

ABSTRACT

USO target is 50% of world population has information access in 2015 to reach *Information based Society* in 2025. Nowadays, approximately there are 47.000 of 70.000 villages in Indonesia has no telecommunication facility. Because the development of telephone services is more concentrated in industrial and urban area than in a rural which is almost 80% of total area. The low purchasing power and high investment for ICT infrastructure are the reason for rural communication problem.

From the background of rural communication problem, it needs an attractive and sustainable business model for rural communication. The newest development of communication is based on NGN. Rural NGN (R-NGN) is an innovation of NGN for rural area. This final work gives a recommendation of business model for R-NGN.

Business model in this final work is a system that is consist of ten components, i.e. customer value, revenue source, profit site, scope, price, connected activities, implementation, cost structure, sustainability and capabilities. By studying the characteristics of R-NGN and targetted area for R-NGN, we can determine customer value, revenue source, profit site, and scope. Price for R-NGN services is low price. Implementation and connected activities are determined by customer value. Cost structure is consist of CAPEX and OPEX. Sustainability is determined by feasibility study, and it will be developed new scenario if it is not feasible. Capabilities is financial resources.

Customers of R-NGN in Ciwidey are households, government institution, organization, Small medium enterprise, and telecenter. By seeing customer characteristics, customer value will be focused on product feature, location, timing, service, and low cost. Revenue source is a service that is offered to customer i.e. telephone, internet, intranet, local web, messaging, email, and fax in low price. Profit site is a competitive pressure for R-NGN. Scope states amount of demand for R-NGN services. Connected activities state activities which are needed to support R-NGN, that is socialization to villagers. Implementation is condition of local technician who is graduate from high school.

According to the feasibility study, the first business scenario is not feasible. So it needs the second business scenario by giving 50% subsidy for OPEX. The second scenario is feasible. Capability is a financial resource that business have. The second scenario needs the lower financial resource.

Keywords: USO, Business Model, Rural NGN