

CHAPTER I

THE BACKGROUND

1.1 . Background of the Business

The Beatles is one of the legendary bands in 1960's period. The Beatles consists of four members which are known as "The Fabulous Four". The members of the Beatles are John Lennon, Paul McCartney, George Harrison, and Ringo Starr. With their music and style, the Beatles has succeeded to reach lot of fans which are known as Beatlemania. The fans come not only from their country, England, but also from all over the world including Indonesia. In Indonesia, there are many Beatles fan communities such as Jakarta Beatles Community, Bandung Beatles Community, Walagri Beatles Community, Jogja Beatles Community, Bogor Beatles Community, Serpong Beatles Community, Pekan baru Beatles Community, and other communities under Indonesia Beatles Community. The members of the communities come from many generations from the old to young generations. According to Pahala Siahaan, the announcer of Walagri Radio, Walagri Beatles Community has mostly junior and senior high school members. It shows that beatlemania will still exist even until the next generations.

The Beatles fan communities often hold various events in remembering their lovely band. Bandung Beatles Community held a Beatles jamboree in 2010 and that event was attended by all the Beatles fan communities in Indonesia.

Along with the popularity of the Beatles, beatlemania buy not only The Beatles' records but also its memorabilia such as T-shirts, posters, or pins. Based on the questionnaire that I sent through Facebook to some members of Beatles fans communities which consist of 52 males and 26 females, it is shown that all of them buy the Beatles memorabilia. The main reason why they buy the Beatles memorabilia is because the memorabilia which they buy and use can reflect who they are. They also can be proud to show to at least their friends that they are the big fans of the Beatles. The memorabilia that they usually buy are mostly T-shirts, posters, and pins. Some of which are bought accidentally at malls or at the Beatles tribute events. However, the respondents from Bandung find it difficult to get the unique Beatles memorabilia as there are no special Beatles memorabilia stores in Bandung.

In order to fulfill the desire of Beatlemania in Bandung to find unique Beatles memorabilia, I am going to open a store which sells various kinds of the Beatles memorabilia. The name of the store is "The Beatles Submarine" (TBS). The reason of choosing this name is because I am sure that all Beatles fans are familiar with the word "Submarine" as it is one of the famous songs from the Beatles called "Yellow Submarine". I combine the word "submarine" and "The Beatles" to have the name "The

Beatles Submarine”, so that people will directly know that my store sells products which are related with the Beatles (which is the memorabilia). I believe that TBS will be a potential business along with the big name of the Beatles which has lot of fanatic fans who not only will listen to their music by buying The Beatles records but also will collect the Beatles memorabilia.

The Beatles Submarine is a store which sells various kinds of The Beatles Memorabilia. There are many kinds of products that Batlemania can buy such as T-shirts, sweaters, bags, hats, mugs, clocks, pins, key chains, guitar picks, stickers, posters, belt buckles, ashtrays, wallets, and refrigerator magnets. The entire products are designed by product designers from TBS with unique, artistic and limited designs. In order to provide high quality products, TBS cooperates with Linoleum clothing company in producing T-shirts, sweaters, bags, hats, stickers, wallets, and posters. The Beatles Submarine also cooperates with souvenir production, I-Tekno in producing mugs, clocks, pins, key chains, refrigerator magnets, ashtrays and guitar picks.

Besides opening a store in Bandung, I will also create an online store so that it can be accessed by The Beatles fans outside Bandung. The website provides complete information about the products, the prices, and others. Buyers can order the products from the website by filling in the order form, and after it is veriflicated, The Beatles Submarine will deliver the product to the buyers using JNE shipping company. In an article from Pikiran Rakyat newspaper entitled “Bisnis ”Online” Memperluas Pasar”

Baru, Nukman Luthfie, the CEO of Virtual Consulting says that creating an online store can give some benefits in running a business. Luthfie says that an online store can support the offline store which is expected to increase the selling. Online store can also reduce the promotion costs as it can be used as a promotion media. Another important benefit is to reach wide market of a business (par. 3). That is why I create an online store to support the store which is located at Jalan Trunojoyo 25 Bandung.

1.2. Unique Selling Proposition

There are some things that I am going to do to make the business unique. Firstly, TBS is going to make unique designs such as cartoon picture and the quotes of the Beatles songs. TBS will also make limited design for each product which means there will be only 3 same designs for each product and the designs will be made by product designers from TBS. Secondly, in order to catch people's attention, the store will be painted yellow as it is the color which is taken from the Beatles' popular song, "Yellow Submarine". The wall of the store will also be decorated with a big Beatles cartoon picture. Thirdly, the decoration inside the store is going to be made as if it were in the 1960's. The visitors are expected to feel the atmosphere of the glory time of the Beatles. To add the Beatles's atmosphere in my store, the shopkeepers will wear The Beatles clothes style such as skinny trousers, shirt, tie, and 60's jacket during work time.

1.3. SWOT analysis

Philip Kotler in his book entitled Principles of Marketing states that “the overall evaluation of a company’s strengths, weaknesses, opportunities, and threats is called SWOT analysis” (102). The SWOT analysis of The Beatles Submarine will be discussed in the following paragraphs.

1.3.1. Strengths

There are five strengths of my business. The strengths that I have analyzed are hopefully could add the value of TBS. According to Marcia J. Simmering, strength comes from the internal of the company which consists of capabilities and resources that are able to add competitive advantages (par. 4). The first strength is the number of the designs of all products from TBS is limited, it means there are only three designs for each product. The limited designs are done to satisfy the customers who only want to buy limited design products.

The second strength is the location of TBS is strategic because Jalan Trunojoyo, which is an accessible area. It is known as clothing company area that makes it a famous street in Bandung.

The third strength is that all products from The Beatles Submarine are made of high quality materials. For example, I use comb cotton material for the T-shirts. It is done as I really concern about the quality of the products.

The fourth strength is the store has interesting decorations such as huge posters on the wall and the wall will be painted yellow which is an

attractive colour and also it is a colour from a famous Beatles record called “Yellow Submarine”.

The last strength is TBS has an online store. It can be accessed by customers outside Bandung who want to collect the Beatles memorabilia.

1.3.2. Weaknesses

There are some weaknesses of my business which come from the internal of the company. According to Andrews Allan, weakness is “constraint that hinders movements in certain directions” (par. 2). The first weakness is The Beatles Submarine still does not have company reputation as it is a new store. However, it will be my main concern to get a good company reputation by producing high quality products. Another weakness is that the store is not big enough, as a result, the store will be crowded when it has many visitors and customers might feel uncomfortable.

1.3.3. Opportunities

The opportunities that I have analyzed are come from the external of the company. Kotler states that the opportunity is “an area of buyer need or potential interest which in a company can perform profitably” (102).

There are some opportunities which can give good effects for my business. Social networking websites like Facebook and Twitter have become an effective promotion media that many people use to promote their business. It will be an opportunity for TBS to promote the products

through social networking websites. By using social networking websites, this business is also expected to get an opportunity to attract and to reach not only the Beatles fans but also other music lovers. Through website that I create as an online store, The Beatles Submarine is expected to get an opportunity to reach buyers outside Bandung as a website can be accessed anywhere. Another opportunity is that there are Beatles fans communities in Bandung so that I can easily promote my products directly to them. For example, I can go to their base camp to distribute flyers.

1.3.4. Threats

TBS also has several threats which comes from the external of the company and it might affect the business. Kotler states threat is “a challenge posed by an unfavorable trend or development that would lead, in the absence of defensive marketing action, to deterioration in sales or profit” (104). First, China ASEAN Free Trade Area can be a threat if there are products from China such as the Beatles T-shirts and sweaters which have cheaper prices. However, TBS can minimize this threat as TBS has a business value that to buy products from The Beatles Submarine is to love and appreciate products made in Indonesia with high quality materials. The second threat is that there are people who do not trust to input their credit card number into an online store as they are afraid that it will be hacked. Greg Holden says that even though the level of trust of people who shop online increases, there are online buyers who still doubt to submit their credit card account into a website (24). Another threat of

TBS comes from TBS' competitors such as stores which sell The Beatles t-shirts, pins, and sweaters. Those stores are located on the first floor of Parahyangan Plaza, Jalan Dewi Sartika, some factory outlets in Jalan Dago, Jalan Riau, and Jalan Cihampelas, and traditional markets at Gede Bage and Jalan Kiara Condong.