## **ABSTRACT**

The statistic data from Asosiasi Penyelenggara Internet Indonesia (APJII) shows that the growth of internet users and subscribers in Indonesia is quite significant, 40 % users accessing internet from internet café. The internet technology nowadays offers many variety services from the e-commerce, Voice Over Internet Protocol (VoIP), Video on Demand, IPtv, up to On-line Games. Asosiasi Warung Internet which is well known as AWARI explain that 60% national internet traffic is used for On-line gaming while the remaining percentage is dominated by entertainment content, e-commerce, and educative content (www.awari.or.id / docs / presentasi-awari-internet-governance.odp). The market for On-line gaming nowadays is still concentrated in big cities in Indonesia such as Jakarta, Bandung, Depok, Semarang, Yogyakarta, and Denpasar. There will be much possibility for other cities to adopt such services as the growth of information and technology around big cities. This fact is becoming the background of research about the feasibility study to build internet café and game center in Tasikmalaya.

The feasibility study starts with the research about market aspect from potential market up to the internet cafe and game center in Tasikmalaya. With the supporting secondary data from many literatures and interviewing the competence party, then the data is processed financially for gaining the criterion of investing assessment such as Net Present Value, Internal Rate of Return, also the Payback Period.

The market aspect research shows that the potential market for internet access services is 58.42% from market population. While the market for an On-line game achieves 72.28%. The user market which pay Rp 4.000,- for internet access is 47.46% from potential market and the market which pay Rp. 3.500,- per hour for On-line games is 53.42% from potential market.

With 8% available market which is served by the company, Net Present Value for the investment is becoming in positive value (Rp. 453.198.312,-) with 46% IRR and the length period of capital return is 2.51 years. Based on that criterion, the investment to build internet café and game center in Tasikmalaya is considerably feasible with the cost and demand as the most sensitive variable for the investment feasibility. The internet café and game center is planned to have the 70% probability for earning profit about Rp 293.694.662,- up to Rp 339.669.754,- for each year.

Keywords: Feasibility study, Internet cafe, On-line game, NPV, IRR, Payback Period.