

ABSTRACT

Business incubator aims to reduce the risk of failure of new businesses, accelerating the growth of self-employment as well as strengthen and develop new businesses that have been run by an entrepreneur, through the granting of business incubator facilities and services. It is applied by a business incubator technology under the auspices of PT Telkom Indonesia, namely Bandung Digital Valley (BDV). BDV providing facilities and services to all tenant (new entrepreneurs being incubated) in achieving those goals. However, data BDV stated that almost 50% of the tenant fails to maintain its business after the incubation program passes.

One of the methods to see the success of a business incubator is through measurement the business growth of tenant, which is divided into two Hard Measures (measurement through things that can be measured and viewed directly) like sales turnover, number of employees, profitability, entrepreneurial competitions, securing public funding, customer acquisition and retention, and incubation space and Soft Measures (measurement through the things that cannot be seen but contribute to the achievement of Hard Measures) as client profesionalism, business network, publicity, new market/product developments, awards, and contribution to the region. This study aims to describe the facilities and services of the business incubator gives and the business growth of BDV tenants in Bandung.

The research method used is descriptive qualitative where data collection is done through in-depth interviews, observation, and study the documentation. The object of this research is BDV, with three respondents through interview of BDV tenants 2013 i.e. Jarvis Store, Kiri Smart Travel, Cerita Perut, and the Executive Director of BDV. This research uses data analysis of interactive models, Miles and Huberman through three stages, they are; the reduction of the data, the presentation of the data and the withdrawal of the conclusion.

The results showed that the BDV provides 7S facilities and services to all of tenants. The 7S facilities and services are office Space, shared facilities, services, support, skill development, seed capital and synergy. The research also showed the success of the business incubator at the tenant 2013 by 25%, only three tenants who managed to survive and grow revenues like Jarvis Store, Cerita Perut and Kampong Monsters. The growth business of tenants measured based on Hard Measures and Soft Measures indicate different results. Jarvis Store has the best growth, then followed by Cerita Perut and then Kiri Smart Travel in terms of the variable sales turnover, number of employees, profitability, securing public funding and business network. For the variables of entrepreneurial competition, customer acquisition and retention, incubation space, client profesionalism, publicity, new market/product developments, awards, and contribution to the region, all three have the same development in accordance with the digital business industry that they get into.

Keywords: *business incubator, hard and soft measures.*