

CHAPTER 2

LITERATURE REVIEW AND BASIC THEORY

2.1. Literature Review

This section explains previous research related to the matter being researched. This section was created to obtain information about methods, methods used in solving problems, and solutions obtained from previous research. The information will be used to determine the proposed improvement in this research.

Several studies highlight the importance of the voice of customer as the basis for service development. Assaf et al. (2015) investigated the hospitality industry, proposing solutions to improve the response to customer feedback in order to bolster hotel performance. Iqbal & Grigg (2021) combine Quality Function Deployment (QFD) with a competitor matrix, advocating for the prioritization of customer voice in the product development process. Pandya et al. (2021) formulated a strategy for improving coffee shop services by prioritizing the voice of customers as the primary basis. Additionally, Nuansi & Ngamcharoenmongkol (2021) employ customer voice impact analysis within the framework of proactive complaint management to improve satisfaction.

Other research emphasizes the significance of comprehending the customer experience in its entirety across the customer journey. Lemon & Verhoef (2016) employed the customer journey analysis technique to offer a comprehensive insight into the customer experience, aiming to foster loyalty. Solosichenko et al. (2021) investigated the restaurant industry using a customer satisfaction-oriented approach to promote more rational consumption behaviors. Additionally, Tjahyadi et al. (2021) demonstrated that educating customers enhances loyalty by improving service quality.

Numerous studies have specifically addressed the enhancement of service quality at PT Telkom Indonesia, particularly concerning their products. Widyasrini & Puspitasari (2018) employed Importance Performance Analysis (IPA) to pinpoint service elements that require improvement. Fauziyah & Tjahjaningsih (2023) emphasize the significance of price perception, after-sales service, and promotional activities in fostering customer satisfaction for IndiHome. Oscar & Pratama (2023) concentrated their research on the management of IndiHome customer complaints at PT Telkom Indonesia STO Rajawali in Bandung, proposing

solutions to enhance the complaint resolution process. Edyansyah (2016) investigated the correlation between service quality and customer satisfaction at the PT Telkom Indonesia Lhokseumawe Branch, discovering a positive association between the two.

In another study, Novokreshchenova et al. (2016) utilized quality management tools to improve customer within the banking industry, with findings indicating the success of these tools for service improvement. Meanwhile, Tungare et al. (2023) propose the use of NPS as a framework for improving customer satisfaction through service strategies based on NPS.

Furthermore, several studies have utilize the SERVQUAL and TRIZ methods in improving service quality. Neyland et al. (2022) implemented these methods in the automotive industry, while Rahayu and Lukmandono (2019) applied them to PT Pos Indonesia, both aiming to elevate service quality through the integration of these two approaches. Yanottama et al. (2020) also used a combination of SERVQUAL and TRIZ in the context of service improvement in general. In addition, Ulkhaq and Barus (2017) used SERVQUAL to analyze services, with results highlighting the dimensions of services that need to be improved.

In summary, the findings of these studies indicate that initiatives aimed at improving service quality and customer satisfaction have been extensively undertaken, employing diverse strategies customized to their unique attributes. These strategies have been broadly applied across multiple sectors to facilitate improvement.

2.2. Basic Theory

In this section, there are several theories related and used in this study. The theoretical basis explains items related to research methods and also the purpose of research.

2.2.1. Service Management

In the development of marketing strategies and service quality management, service quality is the company's ability to meet customer needs and expectations through five dimensions (Kotler, 2023).

a. Tangibles

Physical facilities, equipment, digital media, and the appearance of information provided to customers reflect the company's commitment to quality and professionalism.

b. Reliability

The ability to perform the promised service accurately and dependably is critical to building customer trust and satisfaction.

c. Responsiveness

Willingness and readiness to assist customers promptly demonstrate the company's commitment to customer needs.

d. Assurance

Knowledge, competence, and courtesy of employees help build customer confidence in the service provided.

e. Empathy

Providing personalized attention and understanding the specific needs of each customer fosters stronger customer relationships.

2.2.2. Net Promoter Score (NPS)

Net Promoter Score (NPS) is a tool to assess customer loyalty to a company, product, or service. NPS is measured through one key question of how likely are customers recommend the service or product to another people (Reichheld, 2006). Customers are then asked to score between 0 and 10, which allows companies to classify customers in three main groups: Promoters, Passives, and Detractors.

The NPS score is derived by subtracting the percentage of customers who belong to the Detractor group and the percentage of customers who belong to the Promoter group. The NPS formula is:

$$NPS = \%Promoter - \%Detractor \quad (2.1)$$

Higher scores indicate better loyalty levels and more customers who are more likely to give the recommendation of services or products to others. In contrast, lower scores indicate issues in the customer experience that can affect the company's reputation and growth.

In the NPS model, customers are grouped into three categories based on the scores they provide:

a. Promoter (9-10)

Customers who fall into this category are those who give a score of 9 or 10. Promoters are very satisfied and loyal customers, and tend to recommend products or services to others. They play an important role in the growth of the company because they not only make repurchases, but can also be advocates for the brand or product.

b. Passive (7-8)

Customers who give a score of 7 or 8 are classified as Passive. Even if they are satisfied with the product or service provided, they are not enthusiastic enough to be an active supporter. They usually won't give recommendations or do active promotions for the brand. Customers in this group are also very vulnerable to competitors who offer better products or services.

c. Detractor (Skor 0-6)

Customers who score between 0 and 6 are considered Detractors. They feel dissatisfied with the product or service provided and will most likely not recommend it to others. Detractors can risk reducing brand reputation through negative reviews or bad talk, which can impact the company's growth and image.

2.2.3. Customer Journey

The customer journey refers to the entire experience that customers experience when interacting with a brand, from the awareness stage to post purchase. The importance of understanding this journey lies in its effect on customer satisfaction and loyalty. In the concept of customer journey, the company not only pays attention to what customers do at each stage and point of interaction in the

purchase process, but also understands and shapes the ever evolving customer experience (Kotler, 2023).

At the awareness stage, customers first find out about a product or service, and the right marketing strategy must be implemented to grab their attention. After that, at the consideration stage, customers start looking for more information and compare existing options. The company need to provide clear and useful information so that customers feel comfortable making decisions. The buying process must also be considered, because a positive experience here can increase overall customer satisfaction.

After the purchase, the company's focus shifts to retention, where maintaining relationships with customers is important. A loyalty program and quality after sales service can help increase customer retention. In the advocacy stage, satisfied customers tend to recommend products or services to others, creating a positive effect for the company. The understanding every aspect of the customer journey allows companies to make necessary improvements, which in turn will contribute to long-term success.

2.2.4. TRIZ (Theory of Inventive Problem Solving)

TRIZ is an engineering problem-solving tool in compiling solutions and past achievements, to help us understand systematic ways to solve problems in the future (Gadd, 2011). By using TRIZ, the problem will be analyzed specifically and will create contradictions, so it will find a general solution first and then create a specific solution. TRIZ provides 40 principal solutions to overcome the contradictions of problems that occur based on 39 parameter systems, thus giving rise to a method of generating innovation ideas in a practical way. The following are the steps for using TRIZ along with 40 solution principles and 39 parameters.

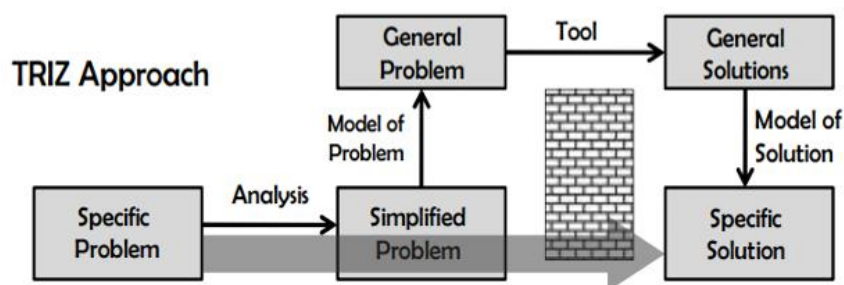


Figure 2.1 TRIZ Step

(Source: Economic and Social Commission for Asia and the Pacific, 2021)

Which properties of the system change for the worse?		1	...	27	28	...	39
Properties of the system to be modified or improved		Mass of the moving object	...	Reliability	Accuracy of measurement	...	Productivity
		1	...	27	28	...	39
1	Mass of the moving object			3, 11 1, 27	28, 27 35, 26		35, 3 24, 37
...	...						
9	Speed	2, 28 13, 38		11, 35 27, 28	28, 32 1, 24		
10	Force	8, 1 37, 18		3, 35 13, 21	35, 10 23, 24		3, 28 35, 37
...	...						
39	Productivity	35, 26 24, 37		1, 35 10, 38	1, 10 34, 28		

Figure 2.2 Contradiction Matrix (Source: Livotov & Petrov, 2023)

1. Weight of moving object	14. Strength	27. Reliability
2. Weight of non-moving object	15. Durability of moving object	28. Accuracy of measurement
3. Length of moving object	16. Durability of non-moving object	29. Accuracy of manufacturing
4. Length of non-moving object	17. Temperature	30. Harmful factors acting on object
5. Area of moving object	18. Brightness	31. Harmful side effects
6. Area of non-moving object	19. Energy spent by moving object	32. Manufacturability
7. Volume of moving object	20. Energy spent by nonmoving object	33. Convenience of use
8. Volume of non-moving object	21. Power	34. Repairability
9. Speed	22. Waste of energy	35. Adaptability
10. Force	23. Waste of substance	36. Complexity of device
11. Tension, pressure	24. Loss of information	37. Complexity of control
12. Shape	25. Waste of time	38. Level of automation
13. Stability of object	26. Amount of substance	39. Productivity

Figure 2.3 TRIZ 39 Parameters (Source: Boavida et al., 2020)

1. Segmentation	11. Cushion in Advance	21. Rushing Through	31. Porous Material
2. Extraction (Extracting, Retrieving, Removing)	12. Equipotentiality	22. Convert Harm Into Benefit	32. Changing the Color
3. Local Quality	13. Do It in Reverse	23. Feedback	33. Homogeneity
4. Asymmetry	14. Spheroidality	24. Mediator	34. Rejecting and Regenerating Parts
5. Consolidation	15. Dynamicity	25. Self-service	35. Transformation of Properties
6. Universality	16. Partial or Excessive Action	26. Copying	36. Phase Transition
7. Nesting (One object is placed inside another)	17. Transition Into a New Dimension	27. Dispose	37. Thermal Expansion
8. Counterweight	18. Mechanical Vibration	28. Replacement of Mechanical System	38. Accelerated Oxidation
9. Prior Counteraction	19. Periodic Action	29. Pneumatic or Hydraulic Constructions	39. Inert Environment
10. Prior Action	20. Continuity of Useful Action	30. Flexible Membranes or Thin Films	40. Composite Materials

Figure 2.4 TRIZ 40 Principles (Source: Boavida et al., 2020)