

# CHAPTER I

## THE BACKGROUND

### 1.1. Background of business

In recent years, creative industry has shown a promising opportunity. Creative industry is a business which combines our idea and skill. It is supported by UK DCMS (Department for Culture, Media, and Sport) Task Force, which is stated that “The creative industries are the industries which have their origin in individual creativity, skill, and talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property and content” (qtd. in Saputra 9).

Creative industry also contributes to the economic growth in Indonesia. In 2007, Presiden Susilo Bambang Yudhoyono explains that creative industry is important to be developed for the economic growth in Indonesia. The president also asked the people to start taking notice of creative industry which integrates idea, art, and technology (qtd. in Nurdin and Ulung 6). Today creative industry becomes an important aspect in our economic challenge in order to survive in the globalisation era. Nurdin and Ulung say that creative industry also constitutes the demand of the

globalisation in the 21<sup>st</sup> century (6). One of promising creative industries is fashion industry.

Based on the above explanation, I decide to start a business in creative industry that focus on fashion, particularly T-shirt. Based on my observation of T-shirt Industry in Bandung in 2011, I found out that T-shirt business has a large number of customers. I want to enable people to get customized T-shirt through our exclusive design. My vision is to make T-shirt as an impressive gift. The name of the T-shirt business is called "Love & Gift T-shirt". The shop will sell exclusive T-shirts with superior quality and affordable price.

The name "Love & Gift T-shirt" contains three words. They are "Love" "Gift" and "T-shirt". Daye and Vanauken state that "A good brand name must stand for something" (par.1) ; therefore each word contains a meaning. Firstly, "Love" is a very attractive word; it contains a wonderful meaning so that people can remember this word easily. Secondly, I also put the word "Gift" which can attract the customers who are looking for a T-shirt for a gift. The last, I put the word "T-shirt" in order to make people directly know about the product.

## 1.2. USP (Unique Selling Proposition)

In order to move forward in a business, the business should have unique elements which characterize and differentiate the business from other competitors. The uniqueness is called Unique Selling Proposition. It is supported by Kotelnikov who explains that “A unique selling proposition (USP) defines your competitive advantage. You must identify what makes you different from your competitors and emphasize these advantages in your marketing” (par.1).

The main element that differentiates “Love & Gift T-shirt” with the other brands of T-shirt lies in the concept. There are two concepts in our product. First, we design a product called “T-shirt for Gift” in order to personalize T-shirts for gifts. The T-shirts will be wrapped using our exclusive wrapping paper and it can be delivered to all customers in Indonesia. Second, we design a product called “Mix & Match T-shirt” which is specially designed for family, couple, or friends. The other special element of this product is the product has high quality and affordable price.

## 1.3. SWOT Analysis ( Strength-Weakness-Opportunity-Threat)

SWOT analysis is characterized by knowing our own business. It is supported in the article of SWOT Analysis that “The SWOT analysis provides information that is helpful in matching the firm’s resources and the capabilities to the competitive environment in which it operates” (par.2).

Strengths and weaknesses come from inside the business. On the other hand, opportunities and threats come from external environment.

### 1.3.1. Strengths

The first strength lies in the quality of “Love & Gift T-shirt” itself. It uses superior material which is made of 100 percent cotton. The customers will feel comfortable wearing the T-shirt anywhere.

The second strength of “Love & Gift T-shirt” lies in the design. We have unique design which characterises our product. Our designs are original and exclusive.

The third strength is our unique concept of selling the T-shirts. “T-shirt for gift” is specially created to help the customers who are looking for gifts. And “Mix & Match T-shirt” is exclusively designed to tighten the tie between family, couple, or friends.

### 1.3.2. Weaknesses

The first weakness of “Love & Gift T-shirt” lies in the limited supplies of cloth from the cloth shop. We must make sure that the cloth shop can fulfill our needs timely by making the memorandum of understanding (MOU).

The second weakness of the product is the limited production capacity of the outsourcing company which can make the selling of the T-shirts be delayed. Since the outsourcing company is a different company, we must make sure that they can fulfill our orders of making the T-shirts properly. By making the memorandum of understanding (MOU), we arrange the time in finishing the orders.

### 1.3.3. Opportunities

The first opportunity of this business is a large number of T-shirt lovers. Based on my research from March to May 2011, by distributing questionnaires to 100 respondents in Bandung, the percentage of the respondents who use T-shirts for casual occasions is 83%.

The second opportunity is family and couple T-shirt trend. Based on my observation in Bandung's outlets and boutiques, family T-shirts and couple T-shirts are in fashion nowadays. I find this as the opportunity to create exclusive "Mix & Match T-shirt" for family, couple, and friends.

The third opportunity is the habit of giving presents on special occasions such as on birthday, Valentine's day, or on other special day. We are going to create a new trend of giving T-shirt as a gift. Based on the research I did, 97% of my respondents love giving present to their family, couple, friends, etc.

### 1.3.4. Threats

By detecting the threats early, we can minimize and prepare several steps to prevent them. The first threat of this business is there are competitors in Bandung which imitate "Love & Gift T-shirt" concept. To deal with this case, "Love & Gift T-shirt" has exclusive and unique designs which characterise our product.

The second threat of this business is trend alteration. The trend of fashion is always changing. To minimize this threat, Love & Gift T-shirt will always follow the trend by conducting observation.