

# **CHAPTER I**

## **BACKGROUND OF THE BUSINESS**

Family Sport is a sport shop which focuses on providing the latest products of badminton and tennis supplies and providing the latest information of the products. Based on the observation, some sport shops in Bandung do not always provide the latest products and not all of them continuously update their product information. Good networking with the main brands of badminton and tennis supplies helps Family Sport in its commitment to the focus.

Moreover, through its website, Family Sport will make sure that its consumers will get the latest information about the products. Based on the observation, the age range of visitors to Bikasoga Sport Center, where the store will be located, is from 15 to 35 years old. For this age group in general, internet has already become part of their daily life.

The name Family Sport is chosen to reflect our commitment in service. Through friendly service from our well-informed shop assistant and the store ambience, we want to make consumers feel comfortable coming to and shopping at our store.

For a start, Family Sport will offer three main brands of badminton and tennis supplies: Yonex and Reinforce Speed (henceforth, RS) for badminton and Wilson for tennis. Yonex and Wilson are widely known by badminton and tennis lovers because of their good quality. As the sole agent of RS, having these two brands in this sport shop will help the store to increase the sales of RS, which is a relatively new brand. These two brands are considered an appealing factor for more people to come to the store. These people are the potential market for RS products.

The main potential market of Family Sport is Bikasoga's visitors. This sport center has not provided a sport shop yet. On top of that, most of Bikasoga's visitors play both badminton and tennis.

Market broadening is the main goal of Family Sport in the next three years. Family Sport will expand its business to online shopping and establish more branches. Sport centers in Bandung will be the chosen location. Family Sport will also add more varieties of sport supplies, such as swimming supplies, aerobic supplies, and soccer supplies. To support the business existence, Family Sport also places profit gain as its goal. The annual profit gain of Family Sport is set to be 15% in the first three years.

With the capital requirement of Rp76.535.000, Family Sport will reach its payback period in 1 year 9,7 months. Further information on the finance will be presented in the last chapter of the business plan.

Becoming the sole investor will benefit RS in increasing its sales. Since Family Sport is the sole agent of RS, market broadening of Family Sport means market broadening for RS as well. Family Sport will also assist RS in sponsorship. Family Sport will help RS look for and select badminton tournaments held in Bandung for RS to sponsor.