CHAPTER I INTRODUCTION

I.1 Background

Cerdas Ceria is a Bilingual Private School located on di Jl. Trs Martanegara No 22 Kel. Gumuruh Kec. Batununggal, Bandung which was established in June 2008. This school consists of Pre-School such as Play Group A (2-3 Years), Play Group B (3-4 Years), Kindergarten A (4-5 Years) and Kindegarten B (5-6 Years).

Cerdas Ceria Play Group or Kindergarten develops the basics of physical, language, cognitive, social (emotional, self-concept) abilities, art, morals and religious values (morality and character). In addition to the regular school Cerdas Ceria has a place for tutoring (KIDS CLUB) for students starting from 2-12 years. Then English tutoring material, Bimbel Elementary School, Les TPA, Drawing Practice and Elementary School Preparation for National Exams. In setting up the business, Cerdas Ceria school having a special strategy in running this school, among others, by preparing promotional material, then making a grand launch as interesting as possible, then compiling a curriculum based on the age group playgroup. The promotion carried out by Cerdas Ceria is through social media, then distributing brochures to strategic places so that many are interested in enrolling their children in this school and also promoting word of mouth. In running a business, Cerdas Ceria may have obstacles that can appear like a presumption parents who do not realize the importance of early childhood education, and the views of parents who still love to spend money on their children enter school early childhood. Cerdas Ceria has a vision to form a strong personality base for students so that they can develop into a quality society and productive and beneficial citizens of the country and religion. The mission of this school is:

1. Prepare and train useful learning skills throughout his life so that he is able to become an independent student.

2. Providing a learning atmosphere that is fun for students so they can master every learning experience.

3. Develop high quality education based on a strong religion by organizing a national curriculum and created by the Cerdas Ceria curriculum.

Table I. 1 Distribution of Kindergarten in Bandung

No.	KECAMATAN	TK/RA		
		N	S	JML
TOTAL		3	670	673
1	Kec. Bandung Kulon	0	27	27
2	Kec. Babakan Ciparay	0	21	21
3	Kec. Bojong Loa Kaler	1	27	28
4	Kec. Bojong Loa Kidul	0	20	20
5	Kec. Astanaanyar	0	20	20
6	Kec. Regol	0	20	20
7	Kec. Lengkong	0	22	22
8	Kec. Bandung Kidul	0	14	14
9	Kec. Buahbatu	0	27	27
10	Kec. Rancasari	0	33	33
11	Kec. Cibiru	0	18	18
12	Kec. Ujungberung	0	25	25
13	Kec. Arcamanik	0	27	27
14	Kec. Kiaracondong	0	34	34
15	Kec. Batununggal	1	22	23
16	Kec. Sumur Bandung	0	14	14
17	Kec. Andir	0	24	24
18	Kec. Cicendo	0	26	26
19	Kec. Bandung Wetan	0	15	15
20	Kec. Cibeunying Kidul	0	32	32
21	Kec. Cibeunying Kaler	0	31	31
22	Kec. Coblong	1	32	33
23	Kec. Sukajadi	0	19	19
24	Kec. Sukasari	0	25	25
25	Kec. Cidadap	0	13	13
26	Kec. Gedebage	0	18	18
27	Kec. Panyileukan	0	15	15
28	Kec. Cinambo	0	7	7
29	Kec. Mandalajati	0	21	21
30	Kec. Antapani	0	21	21

(Source: Kementrian Pendidikan dan Kebudayaan, 2018)

Based on the table I.1, there are only 22 schools in the Batununggal sub-district. This shows the school business competition with others is getting tougher. Such conditions require institutions to always develop the company's strategy order to survive or be more developed. For that companies need to develop an appropriate strategy so that the company can maintain the business.

Kelompok Umur	Jenis Kelamin/Sex		
Age Group	Laki-laki / Male	Perempuan / Famale	Jumlah / Total
-1	-2	-3	-4
0–4	104 902	100 864	205 766
5–9	98 508	93 126	191 634

Figure I. 1 Number of Population by Age Group and Gender in Bandung City 2016

(Source: Central Bureau of Statistics 2016)

Based on Figure I.1, the number of early child hood in 2016 according to the Central Bureau of Statistics of the City of Bandung has a total of 205,766 people while the number of early child hood in the city of Bandung registered according to the Ministry of Education and Culture in 2017 has a total of 668 people. This shows that there are still many early child who have not attended school and the number of children is very inversely proportional to the availability of early childhood schools in Bandung.

Table I.2 Statistics Data of pre School in West Java

No.	District/ City	Kindergarten		
		Public	Private	Total
	TOTAL	90	15,592	15,682
1	Kab. Bogor	1	1,065	1,066
2	Kab. Sukabumi	3	535	538
3	Kab. Cianjur	5	445	450
4	Kab. Bandung	1	1,250	1,251
5	Kota Bandung	3	672	675

(Source: Ministry of Education and Culture)

Based on the statistical data in the figure above, there are 3 schools in Bandung, while 672 in private schools. This is inversely proportional to the number of schools in Bandung regency, there are as many as 1 school and private school level as many as 1,250 schools. This shows very significant data because more schools exist in Bandung district than in Bandung, where the population of the city of Bandung is more than the district of Bandung. Such events are of particular concern for Cerdas Ceria schools because every day many early childhood children want to go to school but become unable to go to school because of the possible distance of schools far from each child's home or the quality of private or public schools that do not meet standards. Therefore, Cerdas Ceria wants to create

a new school by using a business franchisee strategy so that every child in the city of Bandung can go to school with quality that meets standards and is feasible. Cerdas Ceria School proved to be feasible because children who had graduated entered the favorite private elementary schools in Bandung such as Al-Azhar Elementary School, SD BPI, and various good public elementary schools in the city of Bandung. According to parents of children who graduated from Cerdas Ceria school, after graduating and entering elementary school, they were able to read and write well.

Therefore, Cerdas Ceria wants to cover the shortcomings of pre school in Bandung by opening a branch through this franchise business. Cerdas Ceria School has a strategy to improve service quality with a bilingual school program. Thus, one of the right strategies to develop the business is the franchise business. Nowadays franchising is an easy business to run. Franchising has a low level of risk but has a very high success rate. Cerdas Ceria want to develop a franchise business because utilizing existing networks for business expansion and expansion faster, easier and cheaper than organic growth, using other people's capital to develop businesses and expand service coverage, able to have techniques to accelerate market penetration and market share, reduce business risks at once dividing profits with people who buy franchises, new sources of income such as fees, royalties and training fees which are passive income, and able to increase turnover and business rounds of franchisees, simplify the process of regulation, management and supervision because each branch has its own management and is supervised by franchisees. To invest with franchise business because the management model offered gives the flexibility what customer needs. Franchise business also can help better manage cash flow in the initial growth phase, and the management model allows us to own the business without worrying about day-to-day operations, and also the chances are to build the franchise in the preschool sector is fairly recession proof and stable, which makes for a good to invest in amidst the global market turmoil (Audrey Tan, 2017).

I.2 Problem Formulation

a. How to develop franchise business strategies have been implemented in Cerdas Ceria?

b. How to plan the right strategy using QSPM method?

c. What is the strategic plan that will be implemented using a benchmarking approach?

I.3 Objective of Research

The objectives to be achieved from this study are:

a. To find out the franchise business strategies that have been run in Cerdas Ceria.

b. To find out the alternative and the right strategic plan business to be applied to Cerdas Ceria with QSPM method.

c. To find out the strategic plan that will be implemented using a benchmarking approach.

I.4 Scope of Problem

Based on the description that has been explained in the background, the author needs to limit the existing problems and focus more on QSPM method and benchmark research as a strategy to run a franchise business in the play group, kindergarten and day care in Cerdas Ceria.

I.5 Benefits of Research

a. Increase knowledge about strategies that should be carried out in developing a franchise business.

b. As practical so that this strategy can be used as information and reference in implementing the franchise business through the QSPM method.

c. Can see how well the business is performing from a similar startup / business and is implemented in a business that is being run so that it can avoid building unprofitable businesses.

I.6 Systematic Research

To find out what is quite clear from this study, the tasks will be chapter one, where systematics is intended as follows:

Chapter I Introduction

This chapter contains the background of the research, the formulation of the problem, the purpose of the study and the benefits of the research carried out.

Chapter II Literature Review

This chapter contains the theories needed in the variables being studied.

Chapter III Research Methods

In this chapter contains the location and objects, population and data, types of data, process data and data analysis.

Chapter IV Collecting and Processing Data

This chapter describes the collection and processing of data used at the time of research to solve the problem under study.

Chapter V Analysis and Discussion

This chapter explains the analysis and discussion described based on the research objectives described earlier.

Chapter VI Conclusions and Suggestions

This chapter contains conclusions and suggestions from the research that has been done and recommendations that can be given for further research.