## **ABSTRACT**

In the preview time, public coin telephone service provided significant profit, but after wartel service appear and increasing of cell phone used, this service did not give profit like several years ago. Although, Telkom keep public coin telephone alive. This policy is caused Telkom is BUMN so beside to find profit but also that must gives service to Indonesian society. Public coin telephone is one of services to gives service to Indonesian especially low-middle class. From 300 thousand public coin telephones that exist in the all Indonesian areas, now it is just around 55 thousand that in well condition, so amount of public coin telephones need to be renew. This revitalitation is not only treaten in phisically, but also quality procedure. Therefore, public coin telephone need to be reparate and develope.

Depend on PT Telkom vice director, Garuda Sugardo, in duration of 60 years Telkom extended, many tele-communication technologies has been reached like Internet access with high speed and many more, but its meaningless if Telkom do not repair the basic thing like public coin telephone. Public telephone services as effort to keep Telkom image, so Telkom must increasing this service. Beside that, fact that public coin telephone in other country has increase, push Telkom to repaire and develope this service

On product or service development must to keep focuss to customer. Therefore, product development method that used in this research is Quality Function Deployment (QFD) method. Chosen QFD because of this method develop the product based on customer needs, where it those need will be translated to technical characteristic. QFD method that used in this research until 2nd iteration, there are used house of quality matric in the first iteration one, and used part of deployment matric in the second iteration.

The first that must to do is decide customer needs attributts by interview the customer. Next that attributts will be translated to technical characteristic then worked until provide planning matric, technical caracteristic matric, relation matric, technical characteristic matric correlation and technical matric. In this iteration provided 18 customer need attributts and with 23 technical characteristics that can filled it. Customer need attributts based on customer that most importance is cost to call, whereas customer need attributt that most importance to developed is another payment beside coin. Technical characteristic that have the biggest contribution to development TUC services is existance another payment beside coin.

Then in the second iteration, technical characteristc that founded in the first iteration will be decided the critical part that can filled it then worked until provide relation matric and technical matric. From 23 technical characteristics that founded, will be founded 41 critical parts. Critical part that have biggest point contibution in the public coin telephone service development is power supply.

The result that founded in the first iteration and second iteration will be recomendation to development public coin telephone service. With this development, will be hoped to increase public coin telephone service performance so this service will be gave more satisfaction to customer.

ii