

# CHAPTER I

## THE BACKGROUND

### 1.1. Background of the Business

Nowadays both parents with preschool children are employed outside the home. After work, most parents are tired so they find it difficult to give maximum attention to their children's growth and development.

Meanwhile, the growth and development of infants and young children's brain are deeply affected by their experiences. During the early years, parents need to interact more with their children in giving them new experiences, monitoring, guiding, and teaching their children's daily activities by playing and learning together. According to Arlington, "Interactions with other people and objects are vital nutrients for the growing and developing brain, and different experiences can cause the brain to develop in different ways" (par 3). Working parents are facing a dilemma between monitoring, teaching, and guiding their children and having to work to support their family's finance.

Childcare is a solution for working parents who are unable to monitor, guide and teach their children's activities. It acts as a partner for

the parents to help them monitor, guide and teach their children by giving them opportunity to study and explore the world through playing, discovering, and experiencing. Some childcares also provide healthy food, good facilities, and good equipment to support children's growth and development. Therefore, parents will still be able to work without getting worried about their children.

Based on the questionnaire that I distributed to 100 parents living in Taman Kopo Indah area and having children 0-5 years old, 75% of the respondents agree that they need a childcare with safe and comfortable atmosphere to help them monitor, guide and teach their children. Seeing an opportunity to run a childcare business, I plan to build a childcare, named Morning Glory Childcare.

MGC will be located at Taman Kopo Indah III. I considered this location the most suitable place to open MGC because there are many working parents with 2-5 years old children who need a childcare service, besides that Taman Kopo Indah is surrounded by some housing compounds, such as Taman Holis, Taman Rahayu, Kopo Permai and Nata Endah, there is a big possibility working parents living in those housing compounds will send their children to MGC.

## 1.2. Unique Selling Proposition

MGC needs to emphasize the differences of MGC's product service to attract consumers. There are two unique elements of MGC which Bintang Mulia Childcare as the competitor does not have. The first is MGC will

build a partnership with a pediatrician coming once a week so parents can consult with the pediatrician about their children's health. The second one is MGC will give report to parents about their children's activities in the form of daily report and about their cognitive, physical, and social – emotional development in mid-yearly progress report.

### 1.3 SWOT analysis

In planning the business, MGCC needs to do SWOT analysis. Kotler and Armstrong state that "The overall evaluation of a company's strengths, weaknesses, opportunities, and threats is called SWOT analysis" (102). The analysis of strengths, weaknesses, opportunities, and threats as a strategic plan of MGCC will be discussed in the following paragraphs.

#### 1.3.1 Strengths

Based on Allan's statement, strengths refer to "The competitive advantages and other distinctive competencies that a company can exert in the marketplace" (par .1). First, MGC provides programs and activities for 2-5 years old children. The activities are designed to support the development and well-being of each child. The program is developed based on weekly themes and offers cognitive, social, emotional and physical development. Second, MGC has a Learning Centre Room, which has several areas such as house corner, library, table toys, science area, and dramatic play area to give children plenty of opportunities to investigate, explore and play in a safe, secure and stimulating

environment. Third, MGC recruits teachers with enthusiasm, love, and passion to help the children develop not only in cognitive field but also social field in order to have good character.

### 1.3.2 Weaknesses

In running this business, there are some weaknesses of MGC. According to Kotler, weaknesses are “attributes of the organization that are harmful to achieve the objectives” (par .2). The first weakness is that well - trained teachers with enthusiasm, love, and passion are difficult to recruit. The second weakness is MGC does not have a big parking area so parents will find it difficult to park their car when dropping and picking their children. They need to park their car outside MGC so they have to walk to reach MGC.

### 1.3.3 Opportunities

Opportunity creates a chance to get parents join MGC. Opportunity is “an area of buyer need or potential interest which in a company can perform profitably” (Kotler and Armstrong 102). The opportunity that MGC has is that there are a lot of working parents with 0-5 year’s old children living in Taman Kopo Compound and the surrounding compounds, who need a childcare.

#### 1.3.4 Threat

On the contrary to weaknesses, which are internal conditions, threats “are external conditions which could do damage the business performance” (Kotler 104). The threat for MGC is the competitor in childcare business. Bintang Mulia Daycare is a well known institution which has been established for 15 years. It has a big space so it is able to cater a large number of children.