

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND

Nowadays students of elementary school, especially students on 4th grade to 6th grade, are facing more challenges in study compare to what occurred on a decade a go. The challenges consist in increasing quality level of the study, as well as the quantity. This statement is not only coming from students and parents, but also admitted by Musliar Kasim as *Wamendikbud* through kompas media in 2012 (www.kompas.com/wamendikbud-2012).

In term of quality level, the level difficulty for subjects is increasing. Especially in the subject of math and science. Their content and spectrum are much more complex and demanding compare to what current adults learned before when we were on the same grade as they are. From the quantity perspective, students are burdened with too many subjects to be studied at school.

On National base curriculum of elementary school, students have 10 (ten) different subjects to be studied. On International and National-Plus base curriculum elementary school, students have 14 (fourteen) different subjects, more than National elementary school. It is occurred after 2014 when Ministry of Education and Cultural launched a regulation No.31/2014 declared that all of Elementary school with International basis should be grouped under association called *Satuan Pendidikan Kerjasama* (SPK). It also affects the curriculum studied in

the school, that four (4) subjects of National curriculum must be embedded. They are Math or *Matematika*, IPA (*Ilmu Pengetahuan Alam*), PPKN (*Pendidikan Kewarganegaraan*), and Religion; beside *Bahasa Indonesia* that already included (Herlinda, 2017).

Homework and weekly test are frequently occurred because teacher needs to make sure the students are learning at home as well, because to make students understand the whole lessons would be impossible if only rely on the class-time during school days.

Facing plenty of homework and weekly test are not the only current challenges for elementary students. They need to prepare themselves for Ujian Nasional or UN on 6th grade to pass elementary school and then started their next level of education in the Junior High School. However, the reputable junior high school admission requires high Ujian Nasional score (www.litbang.kemdikbud.go.id), as seen on the chart below.

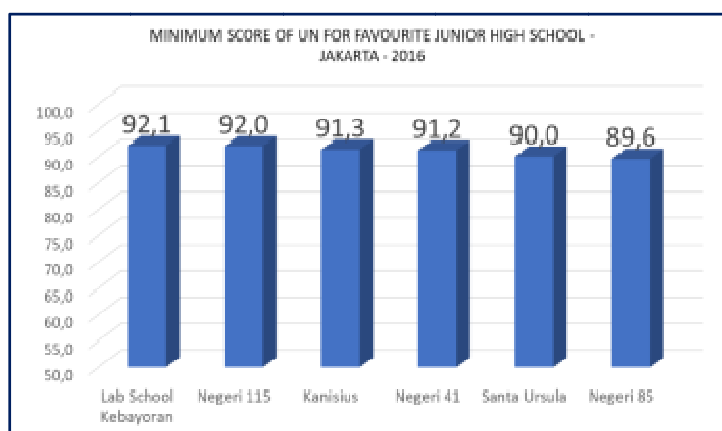


Figure 1.1 : Minimum acceptance score from of six (6) reputable junior high school in Jakarta
(Source : www.litbang.kemdikbud.go.id)

On the other hand, most urban parents have limited time and ability to assist their children in study at home. It could be many causes, due to their own business in taking care of the

house, their works and jobs demand, or due to the complexity of the subjects themselves. Those challenges are even more when both parents are working. Travelling and traffic jam from home to their office make the time management is quite challenging.

Hence, parents need to make sure that their children do their homework and repeating the subjects at home in order to make their children have less difficulty on following the curriculum, also easier for them in admission to the reputable junior high school after passing elementary school.

Based on those facts above, personal experience, and direct social investigation, researcher came up with the idea to launch an online learning system that would help students increasing their skill and knowledge on the subjects they study at school. In addition, it would ease the life of the parents. It is called **GenieKids**, an holistic online learning platform for elementary student on 4th to 6th grade.

Content of GenieKids is designed to follow learning material curriculum from Diknas and Cambridge. Cambridge is chosen as representative of International curriculum content basis, because based on primary data source through email correspondent to Cambridge representative in London, there are 193 elementary school in Indonesia that utilizing Cambridge curriculum as their curriculum basis. It means, majority or totally 70% from all International curriculum applied in Indonesia are utilizing Cambridge curriculum (Figure 1.3).

1.2 PROBLEMS AND CHALLENGES

By means of high level of difficulties and plenty of subjects to be understood by students, then repetition and re-study the topic at home is a must for the students to excel. However, to

make sure that children would study regularly at home without supervised is easier in theory compare to reality. On the other hand, nowadays parent has limited time and ability to assist the children on their study at home.

In order to solve that problem, parents usually register and send their children to public regular course institution after school. However, sometimes the institution doesn't provide materials based on what children study at school, although the topic is similar. Beside, a good quality institution has expensive monthly fee and limited subjects. Hiring private teacher to teach the children in the house after school, would be more benefit in term of customizing the contents. However, its monthly fee is more expensive compare to general extra course (Figure 1.2).

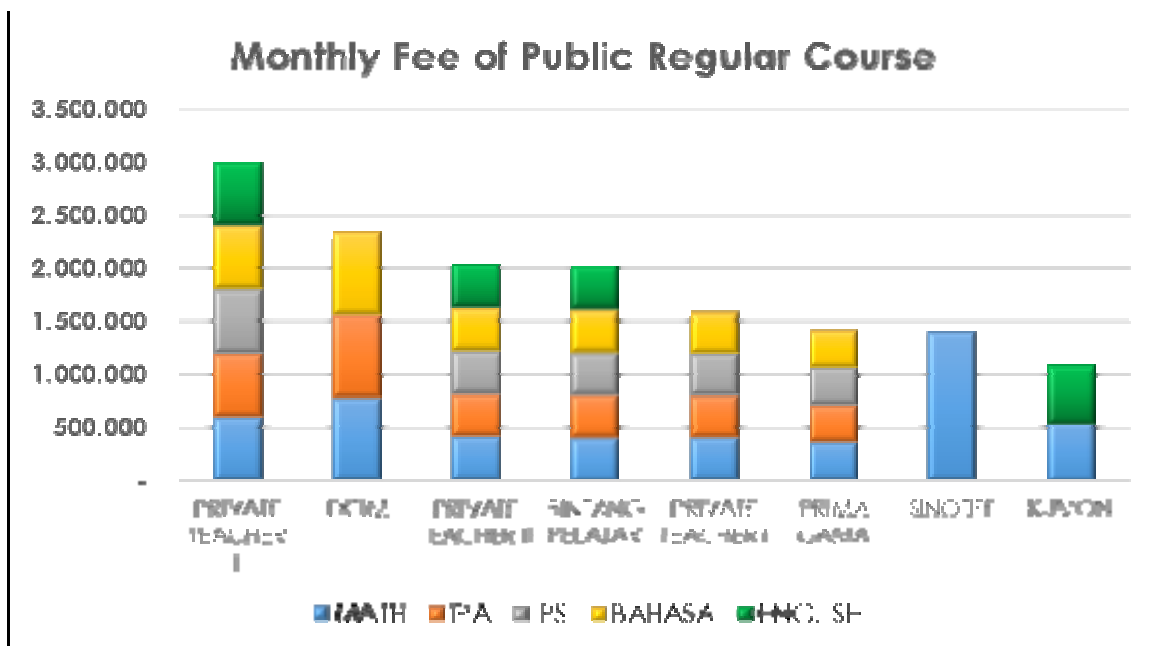


Figure 1.2 : Comparison of monthly fee from well-known public regular course institution and private teacher, in rupiahs (Source : Primary interview from direct source).

Therefore, it is a challenge to create a convenience, effective, and curriculum-based-school extra course for student under 4th to 6th grade elementary school, especially who's study at International and National-Plus school. The extra course should be convenience in term of time for both parent and children, affordable fees, and able to be tracked of its progress.

In term of effective, it must have pedagogy teacher to teach to be able to transfer the knowledge to children in more effective ways they could absorb. And the most important thing is, the content of the subject should follow what children learn at school so their time is not wasted of learning other topic or different method.

1.3 BUSINESS IDEA

To answer those challenges above, an online learning course that in-line with children's school curriculum is the answer. The online learning course must contain the requirement mentioned above, which is effective, convenience, and the topic should be based on what children learn at school.

One of the particular subject that rise attention to the researcher, is **Accounting for Executive** subject at Binus. In this subject, all of the MM-students must follow an extra on-line teaching and homework through as system called **WileyPlus**.

WileyPlus (Appendix 1) is an online system for particular subject. It contains Materials-to-be-Read in certain period, Subject to be Repeated by video-introduction, Case of Homework to be solved, and a Walkthrough options. A Walkthrough option menu provides similar case of the homework explained its flow and how-to-do-it in step by step. This menu really helps MM-

student to understand and do the homework easier thus resulting in good grade. The reading-materials menu also very helpful because not only the homework, but they both are scored and provided in certain time-frame to be read and done by MM-students. The progress and scores can be displayed on the screen, by choosing the Gradebook menu. It makes (forces) MM-students to be prepared and able to arrange their time flexible, as long as doesn't cross the time-frame border.

The success case of WileyPlus-Accounting program in Binus creates an idea for researcher of how about bring this online learning platform system for children on elementary school, thus organized it systematically based on their curriculum. In addition, it must be literally interesting and attractive for children.

Online learning platform for children contains the real material studied for students of 4th to 6th grade elementary school that follows curriculum is not yet available in Indonesia. On the other hand, online learning platform has several plus points compare to off-line course, as seen on table 1.1 below.

Table 1.1 : Qualitative comparison between offline course (extra course institution and private tutor) to online learning platform (Source : primary-interview data).

DESCRIPTION	Extra Course Learning Centre	Private Tutor	On-line Tutor
Distance	Negative	Positive	Positive
Fee	Negative	Negative	Positive
Flexibility	Negative	Positive	Positive
Punctual	Positive	Positive	Positive
Reputation	Positive	Contingency	Contingency
Feedback to parents	Contingency	Positive	Contingency
Nurturing attitude	Contingency	Positive	Negative
In-line with school's	Negative		Contingency

curriculum		Positive	
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(Source : Primary data interview from direct source)

Table 1.1 above is comparing between what existing extra course institution, private tutor, and online learning platform offer to the customer. The information and data written on the table above are based on interview and personal experience. Contingency above means that the required description is dependent on other factors, such as the nature of the learning center, the teacher itself, or must be literally requested. In addition, part of providing feedback to parents and in line with school's curriculum, are additional points of our propose online learning platform, GenieKids. Those items are the plus points that would make GeniKids different with other competitors.

1.4 GOAL AND OBJECTIVE

Goal of this research is proposing an online learning business model as the first curriculum-based online learning platform for 4th grade to 6th grade student of elementary school under International and National Plus curriculum. The objective is to provide an organized, mobile, and fun learning experience online learning platform that is enjoyed by children and trusted by parents.

1.5 SCOPE OF THE STUDY

Scope of the study for this thesis is limited to the proposal of creating an online business for education learning platform specialized for children on the 4th and 6th grade who study in elementary school of International School and National Plus School as the main objective.

Content of the materials in GenieKids are basis on the books under Cambridge and National (Diknas) curriculum combined. The subjects of materials are Math, Science, English, Social Studies for Cambridge curriculum. For National curriculum, the subjects are Matematika, IPA, IPS/PPKN, and Bahasa Indonesia (Fausto, 2016).

Cambridge curriculum is chosen as the international curriculum to be embedded in the platform because from 236 elementary schools in Indonesia that applying international curriculum, there are 179 schools are applying Cambridge curriculum. The data is based on direct email correspondent to Customer Service Advisor of Cambridge Assessment International Education association in London, recently in 2018. In this case, there are 76% from all elementary school in Indonesia that apply international curriculum uses Cambridge curriculum as their basis of teaching materials.

There are 4 (four) main international curriculums applied in Indonesia, beside Cambridge curriculum. They are International Baccalaurette (IB), International Primary Curriculum (IPC), Singapore Primary Curriculum (SPC), and many more. Those four (4) curriculum are dominating the international curriculum in Indonesia (Fausto, 2017).

By combining the primary information data from email correspondence from Cambridge's representative in London and secondary data from *Data Badan Pusat Statistik* written by Rizal

Silitonga (2011) about “*Rintisan Sekolah Bertaraf Internasional*” (RSBI) in Indonesia, the percentage of various international curriculum applied on elementary school in Indonesia can be displayed on figure below (Figure 1.3).

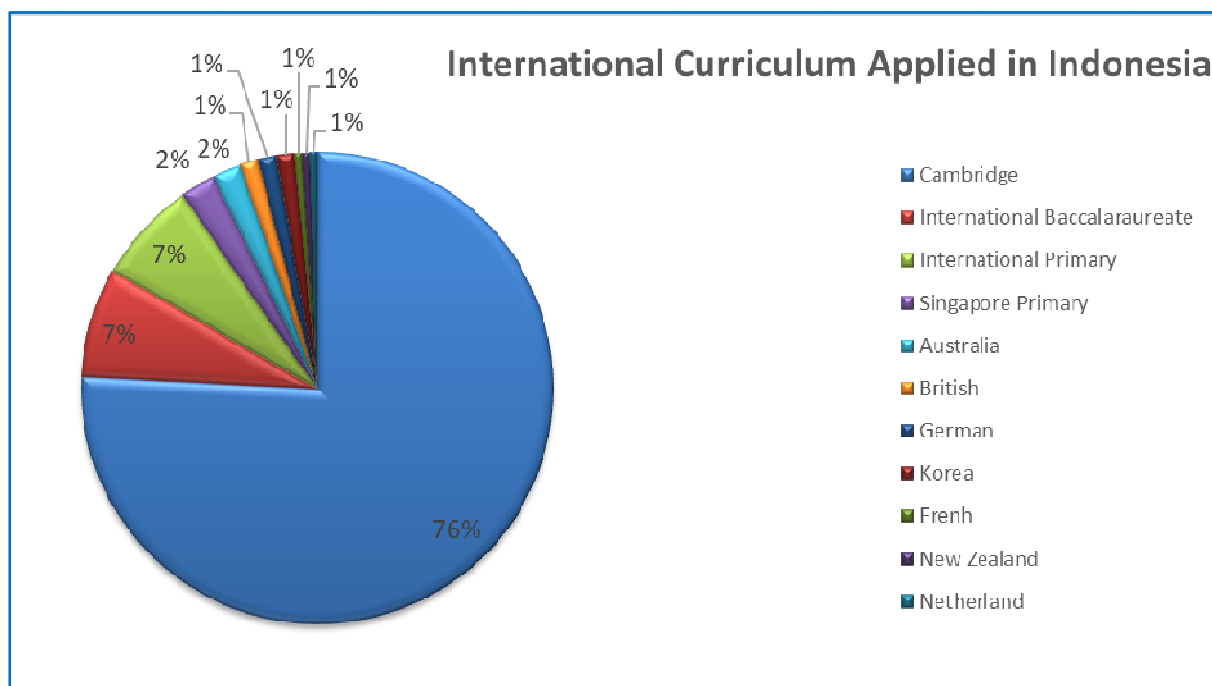


Figure 1.3 : Percentage of international curriculum applied in Indonesia dominated by Cambridge curriculum (Source : www.indoindians.com, and primary correspondence data)

1.6 SYSTEMATIC OF WRITING

The content of this thesis would have a following structures :

1. Chapter 1 : Introduction

This chapter explains about the background and story behind the proposed business model creation. It also describes about what challenges and problems occurred as continuation from the background, to explicitly explain why customer needs this type of business and what is the goal and objective of the proposed business model. Scope of the study is

written to clarify the limit of work to be performed and expected, in order to stay focus on the analysis.

2. Chapter 2 : Theoretical Framework

Theoretical framework discusses about the theoretical foundation that applied in this research proposal, in order to build the strategy and concept to start the business. There are several theoretical foundation are applied, including Pestel Analysis, TOWS, Porter's Five Forces Analysis, and Diamond Analysis from Hambricks and Frederickson. Concept of Business Model Creation and marketing analysis are explained also. The compilation of methods applied as the guidance to setting up the business model creation and plan.

3. Chapter 3 : Business Model Creation

Chapter 3 comprises of the proposed implementation of nine (9) building blocks of Business Model Creation (BMC) canvas, as continuation from what previously explained in previous chapters. In this chapter, each of the block are explained in detail from Customer segments, Keys aspect, into Financial items as Cost and Revenue.

4. Chapter 4 : Business Plan

Chapter 4 explains business plan into reality as a whole. It discusses about organization structure and profile of executives, technology plan, market strategy, financial plan, human resources pan, location lay out, timeline, competitor survey analysis, and target customer's survey result. A simple prototyping is also described in this chapter.

5. Chapter 5 : Summary

Chapter 5 is summarizing the whole chapter under a conclusion. It concludes feasibility of the business model, business model limitation, and future area for further investigation.

