

CHAPTER I

BACKGROUND

1.1. Background of Business

Women, in accordance with their nature, always want to look beautiful and attractive, even when they are pregnant with their stomach shown enlarged. Many women who think it is difficult to look fashionable while pregnant, because during pregnancy, they will experience major changes that can alter their appearance ("Tampil Cantik dan Nyaman Saat Hamil" par. 1). Therefore, to meet their needs in appearance I am interested in opening a boutique.

There are many kinds of boutiques, such as clothes, shoes or jewelry boutiques. Ausbrooks defines boutique as follows.

Boutiques are small, highly specialized and fashionable stores that generally cater to a niche market. The word "boutique" means "shop" in French. Boutiques grow in popularity each year as people search for alternatives to mass-produced clothing and goods. ("About Boutiques" par. 1)

Boutiques have different target markets. Some provide products for children (girls or boys) and some for adults (men and/or women).

Additionally, boutiques usually offer specialty goods. For example, women's clothing boutiques offer daily clothes, office clothes, party clothes, or maternity clothes.

To fulfill pregnant women's needs in fashion, I would like to open a maternity boutique. Even though a woman is pregnant, she can keep herself fashionable in appearance. Additionally, this boutique is something new and different from other boutiques. The purpose of this business is not only to get profit, but also to help pregnant women to find the clothes that suit their bodies.

The name of the boutique is "Victoria Boutique". I choose the name because it is simple and interesting; it is easier for the customers to remember. The word "Victoria" is taken from "Victory", which means win. "Victoria Boutique" (henceforth, VB), then, means a winning boutique that sells many kinds of maternity clothes. LaMarco states that ones should choose a name for their home business boutique which reflects the business well to make others know exactly what to expect from the boutique (par. 3). In other words, the name of a business will reflect the progress of the business itself. Therefore, what the progress that VB expected of this business is to be the win boutique in selling VB's Products.

The location of VB is at Jalan Dr. Djunjunan number 143, and the site is on the lower ground floor of Bandung Trade Centre (henceforth, BTC). According to the Administrator of BTC, BTC is a trade center in the city of Bandung and the only shopping area in Jalan Pasteur. BTC is very

crowded and strategic with a potential 3.5 million people in Bandung. Additionally, BTC provides online service to make the traders able to conduct transactions virtually, with internet facilities online 24 hours ("Bandung Trade Center" par. 1-5). Therefore, I choose this location. Besides this, the location really supports the business; the cost of rent is appropriate with budget. Moreover, I did an observation by visiting to BTC, and the result is there are a lot of people who come to BTC. They may buy some clothes for themselves or as a gift for their friends. Thus, my boutique will have a potential market.

1.2. Unique Selling Proposition

The uniqueness of VB is that this boutique provides maternity clothes to fulfill pregnant women's needs. The clothes are up-to-date, and the price is affordable for the middle to upper economic class. Its other uniqueness is it provides accessories to complement the appearance of pregnant women so that they do not have to look elsewhere for accessories. Additionally, the customers can order the clothes if the size is out of stock or not available in the shop.

1.3. SWOT Analysis

SWOT is Strengths, Weaknesses, Opportunities and Threats of business. SWOT is important to do to encourage the competitive marketing strategies. Kotler and Armstrong state that "competitive marketing strategies is strategies that strongly position the company

against competitors and that give the company the strongest possible strategic advantage” (567). The SWOT analysis of VB is explained in the following.

1.3.1. Strengths

There are several strengths of VB business. First, VB is specifically a maternity boutique that sells maternity clothes in their varieties, from casual to formal models. Second, the clothes are available in three sizes, which are size A for women whose waist circumference is between 60-80cm, size B for women whose waist circumference is between 80-100cm, and size C for women whose waist circumference is between 100-120cm. Therefore, the customers can choose the clothes that fit their size. If the size out of stock or the customers need other model based on their desire, they can ask VB's designer to design and make the clothes for them. The next strength is the owner has knowledge and experience in selling clothes. Also, the owner has friends who are distributors of clothes and material, moreover, she has good relationship with them; as the result, they can give good quality products at a lower price. Because of this, the boutique can sell products at affordable prices. If some products are not sold, VB's supervisor (designer) can ask the distributor to replace them with new ones. Another strength is the cashiers and the shopkeepers also have knowledge about customer service and product selling that they get from the owner, who provides training for theme. The last strength is, VB also provides many accessories such as belts, necklaces, shawls, and

vests to meet the pregnant and non pregnant women's needs. As a result, if they buy some clothes in the boutique and then they need some accessories, they do not have to go elsewhere because the boutique also provides many kinds of accessories.

1.3.2. Weaknesses

There are several weaknesses of this business. The first weakness of this business is the room that the boutique uses is quite small (20m²). It has limited space to display the products, to solve this problem VB display all products in the VB's website. The second weakness is VB only provides maternity clothes and accessories; consequently, the visitors who do not need maternity clothes and also the accessories, they will not be attracted to enter this boutique. Another weakness is the prices of the products depend on the prices of the materials, which means if the price of the materials increases, the price of VB's products will also increase.

1.3.3. Opportunity

The opportunity that this business has is it will be a pioneer and famous maternity boutique in Bandung, especially in North Bandung, because, based on my survey, there are no boutiques that sell only maternity clothes. Many boutiques in Bandung offer maternity clothes, but it is not their specialty.

1.3.4. Threats

One of the threats of this business is the existence of other boutiques in Bandung that provide some maternity clothes among their other products, such as “Look Boutique” in BTC. Another threat is there are a lot of online boutiques that sell maternity clothes and accessories, but it is not necessary to worry about this threat because online boutiques have more weaknesses than VB does. Those weaknesses will make the customers hesitate to shop from them. The examples of their weaknesses are the materials or colors of the clothes that the online boutiques offer on the Internet pages may not be the same as expected or do not always match with the reality. The customers can be disappointed because they cannot see or try the clothes before purchasing. They can only see them on the web pages. Although some people know about web 3.0 that we can try the clothes by screen, they still cannot touch the material.