

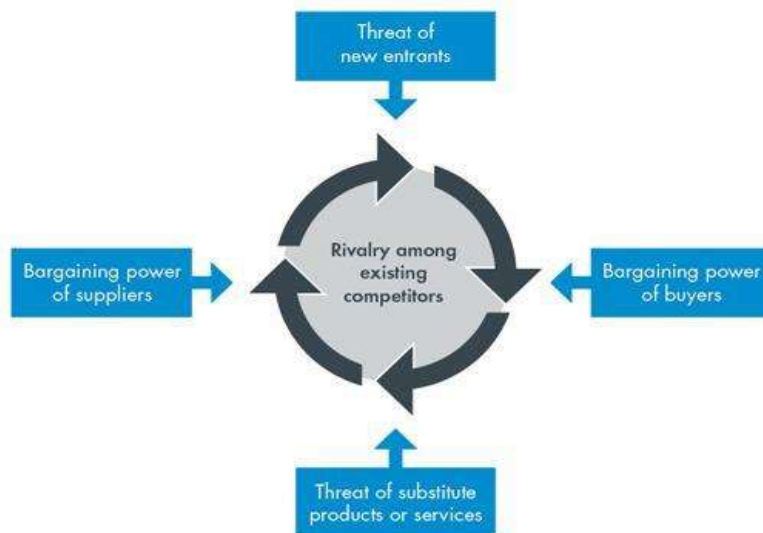
CHAPTER II

VALUE PROPOSITION

2.1 Market and Industry Analysis

In market and industry analysis, we will use Michael Porter's five forces which describe the attractiveness in the long run for a market or its segment which consists of: competitors in the industry, potential entrants, possibility of substitutes, buyers, and suppliers (Kotler & Keller, 2016). This analysis is also useful to understand the competition inside an industry and to prepare a company on how to overcome these problems and prepare a working framework which will be critical for profitability and future growth of the business. The threats of these five forces are explained as follows:

Figure 2.1: Porter's Five Forces Diagram



1. Threat of competitive rivalry (Not Applicable)

This threat examines how intense the competition currently is in the industry, which is determined by looking at the number of existing competitors and the strength of these companies. A business segment is going to be unattractive if it already has a lot of strong and aggressive competitors, and it will be more unattractive if the business growth is stagnant or declining with many competitors trying to get out of the business segment, or if there's a high a fixed cost and high exit barriers.

Threat of competitive rivalry is high when a product or service is equally sold by just a few companies, or when the industry is still growing and consumers can easily change their option to offerings from competitors. This condition will ultimately lead to price and advertising wars, as well as new products wars which will be very expensive to cover.

From our group's research, currently there is no competition in the market for our new concept of Dog and Owner Recreational Park. Thus, the threat of competitive rivalry is not applicable (no pressure) at this point of thesis writing.

2. Threat of new entrants (Medium Pressure)

This threat examines the level of entry and exit barriers of a segment. If the entry barriers are high and exit barriers are low, the business segment will be very attractive to enter. When entry barriers are low, new companies could start business in the industry and they could easily leave the industry if the performance is not good. If both entry and exit barriers are high, there will be higher potential in the profit. However, the risk will be higher as there will be an over capacity in the industry from a lot of competitors who couldn't leave the segment easily and try to keep fighting to survive in the business.

In a case where both entry and exit barriers are low, companies could easily enter and leave the industry and this will lead to a return that is much more stable, but lower in result and the risk

of quickly decreasing market share is very big. Porter (1979) describes six major sources of entry barrier which consists of “economies of scale, product differentiation, capital requirement, cost advantages, access to distribution channel and government regulation”.

Dog recreational place business in Jabodetabek has medium pressure, with high entry barriers and low exit barriers. Medium pressure indicates whilst this segment is very attractive to enter, it will not be easy for the competitors to make an entry as it requires big investment, deep knowledge and time to build similar business. As our new concept of Dog and Owner Recreational Park is new business concept in the market, it very important to create strong product and service differentiation for the target customers.

3. Threat of substitute products (Low Pressure)

This threat examines how easy it is for a customer to change their option from a business's products or services to the offering of a competitor. It will analyze the number of competitors, their pricing decision, product or service quality, and company profitability compared to the new business proposed. When there is an actual or potential substitute from a company's offering, then it will reduce the attractiveness of the segment as it will influence the decision on pricing and profitability. In the threat of substitute products or services, customers are considering switching costs and their inclination to change.

Based on our research, there is no direct substitute for our new concept of Dog and Owner Recreational Park in Jabodetabek area. The current business models in the market only focusing to fully serve either the dog(s) or the owner(s). These shops do not offer integrated services to fulfill all the needs of dog(s) and their owner(s) at the same time. We categorize the threat of substitute products as low pressure which shows that there are no direct substitutions and it is not easy to switch the services of our new concept of Dog and Owner Recreational Park. We also

believe that creating amazing customer experience will help to further reduce the risk of product substitution.

4. Threat of buyers' growing bargaining power (Low Pressure)

This threat examines the power of the buyers and their effect on products pricing and quality. A segment is unattractive if buyers have strong or increasing bargaining power. Bargaining power of the buyers will increase when they are more organized, when there is no differentiation on the products offered, when there are a lot of sellers, when the switching cost is low, or when the buyers can integrate upstream. To overcome these challenges, a company must develop superior offers that even strong buyers could not refuse.

The dog ownership and middle-class income population in Indonesia are rapidly growing, thus it provides a good foundation for our new concept of Dog and Owner Recreational Park. We see that the threat of growing bargaining power of buyer is low because the buyers are not fully organized and due to the uniqueness of our new recreational place concept versus existing offerings in the market. Our target customers would be people who appreciate quality and are willing to pay reasonable price for the complete services provided and we will create strong differentiation in our product and services which will increase customer satisfaction and switching costs for the customers.

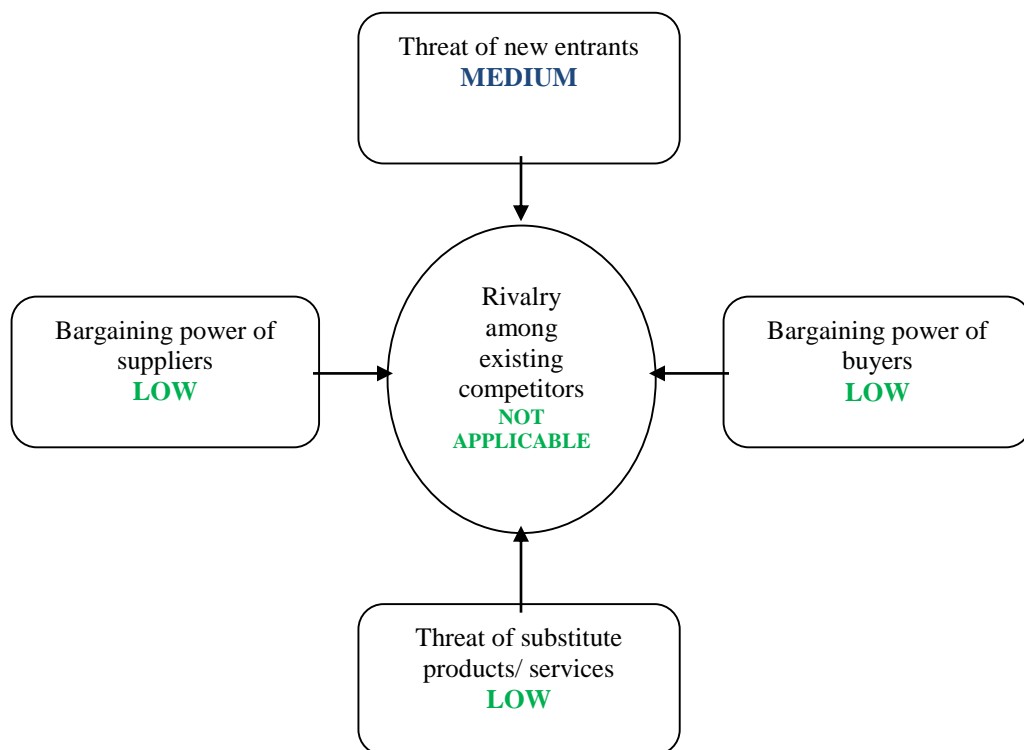
5. Threat of suppliers' growing bargaining power (Low Pressure)

This threat examines what is the number of suppliers, how big is their power inside a segment and the level of control that they have on the pricing decision which will impact a business's profitability. A segment is unattractive if the suppliers have the ability to increase prices or decrease the quantity sold. Same as the power of customers, the power of suppliers will come when they are organized or concentrated, when they can integrate downstream, when there are

only few suppliers and few substitutes, when the products supplied play an important role, or when the suppliers switching costs are high. These challenges could be overcome by building collaborative and win-win relationships with the suppliers or by building multiple supply sources from multiple suppliers.

In the dog recreational business, the suppliers are shops for dogs (food, toys, grooming supplies, clothes, etc.) and shops for human needs (food, beverage, souvenir companies). There are a lot of offline shops in Jabodetabek as well as growing online business which allows our new concept of Dog and Owner Recreational Park to conduct price comparison regularly and ensure there are wide choices for suppliers and limits possibility of the supplier to increase the prices unreasonably. The threat of suppliers bargaining power is low which means that suppliers could not have impact on the company.

Figure 2.2: Porter's Five Forces Diagram for New Concept of Dog and Owner Recreational Park



From the Porter's Five Forces Diagram as above, we can conclude that the new proposed business model for Dog and Owner Recreational Park is very attractive to enter, as there is only 1 force with medium pressure (Threat of new entrants), 3 forces have low pressure (Bargaining power of suppliers, Bargaining power of buyers, and Threat of substitute products/ services), and 1 force of Rivalry among existing competitors is not applicable or no pressure as there is no existing competitors for the new business model.

2.2 Research Methodology

Primary data collection will be conducted through online survey and interviews to dog owner(s) to acquire insights on current market needs and potential development on our new concept of Recreational Park. In this research, there will be two steps of data collection with first step in quantitative survey through online survey and second step in qualitative research. In the first step of the data collection, we conducted online survey with non-probability sampling technique where the respondents of dog owners were selected on the basis of convenience. In the second step of data collection, we conducted in qualitative manner through interview method to get a deeper understanding to gaps and underserved needs in current business offerings and the business potential for our new concept of Dog and Owner Recreational Park.

Table 2.1: Research Method for New Concept of Dog and Owner Recreation Park

1. Quantitative research through online survey

Research objective	to have further understanding in customer needs and interests in our new concept of Recreational Park's offering
Target Samples	100 respondents (dog owners)
Sample criteria	dog owner above 18 years of age

living in greater Jakarta
falls into the category of middle class
income

2. Qualitative research through interview

Research objective	to understand dog and owner relationship to gain more information on dog owner(s) experience on visiting the existing dog recreational place to measure the interest and needs for new recreational park for dog(s)
Target Samples	6 respondents (dog owners)
Sample Criteria	dog owner above 18 years of age living in greater Jakarta falls into the category of middle class income

2.3 Results and Discussion

This section will describe the result quantitative and qualitative research that have been made by our team, which will be used to build our business's value proposition, business model and the strategy formulation.

2.3.1 Quantitative Research Data

Convenience sampling was used in this research study by collecting information from members of the population who are conveniently available to provide it. The respondents are dog

owners and the questionnaire was distributed via online survey. For this research study, the team has developed sets of open ended questions and close ended questions where the respondents have to select for pre-assigned answer. The questionnaire was designed using Indonesian language.

The questionnaire was divided into six (6) sections. The first section concerned the characteristics of the respondents where the demographic profile such as the city of domicile, age, gender, occupation, and which social media most often used to share and search for information. The second sections concerned the information on their dog, such as number of dogs owned, who introduced dog as pet to the respondent, is the respondent part of any dog lover community, how many members inside the dog lover community where the respondent joins and what is the reason for the dog lover community establishment. The third section concerned the activity between the dog and owner such as to which recreational place that the owner usually brings their dog(s), how many times in a month that they visited that place, what kind of activities the respondent had in the recreational place, how many hours of travel that the respondent willing to have to reach the recreational place, how much is the monthly expenditure for the dog(s) owned but excluding recreational expenditure, and how much is the monthly expenditure for recreation activity only with their dog(s). The fourth section concerned the respondent experiences with their dog(s) upon visiting pet shops such as what inconveniences that were experienced by their dogs, what inconveniences experienced by the dog owner, and how satisfied are the respondents to the pet shop service. The fifth section concerned the respondent experiences with their dog(s) upon visiting outdoor recreational place such as has the respondent visited outdoor recreational place with their dog, what are the names of the outdoor place that they have visited, what are the things that the respondents like in that outdoor recreational place, which what inconveniences that were experienced by the respondents, and what inconveniences experienced by the dog(s), and how

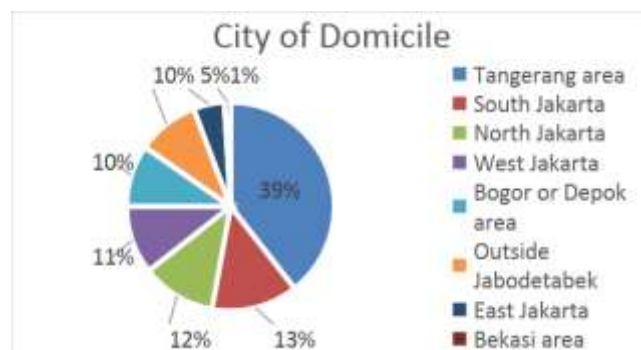
satisfied are the respondents to the outdoor recreational place that they visited. The sixth section concerned the factors to develop ideal recreational place for dog and their owner such as which main elements that must be present in ideal recreational place, the respondent willingness to visit ideal recreational place with their dogs, how much is the amount that they are willing to spend and what are their hobbies. To ensure validity in questionnaire data, we have also collected the email address of the respondents.

A total of 104 sets of questionnaire has been collected from online survey form responded by dog owners. Below are the results of the questionnaire:

1. Respondents Demographic Profile

This section describes the demographic profile of the respondents and identifies the potential customers of our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

Chart 2.1: Respondent's City of Domicile

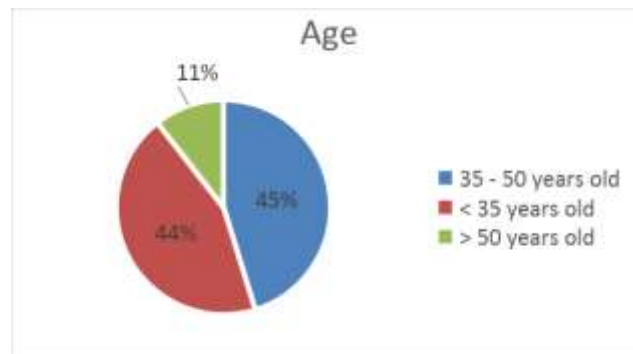


*Source: Result of data processing, 2019

Result from questionnaire shown that 39% respondents live in Tangerang area, 13% respondents live in South Jakarta, 12% respondents live in North Jakarta, 11% respondents live in West Jakarta, 10% respondents live in Bogor or Depok area, 10% respondents live in Outside Jabodetabek, 5% respondents live in East Jakarta and only 1% respondents live in Bekasi area. It

can be concluded that majority of the potential customers for our new concept of Dog and Owner Recreational Park live in Tangerang and South Jakarta, which consists of 52% from the respondents.

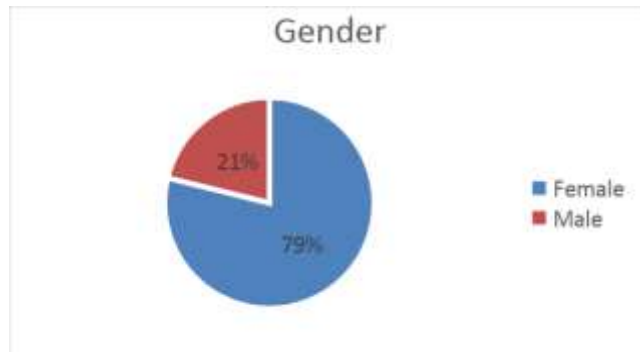
Chart 2.2: Respondents Answer on Age



*Source: Result of data processing, 2019

Result from questionnaire shown that 45% respondents are between 35 – 50 years old, 44% respondents are below 35 years old and 11% respondents are above 50 years old. It can be concluded that biggest customers for our new concept of Dog and Owner Recreational Park will come from age group of between 35 – 50 years old and the second biggest customers will come from age group of below 35 years old.

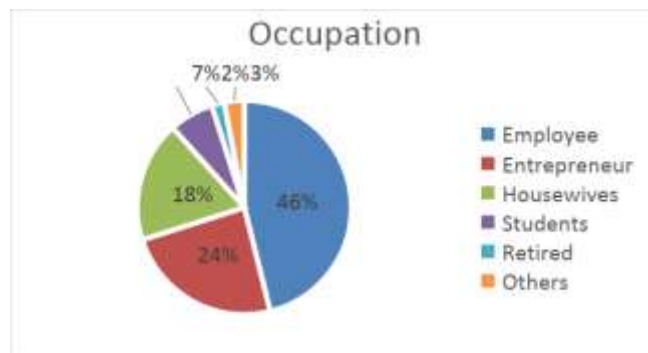
Chart 2.3: Respondents Answer on Gender



*Source: Result of data processing, 2019

Result from questionnaire shown that 79% respondents are female and 21% respondents are male. It can be concluded that female is the biggest potential customers for our new concept of Dog and Owner Recreational Park.

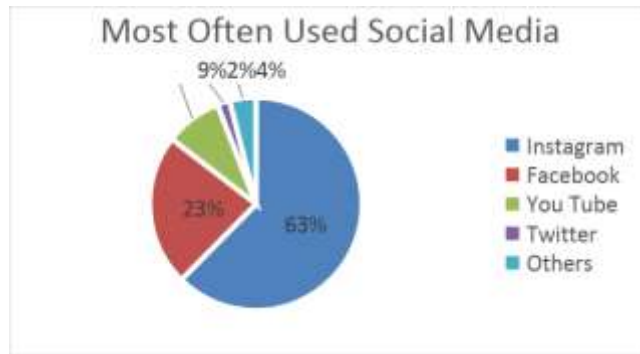
Chart 2.4: Respondents Answer on Occupation



*Source: Result of data processing, 2019

Result from questionnaire shown that 46% respondents have occupation as employee, 24% respondents are entrepreneurs, 18% are housewives, 7% are students, 2% are retired and 3% respondents have other occupation. It can be concluded that biggest potential customers for our new concept of Dog and Owner Recreational Park has occupation as employee.

Chart 2.5: Respondents Answer on Most Used Social Media



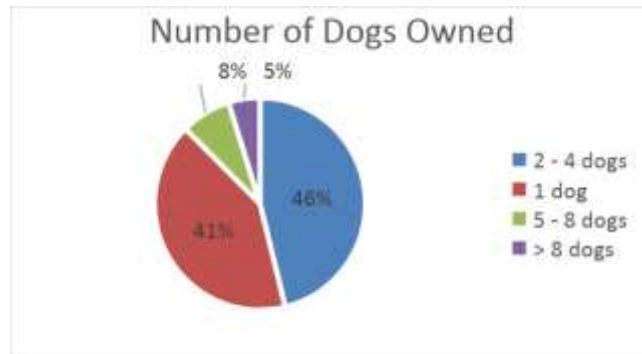
*Source: Result of data processing, 2019

Result from questionnaire shown that 63% respondents mostly use Instagram as their social media to search for and share information, 23% respondents mostly use Facebook, 9% respondents mostly use YouTube, 2% respondents mostly use Twitter and 4% respondents use other application. It can be concluded that Instagram is the most often used social media by potential customers of our new concept of Dog and Owner Recreational Park and this will be considered while developing marketing and promotion effort.

2. Respondents Dog Ownership Information

This section describes the dog ownership information and background of the respondents which would be important to be considered by our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

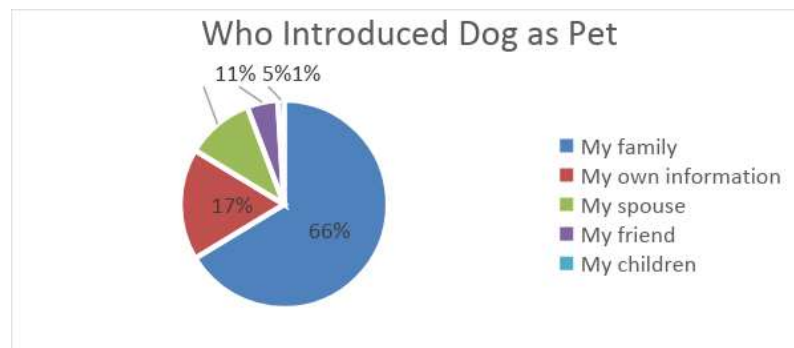
Chart 2.6: Respondents Answer on Number of Dogs Owned



*Source: Result of data processing, 2019

Result from questionnaire shown that 46% respondents own 2-4 dogs, 41% respondents own 1 dog, 8% respondents own 5-8 dogs and 5% respondents own more than 8 dogs. It can be concluded that the biggest potential customers of our new concept of Dog and Owner Recreational Park own 2-4 dogs and the second biggest potential customers only own 1 dog.

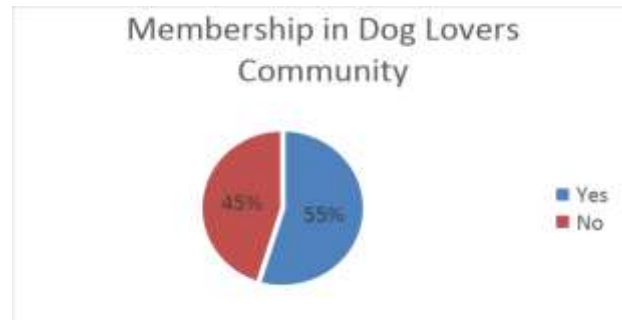
Chart 2.7: Respondents Answer on Who Introduced Dog as Pet



*Source: Result of data processing, 2019

Result from questionnaire shown that 66% respondents were introduced to dog as pet from their family since they were little, 17% respondents look for their own information, 11% respondents were introduced by their spouse, 5% respondents were introduced by their friend and 1% respondents were introduced by their children. It can be concluded that the biggest potential customers of our new concept of Dog and Owner Recreational Park got their love for dogs from family and this would be considered in building our new business model.

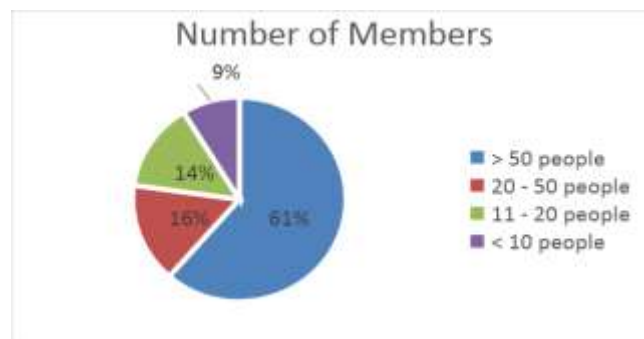
Chart 2.8: Respondents Answer on Membership in Dog Lovers Community



*Source: Result of data processing, 2019

Result from questionnaire shown that 55% respondents are member of dog lover community and 45% respondents are not member of dog lover community. It can be concluded that members of dog lover community are the biggest potential customer of our new concept of Dog and Owner Recreational Park.

Chart 2.9: Respondents Answer on Number of Member in Dog Lover Community Where the Respondent Joined

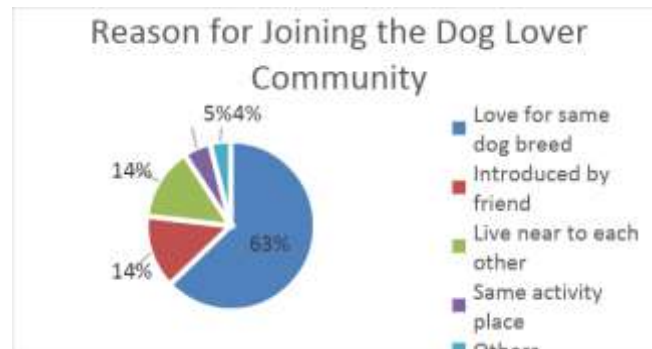


*Source: Result of data processing, 2019

Result from questionnaire shown that from the respondents that are member of dog lover community, 61% respondents claimed their total member is more than 50 people, 16% respondents claimed their total member is between 20-50 people, 14% respondents claimed their total member is between 11-20 people, 9% respondents claimed their total member is less than 10 people. Thus, it can be concluded that most respondents are member of big dog lover community where the total

member is more than 50 people. This information would be used for consideration in building marketing and promotion effort for our new concept of Dog and Owner Recreational Park.

Chart 2.10: Respondents Answer on Reason for Joining the Dog Lover Community



*Source: Result of data processing, 2019

Result from questionnaire shown that from the respondents that are member of dog lover community, 63% respondents joined the community due to the love for same dog breed, 14% respondents were introduced by their friend, 14% respondents live near to each other, 5% respondents have same activity place and 4% respondents have other reasons (such as for social cause). Thus, it can be concluded that most respondents who are member of dog lover community is driven by love for specific dog breed. This information would be used for consideration in building marketing and promotion effort for our new concept of Dog and Owner Recreational Park.

3. Respondent's Activity with Their Dog

This section describes the activity between dog and owner from the respondents which would be important to be considered by our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

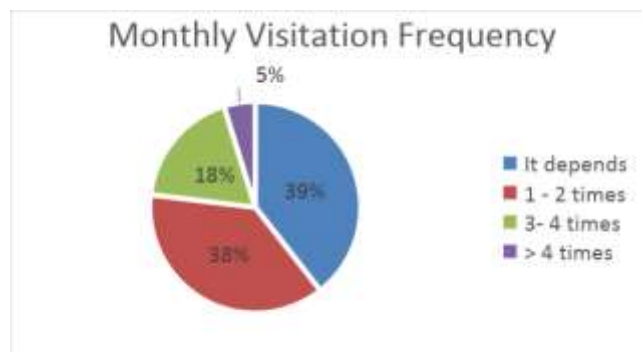
Table 2.2: Respondents Answer on Top Three Places Where They Usually Bring Their
Dog for Recreation

Recreational Place to Visit	No of Respondents	% of Respondents
Place with outdoor area for dogs	77	74%
Gathering place for dog lover community	44	42%
Place with swimming pool for dogs	36	35%
Pet shop and grooming	35	34%
Café which allows dogs	35	34%
Place for dogs training	11	11%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three places where the respondents usually bring their dog to have recreation, 74% respondents visited place with outdoor area for dogs, 42% respondents visited gathering place for dog lover community, 35% respondents visited place with swimming pool for dogs, 34% respondents visited pet shop and dog grooming, 34% visited café which allows dogs, and 11% visited place for dogs training. Thus, it can be concluded that the top three places where the respondents bring their dog for recreational purpose are place with outdoor area for dogs, gathering place for dog lover community and place with swimming pool for dogs. These are the important factors to be considered in our new concept of Dog and Owner Recreational Park.

Chart 2.11: Respondents Answer on Monthly Visitation Frequency



*Source: Result of data processing, 2019

Result from questionnaire shown that 39% respondents do not have a fixed schedule or frequency, 38% respondents visited 1-2 times per month, 18% respondents visited 3-4 times per month, and 5% respondents visited more than 4 times per month. Thus, it can be concluded that the biggest potential customers of our new concept of Dog and Owner Recreational Park still do not have fix schedule or frequency for visiting recreational place with their dog, and second biggest potential customers bring their dog to recreational place for 1 - 2 times per month. This information would be used by our new concept of Dog and Owner Recreational Park on building stronger customer relationship and increase frequency visitation.

Table 2.3: Respondents Answer on Top Three Activities with Their Dog at the Recreational Place

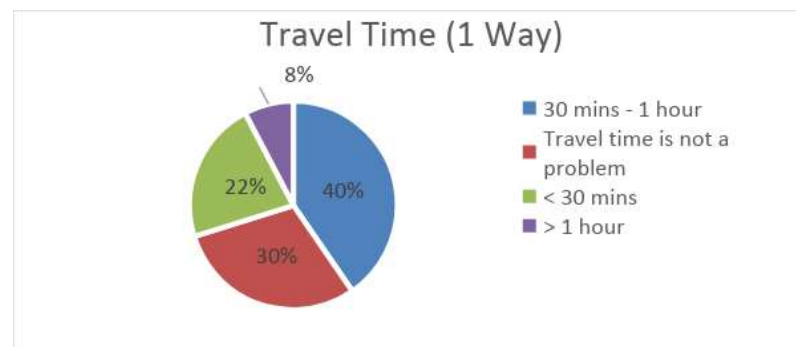
Activities with the Dog	No of Respondents	% of Respondents
Playing and having fun with the dog	94	90%
Chatting with other dog owners	61	58%
Buying supplies for the dog	52	50%
Learning about dog care	42	40%
Looking for mate partner for the dog	2	2%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three activities that the respondents have with their dog at the recreational place, 90% respondents play and have fun with their dog, 58% respondents like to chat with other dog owners, 50% respondents buy supplies for their dog, 40% respondents like to learn about dog care and 2% respondents are looking for mating partner for their dog. Thus, it can be concluded that the top three activities to be done in recreational place are

playing and having fun with their dogs, chatting with other dog owners and buying supplies for their dog. Our new concept of Dog and Owner Recreational Park will use this information in building key offerings to accommodate top three activities of dog and their owner.

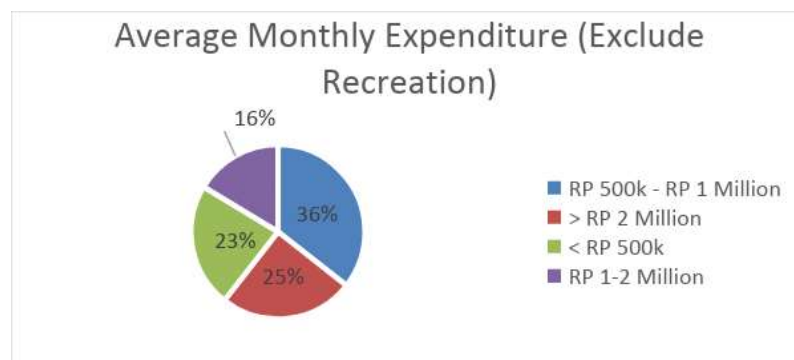
Chart 2.12: Respondents Answer on Number of Hours that They Are Willing to Have to Reach Recreation Place (1 Way only)



*Source: Result of data processing, 2019

Result from questionnaire shown that 40% respondents are willing to have 30 minutes to one-hour travel time, 30% respondents said travel time is not a problem as long as they could have a good time with their dog, 22% respondents would like to have less than 30 minutes travel time and 8% respondents are willing to have more than 1 hour travel time. Thus, it can be concluded that majority of the potential customers would like to have 30 minutes to one-hour travel time to reach recreational place with their dog. This should be considered when choosing the location for our new concept of Dog and Owner Recreational Park.

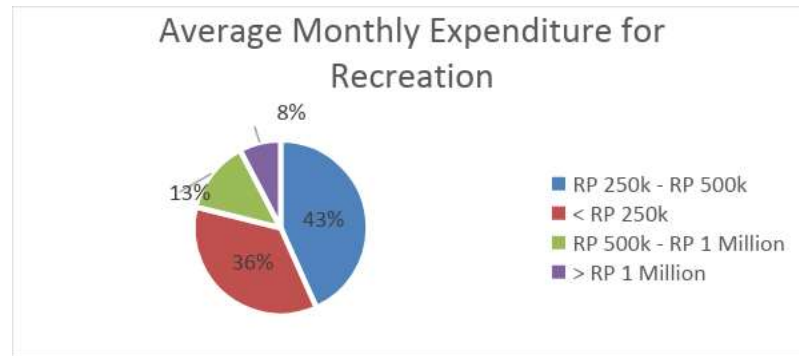
Chart 2.13: Respondents Answer on Average Monthly Expenditure for Dog Owned
(Exclude Recreation)



*Source: Result of data processing, 2019

Result from questionnaire shown that 36% respondents spent RP 500.000 to RP 1.000.000 per month for their dogs (exclude recreation), 25% respondents spent more than RP 2.000.000 per month, 23% respondents spent less than RP 500.000 per month and 16% respondents spent RP 1.000.000 to RP 2.000.000 per month. Thus, it can be concluded that majority of the respondents spent from RP 500.000 to RP 1.000.000 per month for their dogs (excluding recreation).

Chart 2.14: Respondents Answer on Average Monthly Expenditure for Recreation with the Dog
Owned



*Source: Result of data processing, 2019

Result from questionnaire shown that 43% respondents spent RP 250.000 to RP 500.000 per month to have recreation with their dogs, 36% respondents spent less than RP 250.000 per month, 13% respondents spent between RP 500.000 to RP 1.000.000 per month and 8% respondents spent more than RP 1.000.000 per month for their dogs. Thus, it can be concluded that majority of the respondents spent RP 250.000 to RP 500.000 per month to have recreation with their dog. This information will be considered when deciding the pricing of product and services in our new concept of Dog and Owner Recreational Park.

4. Respondent's Experience in Visiting Pet Shop with Their Dog

This section describes the experience of visiting pet shop for the dog and the owner, which would be important to be considered by our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

Table 2.4: Respondents Answer on Top Three Inconveniences Experienced by the Dog when Visiting Pet Shop

Inconveniences of the Dog	No of Respondents	% of Respondents
Lack of hygiene	67	64%
Too commercial, staff has lack of love for dogs	59	56%
The place is too crowded, no outdoor playing area for the dogs	53	51%
My dog doesn't feel safe	44	42%

Lack of facilities	22	21%
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*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three inconveniences experienced by the dog in visiting pet shop, 64% respondents said the pet shop is lack of hygiene, 56% respondents said the pet shop felt too commercial and the staff has lack of love for dogs, 51% respondents said the pet shop is too crowded and there is no outdoor area for the dogs to play around, 42% respondents said their dogs don't feel safe in the pet shops and 21% respondents said the pet shop is lack of facilities. Thus, it can be concluded that the top three inconveniences experienced by the dog in visiting pet shop are lack of hygiene, too commercial, and too crowded with no outdoor place for the dogs. These are the dog's top inconveniences that will be solved in our new concept of Dog and Owner Recreational Park.

Table 2.5: Respondents Answer on Top Three Inconveniences Experienced by the Dog

Owner when Visiting Pet Shop

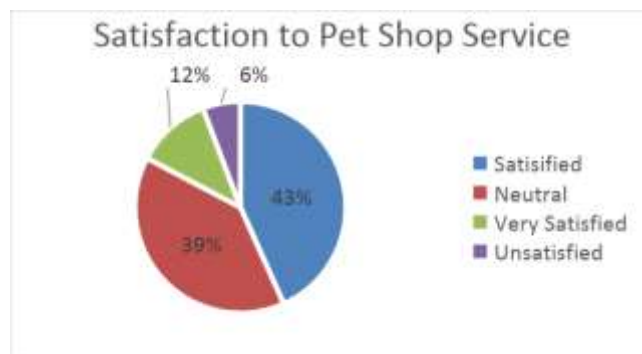
Inconveniences of the Dog Owner	No of Respondents	% of Respondents
Lack of hygiene	69	66%
No convenient place to wait with comfortable sofa	57	55%
Price is too expensive	43	41%
The atmosphere/ ambience is not good	39	38%
No restaurant with good food and beverage	28	27%
Lack of facilities	27	26%
No free Wi-Fi	15	14%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three inconveniences experienced by the respondents (dog owner) in visiting pet shop, 66% respondents said the pet shop is lack of hygiene, 55% respondents said the pet shop doesn't have convenient place to wait with comfortable sofa, 41% respondents said the price is too expensive, 38% respondents said the

atmosphere or ambience in the pet shop is not good, 27% respondents said the pet shop doesn't have restaurant which provides good food and drink, 25% respondents said the pet shop is lack of facilities, and 14% respondents said there is no free Wi-Fi provided by the pet shop. Thus, it can be concluded that the top three inconveniences experienced by the owner in visiting pet shop are lack of hygiene, absence of convenient place to wait with comfortable sofa and the price is too expensive. These are the dog's owner top inconveniences that will be solved in our new concept of Dog and Owner Recreational Park.

Chart 2.15: Respondents Answer on Their Satisfaction Level to Pet Shop Service



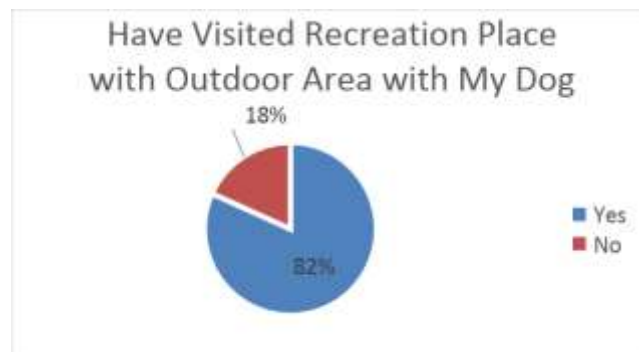
*Source: Result of data processing, 2019

Result from questionnaire shown that 43% respondents are satisfied with the pet shop service, 39% respondents are neutral, 12% respondents are very satisfied, and 6% respondents are unsatisfied with the pet shop service. Thus, it can be concluded that majority of the respondents still feel satisfied with the existing pet shop services, as the main customers are their dogs.

5. Respondent's Experience in Visiting Outdoor Recreational Place with Their Dog

This section describes the experience of visiting outdoor recreational place for the dog and owner, which would be important to be considered by our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

Chart 2.16: Respondents Answer on Whether They Have Visited Recreational Place with Outdoor Area with Their Dog



*Source: Result of data processing, 2019

Result from questionnaire shown that 82% respondents have visited recreational place with outdoor area with their dog and 18% respondents have never visited recreational place with outdoor area with their dog. Thus, it can be concluded that majority of the respondents have visited recreational place with outdoor area with their dog.

Table 2.6: Respondents Answer on Name of Outdoor Recreational Places that They Have Visited with Their Dog

Recreational Place with Outdoor Area for Dogs That Have Been Visited	No of Respondents	% of Respondents
Pet Kingdom	42	49%
Rumah Terraria	13	15%
Como Park	11	13%
Rumah Guguk	9	11%
Groovy Pet Shop	7	8%
Zoom Pet City	7	8%
Canine Kennel	7	8%
Central Park Mall	7	8%
Woof Avenue	5	6%
Scientia Square Park	5	6%
Taman Kodok	5	6%
Vodka and Latte	3	4%

*Source: Result of data processing, 2019

Result from questionnaire shown that from 49% respondents visited Pet Kingdom, 15% respondents visited Rumah Terraria, 13% respondents visited Como Park, 11% respondents visited Rumah Guguk, 8% respondents visited Groovy Pet Shop, 8% respondents visited Zoom Pet City, 8% respondents visited Canine Kennel, 8% respondents visited Central Park Mall, 6% respondents visited Woof Avenue, 6% respondents visited Scientia Square Park, 6% respondents visited Taman Kodok, and 4% respondents visited Vodka and Latte. Thus, it can be concluded that the majority of the respondents have visited Pet Kingdom. This information will be used further as benchmarking to facilities, service provided and price versus our new concept of Dog and Owner Recreational Park.

Table 2.7: Respondents Answer on Top Three Things the Dog Owner Like from Visiting the

Recreational Place with Outdoor Area with Their Dog

Things that the Dog Owner Like from Recreational Place with Outdoor Area	No of Respondents	% of Respondents
Clean and hygiene area	66	64%
Spacious outdoor area	50	48%

Things that the Dog Owner Like from Recreational Place with Outdoor Area	No of Respondents	% of Respondents
Friendly staff with love for dogs	46	44%
My dogs could play around with a lot of other dogs	40	39%
Convenience of the place	33	32%
Complete recreation facility for me and my dog	24	23%
Swimming pool for dogs	23	22%
Restaurant with good food and beverage	14	14%
Complete product and good service	11	10%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three things that the respondents (dog owner) like from visiting recreational place with outdoor area with their dogs, 64% respondents like the clean and hygiene area, 48% respondents like the spacious outdoor area, 44% respondents like that the staff is friendly and has love for dogs, 39% respondents like that their dogs could play around with other dogs, 32% respondents like the convenience of the place, 23 respondents like the complete recreation facility for them and their dog, 22% respondents like the availability of swimming pool for dogs, 14% respondents like the food and beverage provided by the restaurant in the recreation place, and 10% respondents like the completeness of products offered and the good service. Thus, it can be concluded that the top three things that the dog owners like in visiting recreation place with outdoor area with their dogs are clean and hygiene area, spacious outdoor area and friendly staff with love for dogs. These are important factors which will be considered in developing key offerings of our new concept of Dog and Owner Recreational Park.

Table 2.8: Respondents Answer on Top Three Inconveniences Experienced by the Dog

Owner when Visiting Recreation Place with Outdoor Area

Inconveniences of the Dog Owner	No of Respondents	% of Respondents
Lack of hygiene	67	64%
The atmosphere/ ambience is not good	42	40%

Inconveniences of the Dog Owner	No of Respondents	% of Respondents
Lack of facilities	42	40%
Price is expensive	41	39%
No convenient place to wait with comfortable sofa	38	37%
No restaurant with good food and beverage	32	31%
No free Wi-Fi	10	10%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three inconveniences experienced by the respondents (dog owner) in visiting recreation place with outdoor area with their dogs, 64% respondents said it is due to lack of hygiene, 40% respondents said the atmosphere or ambience of the place is not good, 40% respondents said the place lacks in facilities, 39% respondents said the price is expensive, 37% respondents said there is no convenient place to wait with comfortable sofa, 31% respondents said there is no restaurant with good food and beverage, and 10% respondents said there is no free Wi-Fi. Thus, it can be concluded that the top three inconveniences experienced by the owner in visiting recreation place with outdoor area with their dogs are lack of hygiene, the atmosphere or ambience of the place is not good and lack of facilities. These are important factors which will be considered in developing key offerings of our new concept of Dog and Owner Recreational Park.

Table 2.9: Respondents Answer on Top Three Inconveniences Experienced by the Dog when

Visiting Recreation Place with Outdoor Area

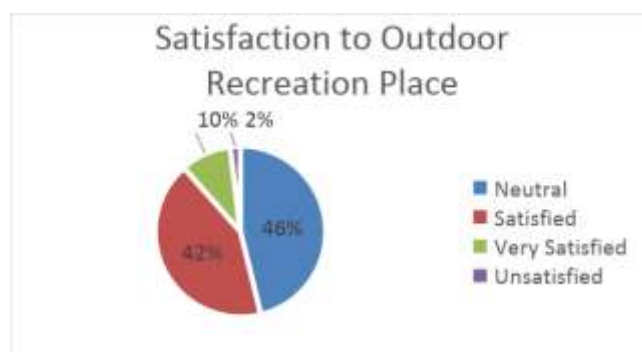
Inconveniences of the Dog	No of Respondents	% of Respondents
Lack of hygiene	67	64%
Too commercial, staff has lack of love for dogs	56	54%
My dog doesn't feel safe	47	45%
Lack of facilities	37	36%
Outdoor area is not big enough	33	32%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three inconveniences experienced by the dog in visiting recreation place with outdoor area, 64% respondents said lack of hygiene, 54% respondents said the place is too commercial and staff has lack of love for dogs, 45% respondents said their dog doesn't feel safe, 36% respondents said the place lacks in facilities, and 32% respondents said the outdoor area is not big enough. Thus, it can be concluded that the top three inconveniences experienced by the dog in visiting recreation place with outdoor area are lack of hygiene, the place is too commercial and the dog doesn't feel safe. These are important factors which will be considered in developing key offerings of our new concept of Dog and Owner Recreational Park.

Chart 2.17: Respondents Answer on Satisfaction Level from the Service of Recreation

Place with Outdoor Area



*Source: Result of data processing, 2019

Result from questionnaire shown that 46% respondents are neutral, 42% respondents are satisfied with the outdoor recreation place services, 10% respondents are very satisfied, and 2%

respondents are unsatisfied with the service. Thus, it can be concluded that majority of the respondents are still neutral concerning their satisfaction level to the services from outdoor recreation area for dogs. This could be a point of improvement to be considered by our new concept of Dog and Owner Recreational Park.

6. Respondent's Feedback in Developing Ideal Reactional Place with Their Dog

This section captures the expectation from respondents of an ideal recreational park and the amount they are willing to spend, which are very important for our new concept of Dog and Owner Recreational Park. The results of the questionnaire are as follow:

Table 2.10: Respondents Answer on Five Main Elements that Must Exist in Ideal Recreation Place with Outdoor Area for Their Dog

Main Elements in Ideal Recreation Place with Outdoor Area	No of Respondents	% of Respondents
Staff with quick response, friendly and love for dogs	81	79%
Spacious outdoor area	70	68%
Convenient place and atmosphere for dog and the owner	61	59%
Professional pet shop and dog grooming	55	53%
Complete playing facilities for dogs	54	52%
Dog swimming pool	43	42%
Veterinarian and dog clinic	42	41%
Restaurant with good food and beverage	33	32%
Free Wi-Fi	17	17%
Dog lover community	15	15%
Dog hotel	13	13%
Dog rental	13	13%
Tasty dog food menu for dogs	11	11%
Dog logistics and dog custom clearance	9	9%
Playing facility for children	7	7%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top five main elements that must exist in recreation place with outdoor area for dogs, 79% respondents said the place must has staff with

quick response, friendly behavior and love for dogs, 68% respondents said the place must has spacious outdoor area, 59% respondents said the place must be convenient with good atmosphere for the dog and the owner, 53% respondents said the place must has professional pet shop and dog grooming, 52% respondents said the place must has complete playing facilities for dogs, 42% respondents said the place must has swimming pool for dogs, 41% respondents said the place must has veterinarian and dog clinic, 32% respondents said the place must has restaurant with good food and drink, 17% respondents said the place must has free Wi-Fi, 15% respondents said the place must has dog lover community, 13% respondents said the place must has dog hotel, 13% respondents said the place must has dog rents, 11% respondents said the place must has tasty food for the dogs, 9% respondents said the place must has logistic and custom clearance service for the dogs, and 7% respondents said the place must has playing facilities for children. Thus, it can be concluded that the top five main elements that must exist in recreation place with outdoor area for dogs are staff with quick response, friendly and love for dogs; spacious outdoor area; convenient place and atmosphere for dog and the owner; professional pet shop and dog grooming, and complete playing facilities for the dogs. These are important factors to be considered by our new concept of Dog and Owner Recreational Park.

Chart 2.18: Respondents Answer on Their Interest to Visit the New Ideal Recreation

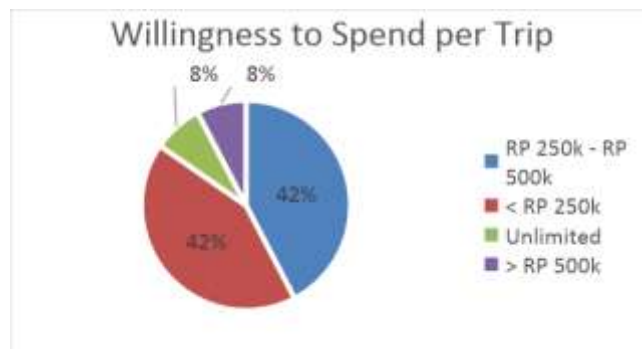
Place with Outdoor Area in Jabodetabek with Their Dog



*Source: Result of data processing, 2019

Result from questionnaire shown that 97% respondents are interested to visit the new ideal recreation place with outdoor area with their dog and 3% respondents do not have interest. Thus, it can be concluded that majority of the respondents are interested to visit the new concept of Dog and Owner Recreational Park.

Chart 2.19: Respondents Answer on How Much They Are Willing to Spend per Trip in Their Ideal Reactional Place with Outdoor Area for Dog



*Source: Result of data processing, 2019

Result from questionnaire shown that 42% respondents are willing to spend RP 250.000 to RP 500.000 per trip, 42% respondents are willing to spend up to RP 250.000 per trip, 8% respondents said they do not have limitation as long as they could have good time with their dog and 8% respondents are willing to spend more than RP 500.000 per trip. Thus, it can be concluded that there are two majority price range that need to be considered in our new concept of Dog and Owner Recreational Park, for price below and up to RP 250.000 per trip and for price RP 250.000 – RP 500.000 per trip. This will be considered while building service packages and pricing for customers.

Table 2.11: Respondents Answer on Their Top Three Hobbies

Dog Owner Hobbies	No of Respondents	% of Respondents
Watch Movies	68	65%
Hang out with friends	45	43%
Sports	33	32%
Reading	33	32%
Music/ Singing	23	22%
Playing game	19	18%
Cooking	19	18%
Travelling	3	3%
Painting	2	2%
Outdoor Activity	1	1%
Sleeping	1	1%

*Source: Result of data processing, 2019

Result from questionnaire shown that from the top three hobbies of respondents (dog owner), 65% respondents said they like watching movies, 43% respondents said they like to hang out with friends, 32% respondents said they like to do sports, 32% respondents said they like to read, 22% respondents said they like music and singing, 18% respondents said they like to playing game, 18% respondents said they like to cook, 3% respondents said they like to travel, 2% respondents said they like to paint, 1% respondents said they like outdoor activity and 1% respondents said they like to sleep. Thus, it can be concluded that top hobbies of the respondents are watching movies, hang out with friends, sports and reading. This information will be considered to provide entertainment for the dog owners while waiting on their dogs in our new concept of Dog and Owner Recreational Park, as well as to conduct events for the dog owners and dog lovers.

2.3.2 Qualitative Research Data

The team conducted interview to 6 respondents in Jabodetabek area to gain information and deeper understanding to the relationship of dog and their owner, and the gaps or underserved needs in in existing dog recreational place. The interviews were conducted during period of April 7 to 12, 2019, with each interview duration from 20 - 30 minutes.

The interview consists of three (3) sections, where the first section discussed the respondents profile such as name, age, gender, occupation and domicile. The second section concerned the information of the dog owned, such as what is the dog breed type, why the respondent like dog as pet, do they like cat also as pet, number of dogs owned, and what is the purpose having dog as pet. The third section concerned the activity between dog and the owner, such as to which recreation place that the dog owner usually brings their dog to have a good time together, how much is their monthly expenditure for the dog, how many times in a month that they go out with their dog, what is the most often visited recreational place with their dog, what do they like from the visited recreational place, what they do not like from the recreational place and should be improved, what elements that they think must exist in an ideal recreational place with their dog, and what is their interest to visit new recreational park which will offer complete services and facilities for them and their dog.

The summary of interview result will be explained in section below:

Table 2.12: Respondents Profile

No	Question	Respondent 1	Respondent 2	Respondent 3
1	Name	Ms. Sheila	Ms. M	Mrs. L
2	Age	30 years old	44 years old	40 years old
3	Gender	Female	Female	Female

4	Occupation	Employee	Entrepreneur	Housewife
5	Domicile	South Jakarta	Depok	Tangerang

No	Question	Respondent 4	Respondent 5	Respondent 6
1	Name	Mr. H	Mr. Ferry	Mr. Ken
2	Age	44 years old	47 years old	30 years old
3	Gender	Male	Male	Male
4	Occupation	Entrepreneur	Entrepreneur	Employee
5	Domicile	North Jakarta	Tangerang	Tangerang

*Source: Result of data processing, 2019

From six (6) respondents as above, we have 3 respondents whom agreed to disclose their name (Ms. Sheila, Mr. Ferry and Mr. Ken) and 3 other respondents which are unwilling to disclose their name in this paper (namely Ms. M, Mrs. L and Mr. H). Their names could be provided upon request.

Table 2.13: Information of the Dog Owned

No	Question	Respondent 1	Respondent 2	Respondent 3
1	Dog breed owned?	Golden Retriever	Golden Retriever	Shih Tzu
2	Reason to like dog as Pet?	Loyal and friendly	Entertaining	Introduced by my family
3	Do you like cats?	No	No	No

4	Number of dogs owned?	1 (one)	1 (one)	2 (two)
5	The Purpose of having a dog?	As companion for activities, part of the family	As friend and part of the family	As part of the family

No	Question	Respondent 3	Respondent 4	Respondent 5
1	Dog breed owned?	Pomeranian and Golden retriever	Shih Tzu and Mixed Breed	Corgi
2	Reason to like dog as Pet?	Cute and playful	As companion for my children	Friendly and lovable
3	Do you like cats?	No	Yes, I have 3 cats	No
4	Number of dogs owned?	5 (five)	10 (ten)	2 (two)
5	The Purpose of having a dog?	As companion	As part of the family	As my companion and part of family

*Source: Result of data processing, 2019

Table 2.14: Information of Activity Between Dog and Owner

No	Question	Respondent 1	Respondent 2	Respondent 3
1	Recreation place destination to have fun with your dog?	On weekends go to place with swimming pool for dogs	On weekends go to place with swimming pool and outdoor area for dogs	Recreation place with outdoor area or swimming pool, public dog parks
2	Monthly expenditure for your owned?	RP 3 - 3.5 Million	RP 2.5 Million	RP 1 - 1.5 Mio
3	Visitation frequency per month for recreational place?	Minimum 2 times	Minimum 1 time	Minimum 1 time
4	Most visited recreational place with your dog?	Pet Kingdom and Woof Avenue	Rumah Terraria	Pet Kingdom and Central Park Mall

No	Question	Respondent 1	Respondent 2	Respondent 3
5	<p>What do you like from that recreational place in point 4?</p> <p>And what is your satisfaction level to their service?</p>	<p>Complete playing facilities for dogs: (+) Wide playground (+) Agility obstacle (+) swimming pool</p> <p>Quite unsatisfied with the service</p>	<p>Complete playing facilities for dogs: (+) Spacious outdoor area (+) Swimming Pool</p> <p>Service is ok for my dog, but ok for me</p>	<p>For pet shop visited: (+) Wide area for dogs to play (+) Grooming service For public dog park: (+) Free to enter (+) Park to exercise my dog Quite unsatisfied due to inconsistent service in the pet shop</p>
6	<p>What you do not like from that recreational place in point 4 and could be improved?</p>	<p>(-) Lack of cleanliness and hygiene (-) Untrained staff (-) Big risks of dog fight (-) Price is expensive versus service (-) Over crowded on weekends (-) No comfortable waiting area for dog owners (-) Not selling food and beverage for dog owners</p>	<p>(-) Lack of cleanliness and hygiene (-) Untrained staff (-) Inconsistent service quality (-) Inconvenient waiting area for dog owner (-) No entertainment for dog owner (-) Not enough menu of good food and beverage for dog owners</p>	<p>In pet shop: (-) Lack of cleanliness and hygiene (-) Untrained staff (-) Inconsistent service quality (-) Price is expensive In public dog park: (-) Safety and disease risk (-) Tired of looking after my dogs (-) Inconvenience for the dog owners</p>
7	<p>What are the main elements in ideal recreation place with your dog?</p>	<p>Complete exercise and playing facilities for dogs, Spacious area, Clean and hygiene, Trained and professional staff, Reasonable price versus service, Convenient place for dog owners to wait on their dogs; and Restaurant with good food and beverage, Dog day care and training</p>	<p>Cleanliness must be well maintained, Spacious area, Good layout, Complete playing facilities for dogs, Veterinarian, Dog clinic, Dog Hotel, Different price package for dogs' recreation; and Entertainment and Convenient place for dog owners to wait and relax</p>	<p>Spacious outdoor area, Swimming pool for dogs, Trained staff, Clean area, Affordable pricing, Dog training, Pet shop Veterinarian, Convenient place for dog owners to wait, Food and Beverage sold by restaurant</p>
8	<p>Interested in visiting new recreational park for you and your dog with facilities as mentioned in point 7?</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>

No	Question	Respondent 4	Respondent 5	Respondent 6
1	Recreation place destination to have fun with your dog?	Recreational place with outdoor area and swimming pool, with my family	Recreational place with outdoor area	Public dog park or Café which allows dogs.
2	Monthly expenditure for your owned?	RP 3 - 4 Million	RP 4 - 5 Million	RP 3 - 4 Million
3	Visitation frequency per month for recreational place?	1 – 2 times	No fixed schedule	1 – 2 times
4	Most visited recreational place with your dog?	Pet Kingdom	Pet Kingdom and Rumah Terraria	Como Park and Café which allows dogs
5	What do you like from that recreational place in point 4?	Complete playing facilities for dogs: (+) Wide playground (+) swimming pool	Complete facilities for dogs: (+) Spacious outdoor area (+) Swimming Pool (+) Dog boarding	For cafe visited: (+) Air conditioned (+) Comfortable For public dog park: (+) Free to enter (+) Spacious park to exercise my dog (+) Some cafe nearby
	And what is your satisfaction level to their service?	Quite unsatisfied with the service	Ok. Service is quite professional for me	Satisfied for cafe service, but unsatisfied for public dog parks
6	What you do not like from that recreational place in point 4 and could be improved?	(-) Lack of cleanliness and hygiene (-) Untrained staff (-) No separate area for dogs with aggression risk (-) Price is expensive versus service (-) Over crowded on weekends (-) No comfortable waiting area for dog owners (-) Not selling food and beverage for dog owners	(-) Over crowded on weekends, not enough existing providers in the market (-) Untrained staff (-) No separate area for small and large dog breed, risk of dog fight (-) Safety concern for my dogs (-) Exhausting for me to always looking after my dog to avoid dog fight	In cafe: (-) Dogs are on leash, could not play around and easily bored (-) No special food for dogs In public dog park: (-) Safety and disease risk (-) Hot, no AC (-) Tired of looking after my dogs (-) Inconvenience for the dog owners

No	Question	Respondent 4	Respondent 5	Respondent 6
7	What are the main elements in ideal recreation place with your dog?	Spacious and clean outdoor area, Separation of dog's type based on aggression, Complete facilities for dogs, Trained staff, Reasonable price, Convenient Place and Entertainment for dog owners, Restaurant; and Dog and Owner Hotel.	Cleanliness must be well maintained, Complete facilities for dogs, Trained and professional staff, Separation between small and large dog breed, Convenient place to wait on my dogs so I could relax	Safe and secure area for my dogs, Clear limitation for number of dogs visiting the recreation place to avoid over crowded, Staff must love dogs, Complete facilities for dog owner, Convenient place with good atmosphere for me to relax while waiting on my dogs to play around (with AC and entertainment)
8	Interested in visiting new recreational park for you and your dog with facilities as mentioned in point 7?	Yes	Yes	Yes

*Source: Result of data processing, 2019

The qualitative research was conducted to gather information and deeper insights from dog owners as respondents, which were not informed in the quantitative research data. From qualitative research data as above, some new information that the team gathered are as follow: the idea for dog day care and dog training so the owner could go to work and pick the dog up in the evening, the need to separate playing area between small breed and large breed dog; and the reluctance to go on weekends due to overcrowded area.

2.4 Theory of Business Model

2.4.1 Theory of Value Proposition Canvas (VPC)

The Value Proposition Canvas is a framework developed ensure that there is a fit between the product and market, where a product or service is positioned around what the customer values and needs. This framework is used when there is a new product or service offering being developed from zero, or to improve an existing product or service offerings. The Value Proposition Canvas helps the company to design products and services according to the customers wants (Osterwalder et al., 2014).

According to Osterwalder et al. (2014), the creation of the Value Proposition Canvas is based on:

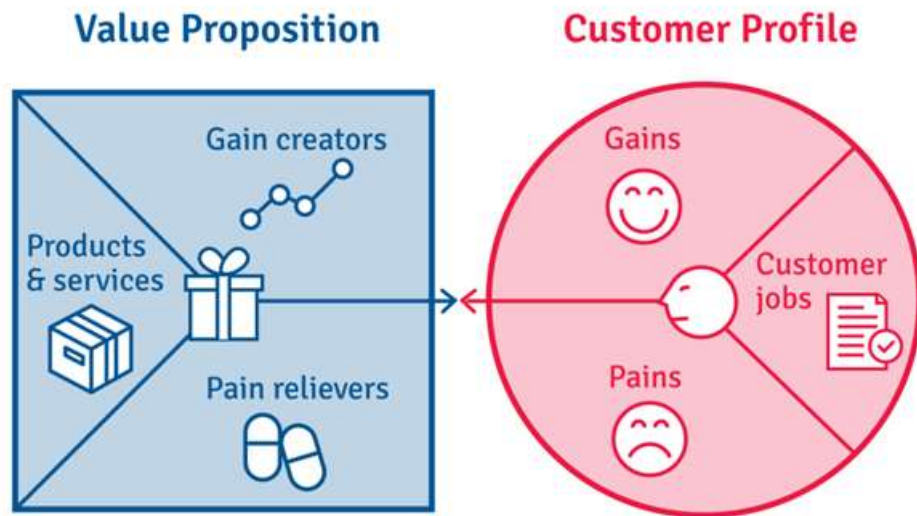
1. Creating Value Propositions for:

- Product & Services: describing what products or services is the value proposition based on.
- Gain Creators: describing how your products and services create customer gains.
- Pain Relievers: describing how your products and services relieve the customer pains.

2. Using experience in the area of the customer segments of:

- Customer Jobs: describing what customers are trying to get done in their work and in their lives.
- Gains: describing the outcomes customers want to achieve or the concrete benefits they are seeking.
- Pains: describing bad outcomes, risks, and obstacles related to customer jobs.

Figure 2.3: Template of Value Proposition Canvas



*Source: Value Proposition Design (Osterwalder et al., 2014)

2.4.2 Customer Pains

Based on the quantitative and qualitative research data as discussed in section 2.3, we found the Customer Pains from existing business models as follow:

1. From the first current business model of premium pet grooming shop with some outdoor area and swimming pool for dogs, our team took the example of one of well-known Pet Shop in Serpong.

Figure 2.4: Seating Area for Dog Owner



*Source: google image

Pains for Dog Owner from figure 2.4 above:

- Uncomfortable seating area
- No restaurant or café which provides good food and beverage
- Place is too crowded especially in weekends due to small area size
- Odor problem, due to small area size
- No entertainment for dog owners

Figure 2.5: Limited Size in Outdoor Area



*Source: google image

Figure 2.6: Lack of Cleanliness in the Swimming Pool



*Source: [instagram](#)

Figure 2.7: Risk of Dog Aggression



*Source: [google image](#)

Pains for the Dog from figure 2.5, 2.6 and 2.7 above:

- Limited size of outdoor area to run around freely
- Place is too crowded in weekend
- Risk of fighting when meeting other more aggressive dogs and no separated area for small and large breed dogs.
- Unfriendly and lack of experience staff with no knowledge on dog training/obedience
- Hygiene problem in outdoor area and swimming pool (dirty water)

2. From the second current business model of recreational place with spacious outdoor area and providing swimming pool for dogs, our team took the example of well-known recreation place in Bogor area.

Figure 2.8: Uncomfortable Reception and Seating Area for Dog Owner



*Source: Research Photo

Figure 2.9: Uncomfortable Waiting Area for Dog Owner



*Source: Research Photo

Figure 2.10: Uncomfortable Small Coffee Shop in the Recreational Place



*Source: Research Photo

Pains for Dog Owner from figure 2.8, 2.9 and 2.10 above:

- Open air concept for waiting area, which could be very hot in the afternoon or get wet during the rain
- No comfortable sofa to wait
- No entertainment for the dog owner (no Wi-Fi, no TV), dog owner could easily get bored
- Only small coffee shop is available with limited bar stool seating. No other drinks sold (juices, etc.)
- Only limited food menu is provided (Indomie and Fried Rice)
- Location accessibility (very far to reach)
- Hygiene issue in park area due to litter

Figure 2.11: Lack of Cleanliness in Outdoor Area



*Source: Research Photo

Figure 2.12: Lack of Cleanliness in in Agility Park Area



*Source: Research Photo

Figure 2.13: Limited Size of Swimming Pool Area



*Source: Research Photo

Pains for Dog from figure 2.11, 2.12 and 2.13 above:

- Smaller size of swimming pool, could get very crowded if more than 3 dogs swimming at the same time
 - Inattentive staff with lack of consistency in accompanying the dogs
 - Cleanliness in park and agility area
3. From the third current business model of dog Friendly Park with spacious outdoor area, our team took some examples from dog lover community gathering in Jakarta as follow:

Figure 2.14: Uncomfortable Park Gathering Area



*Source: google image

Figure 2.15: Uncomfortable Seating Area for Dog Owners



*Source: [google image](#)

Figure 2.16: Risk of Dog Aggression



*Source: [google image](#)

Pains for Dog Owner from figure 2.14, 2.15 and 2.16 as above:

- No facility for sitting and waiting conveniently
- Always on high alert, watching on the dogs to avoid fighting
- Hygiene problem

Pains for Dogs from figure 2.14 and 2.15 as above:

- Could not run around freely, must be on leash
- Could get infected by diseases from other dogs
- Lack of facility for the dog to play and exercise
- Dogs could get stressed, risk of fighting with other dogs

4. From the fourth current business model of dog friendly cafés, our team took some examples of trending dog café in Jabodetabek as follow:

Figure 2.17: Dogs only Waiting on Owner Eating



*Source: Research Photo

Figure 2.18: Café which Allowed Dogs



*Source: google image

Figure 2.19: Café with Some Outdoor Area for Dogs



*Source: [google image](#)

Pains for Dog Owner from figure 2.17, 2.18 and 2.19 as above:

- Always looking on the dogs to ensure they are not stressed and bored, thus causing dog owner unable to relax fully
- Risk of smell and hygiene problem due to the dogs brought into the cafe
- Feeling guilty as the dogs unable to have good time running around and playing

Pains for Dogs from figure 2.17, 2.18 and 2.19 as above:

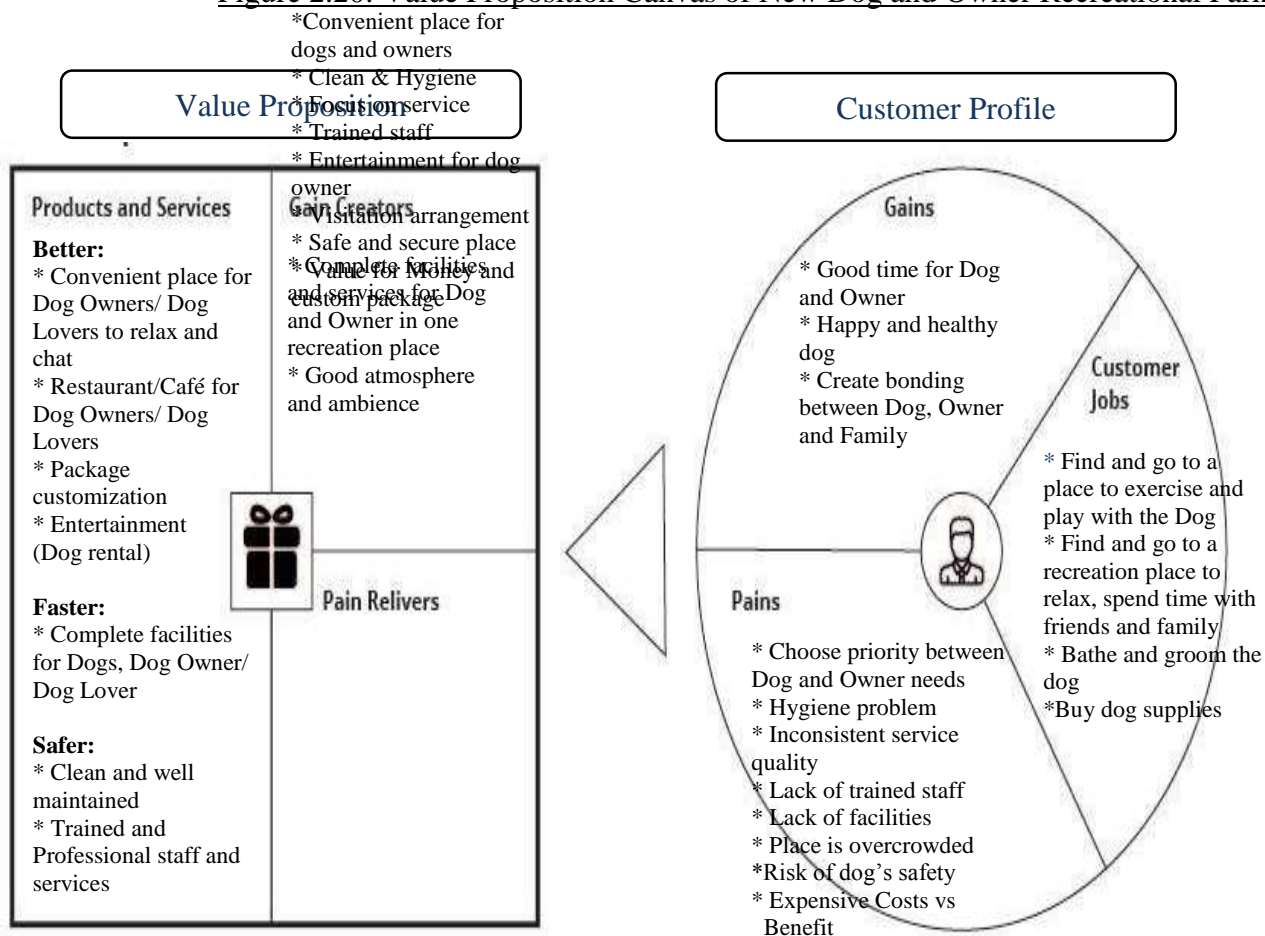
- Could not run around freely, must be on leash
- Bored, no facility for the dog to play and exercise

From all the Customer Pains shown as above, we can see that currently there are underserved customer needs (for both the dogs and the dog owners), which could not be fulfilled by existing service providers in the market. Existing providers only emphasize services for the Dog or the dog's Owner and do not fulfill the needs of dogs and their owners at the same time, thus limiting the dogs and the owner's activity to have fun and good time conveniently.

2.4.3 Value Proposition Canvas of New Dog and Owner Recreational Park

Based on quantitative and qualitative data that has been discussed in section 2.3 and the customer Pains in existing business model as explained in section 2.4.2, we build the value proposition canvas for our new concept of Dog and Owner Recreational Park:

Figure 2.20: Value Proposition Canvas of New Dog and Owner Recreational Park



2.4.4 VRIO Analysis

The team also perform the Value, Rareness, Imitability, Organization (VRIO) framework analysis to evaluate the resources and competitiveness of our new concept of Dog and Owner Recreational Park its business as described by Jay B Barney in 1991 in his work 'Firm Resources and Sustained Competitive Advantage'.

The framework analysis of VRIO as follow:

Table 2.15: VRIO Framework

VRIO, Competitive Implications, and Economic Implications					
Valuable?	Rare?	Costly to Imitate?	Organized Properly?	Competitive Implications	Economic Implications
No			No	Disadvantage	N/A
Yes	No		↕	Parity	Normal
Yes	Yes	No	↕	Temporary Advantage	Moderate (at least for certain period of time)
Yes	Yes	Yes	Yes	Sustained Advantage	High (sustainability)

The VRIO framework analysis for our new concept of Dog Recreational Park as follow:

Table 2.16: VRIO Framework of New Dog Recreational Park

Resources	Valuable	Rarity	Costly to Imitate	Organized to Capture value	Impact on Competitive Advantage
Complete Facility and Services for Dog and Owner	Yes Fulfilling the needs of dog and owner at the same time	Yes Current existing business models do not offer complete solutions	Yes Requires a lot of investment and knowledge in the business	Yes The company organized professionally	Sustainable Competitive Advantage

Resources	Valuable	Rarity	Costly to Imitate	Organized to Capture value	Impact on Competitive Advantage
Customer Service	Yes High quality customer service for customer satisfaction and retention	Yes Most existing business is too commercial, lack of customer service	No Could be achieved as well by other competitors thru some time	Yes Strong customer data base used to support and promote the business	Temporary Advantage
Convenient and Clean Environment	Yes Clean and hygiene environment is important factor for the dog owner to choose recreational park	Yes Most existing recreational places do not maintain the cleanliness regularly	Yes Requires a lot of clear process and investment	Yes Used as strong point of differentiation versus competitors	Sustainable Competitive Advantage
Trained and Friendly Staff with Love for Dogs	Yes Staff is very important to ensure dog and owner enjoyment in the recreation park	Yes Most of the competitors only using regular staff, not very friendly nor trained	Yes Constant training, people development and staff retention program is needed	Yes With good HR management in the company	Sustainable Competitive Advantage

From the VRIO analysis as above, we can see that our new concept of Dog and Owner Recreational Park has sustainable competitive advantage which could be used to fulfill the needs of both dogs and the dog owners; and will create a strong new business concept which does not exist in the market at the time of the thesis writing.

2.4.5 Agile Business Analysis

The new concept of Dog and Owner Recreational Park has the four elements of Eliminate, Reduce, Raise, and Create which can be considered as a Blue Ocean strategy which will be explained as follow:

- Eliminate: the inconveniences of the customers of visiting the dog recreational park, which are felt by the dogs, dog owner or dog lover.
- Reduce: the time, effort, and cost to the get the most complete service for dog, dog owner and dog lover.
- Raise: the satisfaction of the customers and their dogs.
- Create: more values created to customers and their dogs i.e. as the preferred recreational park, and top of mind in servicing dogs and dog owners.

The business is unpredictable in a business environment; thus, it requires an Agile Business Analysis according to Andersen and Poulsen (2014) to identify the Surprise Dimension, Innovation Dimension, Cost Dimension, X-Factor Dimension, and Regulatory Dimension of the new concept of Dog and Owner Recreational Park.

A summary of Business Agile Analysis among its stakeholders is described in the table below.

Table 2.17: Agile Business Analysis of New Dog Recreational Park

DIMENSION	NON-NEGOTIABLE	DIFFERENTIATORS	DISSATISFIERS
The Surprise Dimension	The new concept of dog recreational park (C/SBP/BO)	One Stop Services (C/SBP/BO)	No surprises (C/SBP)
The Innovation Dimension	Integrated services (C/SBP/BO)	Unique Value Proposition (Better, Faster, Safer) (C/SBP/BO)	Not as promised or not as expected (C/SBP)
The Cost Dimension	No or relatively low switching cost (C/SBP)	Business eco-system for optimum satisfaction and operational efficiency (C/SBP/BO)	Less value for money than the current providers (C/SBP)
The X-Factor Dimension			

The Regulatory Dimension	No specific prevailing regulations (SBP/BO)		In-compliance with the related rules and regulations (SBP/BO)
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Legend: C = Customers; SBP = Suppliers & Business Partners; BO = Business Owne