consistency of the indicators used to measure a variable. A Cronbach's Alpha value greater than 0.7 indicates good reliability. According to the table, all variables have Cronbach's Alpha values higher than 0.7: Product Quality (0.892), Price (0.929), and Switching Behavior (0.866), which means that these three variables show a high level of internal consistency and reliability.

Meanwhile, the Average Variance Extracted (AVE) is used to measure the extent to which the indicators explain the variance in the latent variable being measured. An AVE value greater than 0.5 indicates that the variable has good convergent validity, meaning that the indicators used successfully explain most of the variance in the latent variable. In this case, the AVE value for Product Quality is 0.700, for Price is 0.826, and for Switching Behavior is 0.710, all of which meet the $AVE > 0.5$ criterion. This shows that all variables in this study have adequate convergent validity. Overall, the results presented in this table indicate that the three variables analyzed Product Quality, Price, and Switching Behavior have good reliability and convergent validity, making the data generated reliable for further analysis in this quantitative study.

Table 3. Results of Discriminant Validity Test

Variable	Root AVE	Highest Correlation Coefficient with Other Constructs	Conclusion
Product Quality	0.836	0.700	Discriminant validity is fulfilled.
Price	0.908	0.612	
Switching Behavior	0.842	0.612	

Based on the table, for the Product Quality variable, the square root of AVE is 0.836, and the highest correlation coefficient with other constructs is 0.700. Since the square root of AVE is greater than the highest correlation coefficient, the Product Quality variable meets the criteria for discriminant validity. Similarly, for the Price variable, the square root of AVE is 0.908, and the highest correlation coefficient is 0.612, indicating that discriminant validity is also satisfied. The same applies to the Switching Behavior variable, with a square root of AVE of 0.842 and a highest correlation coefficient of 0.612, indicating that discriminant validity for this variable is also met.

Therefore, it can be concluded that all three variables in this study – Product Quality, Price, and Switching Behavior – have met the discriminant validity criteria, which shows that each variable is clearly distinguishable from the others in the measurement model. This confirms that the data used in this study are of good quality and valid for further analysis.

Structural Test Results (inner model)

Path analysis is used to test the hypotheses in this study by calculating the path coefficients and R². R² indicates the proportion of variance in the dependent variable that can be explained by the independent variables, while the path coefficients show the strength of the influence between constructs as well as the interaction effects (moderation) (Ardiansyach et al., 2022).

The t-statistics values generated through bootstrapping in SmartPLS are used to test the significance of the relationships between constructs. If the t-statistics and p-values are ≤ or = 0.05, the relationship between constructs is considered significant. To view the path coefficients and t-statistics, as well as the summary of the SmartPLS path analysis results, refer to Table 4.

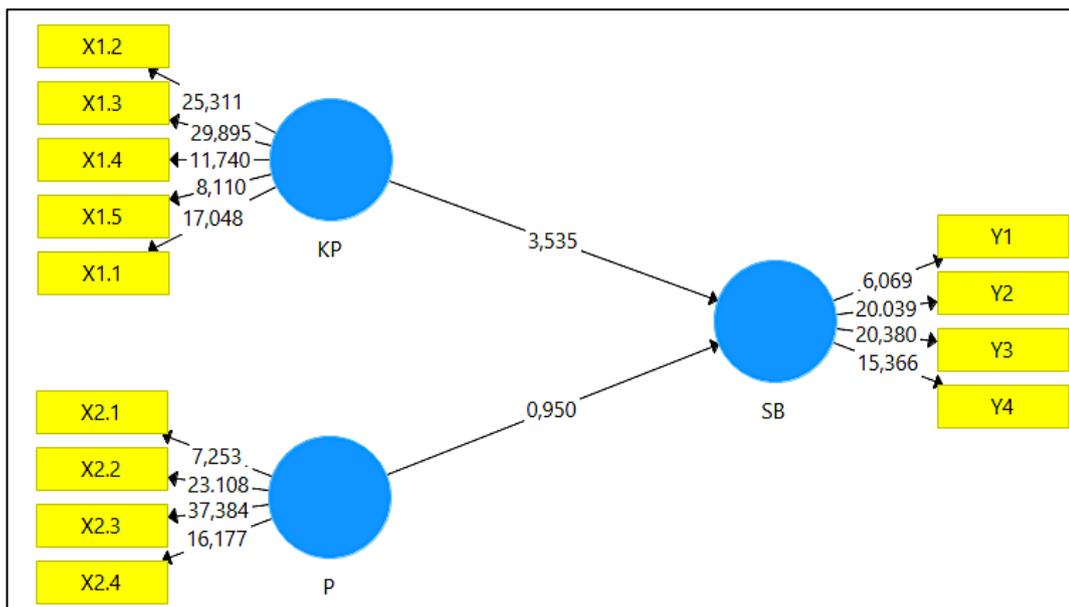


Figure 2. PLS Test Results (Inner Model)

Based on the results in Table 4, it can be explained that in the first relationship, namely Product Quality (PQ) and Switching Behavior (SB), the Original Sample value is 0.530, indicating a positive influence between the two variables. The T Statistics value for this relationship is 3.535, which is greater than the critical value of 1.96, indicating that this relationship is statistically significant. Additionally, the P Value of 0.000 shows strong significance, as the p-value is much smaller than 0.05. Therefore, it can be concluded that Product Quality has a significant effect on Switching Behavior.

Table 4. PLS Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
KP -> SB	0.530	0.527	0.150	3.535	0.000
P -> SB	0.147	0.177	0.155	0.950	0.343
R ² = 0.389					

For the second relationship, namely Price (P) and Switching Behavior (SB), the Original Sample value is 0.147, which also shows a positive effect, but is smaller compared to the Product Quality relationship. The T Statistics value for this relationship is 0.950, which is lower than 1.96, indicating that this relationship is not statistically significant. The P Value of 0.343, which is greater than 0.05, suggests that the effect of Price on Switching Behavior is not significant.

Furthermore, the R² value of 0.389 indicates that 38.9% of the variance in Switching Behavior can be explained by the Product Quality and Price variables in this model. This suggests that the model contributes reasonably well, although other factors may still influence Switching Behavior.

The Influence of Product Quality on IndiHome Customers' Switching Behavior

The results of this study show that product quality (PQ) has a significant positive influence on brand switching behavior (Switching Behavior/SB). The Original Sample value of 0.530 indicates that the better the product quality, the greater the likelihood that consumers will switch brands. Furthermore, the T Statistics value of 3.535, which is higher than the critical value of 1.96, indicates that this relationship is statistically significant. The P Value of 0.000 also demonstrates a very strong significance, as the p-value is much smaller than 0.05. Therefore, it can be concluded that product quality significantly influences consumers' brand switching behavior.

This result is in line with the theory stating that product quality greatly affects customer loyalty and behavior. [Keaveney \(1995\)](#) states that poor product quality can lead consumers to switch to other brands they perceive as better. Similarly, [Benge and Nugroho \(2021\)](#) argue that good product quality can enhance customer satisfaction and reduce the likelihood of brand switching.

This study also supports previous research. For example, [Chusnah and Zahratunnisa \(2021\)](#) found that good product quality can reduce brand switching behavior among users of the Tri network. The research by [Widyaningrum et al. \(2022\)](#) on IndiHome customers also shows that product quality plays a significant role in reducing brand switching.

The Impact of Price on IndiHome Customers' Switching Behavior

The results of this study show a relationship between the Price (P) variable and Switching Behavior (SB), with an Original Sample value of 0.147. Although this figure indicates a positive influence between Price and Switching Behavior, the effect is relatively small compared to the Product Quality variable, which has a greater influence. The T Statistics value for the relationship between Price and Switching Behavior is 0.950, which is lower than the threshold value of 1.96. This indicates that the relationship is not statistically significant. Furthermore, the P Values of 0.343, which is greater than 0.05, suggests that the impact of Price on Switching Behavior is not significant.

In the context of existing theories, these findings do not entirely align with some previous studies that suggest price can be a significant factor in brand switching behavior. [Keaveney \(1995\)](#), in his study on customer switching behavior in the service industry,

found that price, along with other factors such as service quality and perceived value, plays an important role in a customer's decision to switch brands. However, in this study, the influence of price on brand switching behavior appears to be weaker than expected, possibly due to other more dominant factors affecting customer behavior. This possible inconsistency can be explained by IndiHome's bundling strategy (multi-service packages), where the price effect is muted by the perception that customers "get more value" even though the nominal price is slightly higher.

[Karnowati et al. \(2021\)](#) in their study on factors affecting brand switching also stated that service quality and customer satisfaction have a stronger influence on switching behavior than price. This may help explain the results of this study, where price did not show a significant impact. Additionally, in the research by [Benge and Nugroho \(2021\)](#), it was found that product quality and brand image have a stronger influence on customer loyalty than price, indicating that non-price factors could be more dominant in influencing customers' decisions to switch brands. This indicates that in the telecommunications industry, the quality of after-sales service and response speed may influence the decision to switch providers more than just the price aspect alone.

The decision to switch brands or switching behavior is often influenced by complex factors, where, although price may be a significant factor, product quality, service, and customer experience tend to have a stronger influence in some cases. This is supported by findings from [Chusnah and Zahratunnisa \(2021\)](#), who showed that customer experience, rather than just price, plays a larger role in the decision to switch brands in the context of telecommunication service usage.

The Influence of Product Quality and Price on IndiHome Customers' Switching Behavior

Based on the research results showing an R^2 value of 0.389, it can be concluded that 38.9% of the variance in switching behavior can be explained by the two independent variables in this model, namely Product Quality and Price. Although the model demonstrates a relatively good contribution, there are still other factors influencing switching behavior that are not covered in this model. For example, variables such as service quality, customer satisfaction, and socio-cultural factors may also influence consumers' decisions to switch from one brand to another.

According to the theory, the results of this study align with the customer switching behavior theory, which states that product quality and price are two main factors influencing consumers' decisions to switch brands. [Keaveney \(1995\)](#), in his study on customer behavior in the service industry, stated that price and product quality are two of the most frequent factors triggering brand switching. This is also supported by [Benge & Nugroho \(2021\)](#), whose research on IndiHome customer loyalty found that product quality has a significant influence on customers' behavior in maintaining or switching to another brand. Research by [Chusnah & Zahratunnisa \(2021\)](#) also indicates that product quality and price are the main factors affecting customers' decisions to switch brands, particularly among users of telecommunications service providers. This indicates that without the variables of service quality or experience, the PQ+P model is not fully capable of capturing the complexity of switching behavior.

However, despite the significant contributions of the Product Quality and Price variables, the R^2 value of only 0.389 indicates that 61.1% of the variance in switching behavior remains unexplained by these two variables. Other factors, such as service quality and customer satisfaction, not included in this model, may play an important role. For instance, [Hutauruk & Sitorus \(2022\)](#) in their research on IndiHome customer satisfaction also highlighted the importance of service quality in influencing customer satisfaction and decisions to switch brands. The differences in R^2 and the strength of influence between studies can be caused by variations in methodology (e.g., sample size, questionnaire instruments), local market conditions, as well as the level of technology penetration among customers that affects the expected service level.

The results of this study are consistent with the findings of [Widyaningrum, Farida, and Prihatini \(2022\)](#), who stated that while product quality and price have an impact on switching behavior, service quality also plays a significant role. This indicates that while the model is quite good, there is still room for improvement by adding other factors that influence customer behavior.

5. CONCLUSION AND RECOMMENDATIONS

Based on the results of the study, it can be concluded that the Product Quality (PQ) variable has a significant effect on Switching Behavior (SB), with an Original Sample value of 0.530 and a T Statistics value of 3.535, which is greater than the critical value of 1.96, as well as a P Value of 0.000, indicating strong significance. This suggests that the better the product quality, the higher the likelihood that consumers will switch brands. In contrast, the Price (P) variable does not have a significant effect on Switching Behavior, as evidenced by an Original Sample value of 0.147, a T Statistics value of 0.950, which is below the threshold of 1.96, and a P Value of 0.343, which is greater than 0.05. Furthermore, the analysis shows that this model can explain 38.9% of the variance in Switching Behavior, with an R^2 value of 0.389. However, 61.1% of the variance remains unexplained by the Product Quality and Price variables, indicating that other factors, such as service quality and customer satisfaction, may also play a role in influencing customers' decisions to switch brands. This study supports the theory of customer switching behavior, emphasizing the importance of product quality in brand switching decisions, although other factors such as price and service quality need to be considered further in future research.

The implications of this research for telecommunications industry practitioners emphasize the need to optimize network quality through infrastructure upgrades and routine maintenance to minimize service disruptions, as well as the implementation of real-time monitoring systems for faster problem detection. Furthermore, the company should develop a structured customer feedback program (such as periodic surveys and interactions on social media) to align product features with the actual needs of the market, while also designing value-added bundling packages and loyalty points programs to remain competitive on price without compromising margins. Through data analytics-based segmentation (identifying customer groups that are vulnerable to switching and tailoring special offers for each segment) companies can enhance retention in a more measurable way. For future research, it is advisable to include variables such as Service Quality,

Customer Satisfaction, and Customer Experience, as well as to increase the sample size to improve the validity of the findings and test the moderating role of demographic factors.

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