

CHAPTER V

CONCLUSION

5.1 Conclusion

Puppy and Me Recreational Park for Dog and Owner is a new business concept which aims to serve the current gaps from the needs of dog and their owner. These gaps could not be fulfilled by the existing providers in the market (at the time of this thesis writing). Existing providers could only act as substitutes to Puppy and Me Recreational Park's offerings, as they only fulfill either the needs of the dog(s) or the owner(s), and either the dog(s) or the owner(s) experienced dissatisfaction and inconveniences due to the underserved needs. Puppy and Me Recreational Park will provide complete facilities and services for both the dog and the owner with clean, hygiene, fun, convenient, and safe environment to allow both having one of the best times of their lives at our recreational park.

We can summarize that Puppy and Me Recreational Park has a very good business potential based on below considerations:

1. Increasing number of dog ownership in Indonesia, especially purebred dogs. The data from Indonesian Kennel Klub (IKK) shown that from 2014 to 2016, the registered purebred dogs increased by 21%.
2. In Porter's Five Forces Diagram analysis, the proposed new business model for Dog and Owner Recreational Park is very attractive to enter, as there is only Threat of new entrants with medium pressure; meanwhile Bargaining power of suppliers, Bargaining

- power of buyers, and Threat of substitute products/ services have low pressure; and Rivalry among existing competitors has no pressure as there is no existing competitors.
3. 97% from our total 104 respondents in questionnaire data was interested to visit new concept for Dog and Owner Recreational Park in Jabodetabek.
 4. Payback period of 3.39 years and the Net Present Value (NPV) is RP 2.605.667.089. The NPV is bigger than zero (0), so the investment is going to be profitable and project can be accepted.
 5. Attractive profit ratio, where in first year it will be 28.80%, second year 31.56%, third year 30.62%, fourth year 30.10% and in fifth year it will be 31.34%.

5.2 Growth Plan

For the capital requirements needed for this new business, we will look for investors for financing as the initial capital resources required to open our first Puppy and Me Recreational Park is at RP 16.125.000.000.

At the early stages, Puppy and Me Recreational Park plan to open first store in Jabodetabek area, preferably near Serpong area as it is growing residential with characteristics of middle to up income and relatively big number of dog ownership. By putting location in Serpong area, Puppy and Me Recreational Park will also be able to attract dog owners from Tangerang, South Jakarta and West Jakarta. The first store will have space of 4000 sqm, with some buffer land in surrounding area to allow future expansion.

In the next stage of development, we plan to open another store in Jabodetabek, preferably in Bogor area with store total size around 1 hectare. This will be our second model, with more

spacious outdoor area for dog(s) and the dog owner(s). Bogor area is chosen because it still has a lot of land availability for our options and potential customers with employee and entrepreneur occupation. From the questionnaire data in chart 2.14, majority of the respondents (dog owners) are employees (46%) and entrepreneurs (24%), and currently there are a lot of people who work in Jakarta but live in Greater Jakarta area such as Bogor, Cibubur, Depok, Sentul, etc. We have another idea to develop dog and owner hotel, so the family and the dog could take vacation together in a nice hotel, without leaving their pet behind. The team also has plan to expand Puppy and Me Recreational Park to other cities as well, such as Bandung and Surabaya, as these are big cities which have middle to up income dog owners, and more willing to spend for their hobbies in dog.