

ABSTRACT

Most of Indonesian people use GSM as their main cellular telecommunication, not only because of its wide coverage but also its core service (voice), which has better performance than CDMA. On the end of 2007, the data shows that 90% from total 96 million customers of mobile service were GSM customers (www.telkom.info).

There has been a unique phenomenon in these periods, gap founded between customer's growth and ARPU's (Average Rate per User) decrease. One of the causes is 'tariff competition' among service providers. The aim of this strategy is to attract new customers and to keep the existing customers. However, service quality has become one of inconsiderable criteria by those providers.

This research will identify which criteria are influence customers selection toward chosen pre-paid GSM, and subsequently will design the service concept for pre-paid GSM, based on these criteria (model of customer's choosing criteria).

Data in this research collected by using survey method through the respondents are subscribers of pre-paid GSM provider in Central of Bandung. Sampling methods that used in the questionnaire's spread are *quota sampling method* and *convenience sampling method*. The Questions on this questionnaire consists of three sections: The first section is used to make sure that respondents, which are including students (above 16 years old) and employees; The second section contains respondent's profile; while the last section contains respondent's rating preference to the eight choosing-pre-paid-service criteria, which consists of tariff, convenience, technology, core service, service encounter, recommendation from other, reputation, and brand familiarity. Respondents will use 6 points *Likert* scale to acknowledge their preference of indicator's choosing criteria.

Respondent's profile data is analyzed with descriptive statistics. While respondent's preference data is analyzed with WAS (Weighted Average Score) method, where criteria with the highest importance score will become the first chosen pre-paid-service criteria.

The conclusion of this research, both overall and in profession-based customer's segmentation, is three main criteria influencing the customer's choice of a pre-paid service are : core service, service encounter, and technology. The tariff just placed on 4th position for students segment and take 6th position for employee segment.

Keywords: pre-paid GSM, tariff, convenience, technology, core service, service encounter, recommendations by others, reputation, brand familiarity.