

## ABSTRACT

The need of fixed phone in a home is still exist since the presence of mobile cellular . The big interest of the people to put in a fixed phone in their home is related to the culture of majority people that feel incomplete if they don't have fixed phone in their home. PT. Telkom is a prime telecommunication fixed phone connection service provider and one of the CDMA base cellular operator in Indonesia. Since May 2004, PT. Telkom provided Fixed Wireless Phone as a substitution of Fixed Wireline to fulfill the need of fixed phone in home that called **Flexi Home**.

Increasingly the competition among the business player of telecommunication and the differently the behavior of customer, so the company have to careful in determining marketing strategy .One of the factor that have to be considered is pricing strategy, because if it's compared with the other marketing mix, price sends the most important signal to the customer. One of the method that can be used to determine price is to use value be the basic of the way to determine price, which is price determined by the value that was received by customer and the company get the payment of the value that they create.

In this research, the value service was measured by comparing customer's perceived benefit with the sacrifice or price that they spend to use the service. Then, this value is compared to value of Wifone service as competitor. This research used Price Sensitivity Meter to determine Customer Willingness to Pay. By considering Customer Willingness to Pay, existing tariff , competitor tariff, importance level of price component , gap importance level – performance, company objective, expense, and regulation, so the result is strategy of decreasing the price.

The proposal tariff that is recommended is following:

<b>Price Component</b>	<b>Recommendation of Tariff Flexi Home</b>
Abonemen charge	Rp.20000/month
Tariff local to PSTN	Rp.100/minute
Tariff local to same operator	Rp.49/minute
Tariff local to another operator	Rp.200/minute
Tariff SLJJ to PSTN	Rp.900/minute
Tariff SLJJ to same operator	Rp.200/minute
Tariff SLJJ to another operator	Rp.800/minute
Tariff SLI	Rp.770/minute
Tariff SMS to same operator	Rp.50/minute
Tariff SMS to another operator	Rp.150/minute

The recommendation tariff obtain NPV equal to Rp1,790,711,733,- , IRR 40% and Pay Back Period 1,78 year.

**Keywords:** Customer Value, Customer Willingness to Pay, Flexi Home