

CHAPTER I

INTRODUCTION

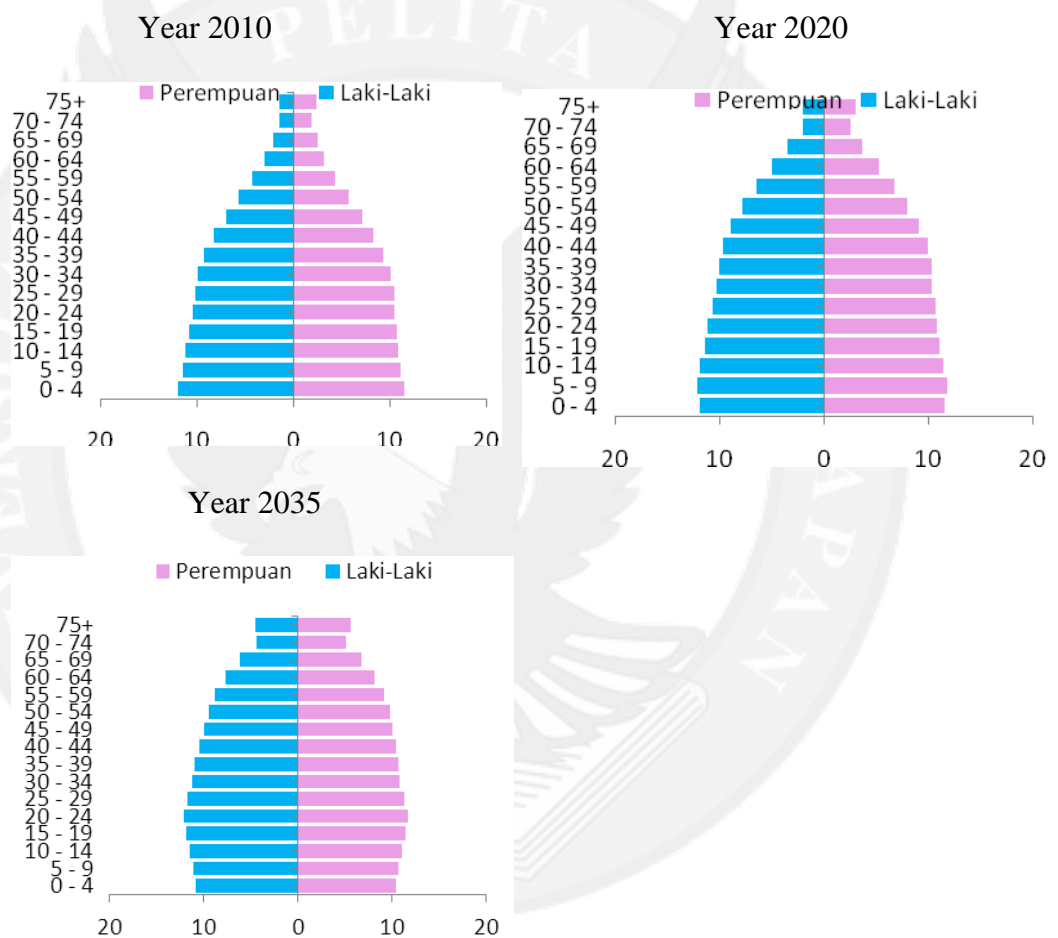
A. The Initial idea

In a narrow sense the hospitality industry comprises commercial tourist accommodations and food services for people who are staying and eating away from home. The wide variety of hospitality services offered ranges from private, self-catering accommodation facilities such as second homes, timeshares, private yachts, and motor homes to full-service commercial facilities such as holiday resorts, hotels, motels, farmhouses, and cruise ships (Lund-Durlacher & Dagmar, 2010, p. 273). The need of travel not only came from inbound tourist but also from domestic tourist. While Indonesia being the destination to go on trips, the people of Indonesia also travels a lot to domestic and international destination. Indonesia is ranked as the fourth highest populated country in the world with the population growth rate between 2010-2017 is 1,34%, and with the total population of 261.890.900 in 2017 (Badan Pusat Statistik Indonesia, 2018, p. 85). For the purpose of working, holidays, health, education, etc, domestic tourist in Indonesia is increasing and therefore there are needs and room for hospitality industry to grow.

Hospitality and tourism industry are not only needed by the inbound tourist, but also for the local people that have diverse activities in their daily life. There are many forms of hospitality and tourism industry that

the locals needed such as hotels, car rental services, food and beverage, child care service, nursing home and many more that still need to be discovered for the benefit of the locals. Nursing home in Indonesia is popular due to the increasing burden of the youngsters of their jobs and daily lives.

Table 1
Indonesian Population Pyramid Year 2010, 2020 and 2035



Source: Indonesian Population Projection (2013)

According to Indonesian Population Projection (2013) in 2035, the projected population of age 0-14 years will decrease significant by looking at 2010 proportion of the Indonesian population 0-14 years old and 28.6%

in 2035 it fell to 21.5%. Along with population development, the middle of the pyramid is widening, which means the age productive population increases. Elderly aged 65 years and over also experienced a significant increase, from the proportion of 5% in 2010 estimated to rise up to 10.5% in 2035. Indonesia's population structure in the near future will be referred to as population aging (Hernayah, 2015). According to the Law of the Republic of Indonesia No.12 (1998), the elderly are someone who have reached the age of 60 years and over. Along with the development of a society that is increasingly modern and complex and busy with their own activities, some of them the implementation of maintaining the elderly by family began to be taken over and served by government and community institutions, such as hospitals and special houses serving elderly people like nursing homes (Fatimah, 2010). Home is experienced as the place the older adult could not imagine living without but also as the place one might be forced to leave due to losses accompanying old age (Gillsjö, Schwartz-Barcott and von Post, 2011). According to Zadelhoff & Verbeek (2011) nursing homes provide an alternative place of residence where care and assistance are offered by professionals. Nursing home is one of the alternatives for elderly in the old age.

Jakarta the capital city of Indonesia, one of the most populated city in the world. According to Abraham (2018), The population in Jakarta, the capital city of Indonesia, will reach 35.6 million as it is forecast to add 4.1 million people between 2017 and 2030 and will exceed Tokyo as the biggest city in the world. According to Abraham (2018), Jakarta is the

third worst city for traffic in 2018, with residents spending an additional 184 hours per year stuck on the roads. Leaving the elderly in the house alone could cause them to be depressed because they are lonely with no activities and no one to talk to. According to Meyer and Schuyler (2018) Loneliness among the elderly is common, it is associated with depression, poor health status, decreased mobility, and cognitive decline. Problem-solving strategies to combat loneliness are important clinically. Health status can improve if loneliness is diminished through companionship, satisfying family relations, and activities with a sense of purpose.

However, putting elderly to nursing home also have a negative impact. There is a negative impact on the psychological condition of the elderly who live separately family. Some of the impacts that occur when the elderly separated from the family are feelings of loneliness, neglect and even depression (Suri, 2010). Therefore, the other option of the matter is an elderly daycare center.

Based on the data and observation, the business feasibility study is made to establish a daycare and activities center for elderly in Tangerang, specifically in BSD area. The name for the business is Furui Daycare and Activities Center. Furui means elderly in Japanese. Therefore means, daycare and activities center for elderly. This daycare and activities center will be located in BSD, Tangerang because BSD area is surrounded by residential area, such as BSD itself, Gading Serpong, Alam Sutra, and Karawaci. A daycare and activities center needed to be located in a central housing district for the needs of the residence and make the elderly easy to

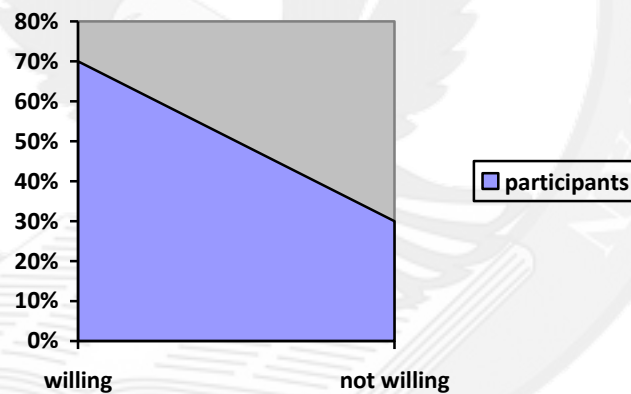
commute to the daycare and activities center. According to Winarso (2015) there are 3 largest town in South Tangerang, BSD City (6000 ha) in Serpong and Setu District, Bintaro Jaya (2300 ha) in Pondok Aren District, and Alam Sutera (700 ha) in Serpong Utara District. These new self sustained towns have attracted migrants from inside and outside Jabodetabek region, and become pull factors for other commercial, industrial, property, and service sectors to thrive around the regions. According to BSD Annual Report (2015) from Sinar Mas Land developer group, the undeveloped land in BSD City new town at the end of 2015 have reached 2307 ha from the total areas of 6000 ha that have been acquired by the company since 1984. BSD area is a also a developing residential area that will expand more, so it is a good location to start this business because there will be more customers in the future.

The aim is to offer an exclusive daycare for elderly if their caretakers couldn't take care of them that day and the caretakers don't want to put their elderly in the nursing home and wanted the elderly to have full interaction with the community, while staying in their own house. Furui is not only focused on elderly daycare, but also conducting activities for the elderly such as tai chi, flower arranging class, knitting in groups, worship and prayers meeting, etc. Furui aims for the satisfaction of both elderly and caretakers and wanted to increase the quality of elderly life. Furui will located in a building where it is surrounded by green plants and trees, to create fresh, calm ambience. Furui also gives the best healthy and high nutrition meals to the elderly so they can maintain their health while

enjoying the foods served. Elderly that comes into this place will feel welcomed, like they are in a 5 star hotels, and will have a great activities and could socialize with fellow elderly. In house doctor will be in charge for emergency needs.

According to the preliminary survey that is given to 10 participants (participants have middle to high income and have elderly in their houses), if caretakers will put their elderly in a daycare and activities center after given the description of what is the function of the daycare for both elderly and caretakers the result are in the table above.

Table 2
Preliminary Survey of Participant Willingness to Put Their Elderly in a Daycare and Activities Center



Source: Data analysis (2018)

From the table above 7 out of 10 participants are willing to put their elderly in daycare and activities center with many reasons such as:

- a. To make their elderly happy and active

- b. So their elderly can have friends
- c. To avoid dementia in elderly
- d. To make it convenient for them (the participants) to work and left the elderly in a good hands

While 3 out of 10 participants are not willing to put their elderly in daycare and activities center with reasons such as:

- a. Because the participant think their elderly wouldn't want to be put in a daycare
- b. The participant feels sorry to put their elderly in a daycare
- c. The participant is thinking they are capable of taking care of the elderly

The conclusion of the preliminary survey is most of the participants are willing to put their elderly in a daycare.

Moreover, the study is plan to evaluate the business plan to be implemented and will be conducted through theoretical research, data gathering, and survey.

B. The Objectives

The aims of this business feasibility study are to examine and analyze each aspect related to the business plan of Furui Daycare and Activities Center as well as measuring the feasibility of the business plan. Therefore, this business feasibility study conducted with two types of objective, as follow:

1. Major objective

Furui Daycare and Activities Center business feasibility study provided main objectives, such as:

- a. To provide the best elderly daycare in hospitality industry that the customer can trust, while gaining profit from the business.
- b. To help the investor consider either the business is feasible or not to be conducted by understanding the market and demand aspect, technical aspect, management aspect, and financial aspect.

2. Minor Objective

The other objectives presented by Furui Daycare and Activities Center:

- a. To help the customer (caretakers of the elderly) to travel or work with ease to know that their elderly is in the best hands.
- b. To give the elderly a sense of home where they can relax and find friends and involved with fun activities with them.
- c. To provide job opportunities for the locals.
- d. To analyze and study about the competitors and how to overcome problems that will occur in the future.

C. Research Method

To conduct this business plan, it requires a lot of data to be further analyzed. Several data collection methods are used to support these researches which are:

1. Primary Data

According to Sekaran & Bougie (2016, p. 38), primary data is such data that the researcher gathers first hand for the specific purpose of the study. For this research, the primary data will be gathered through these methods:

a. Questionnaire

Mackey & Gass (2015, p. 6) defined questionnaires as any written instruments that present respondents with a series of questions or statements to which they are to react either by writing out their answers or selecting them among existing answers. Questionnaire is equally used in survey research, experiments and other modes of observation. Acharya (2010) stated that There are roughly two types of questionnaires, structured and unstructured.

1. Structured Questionnaire

Structured questionnaires include pre-coded questions with well-defined skipping patterns to follow the sequence of questions. Most of the quantitative data collection operations use structured questionnaires. Advantages of such structured questionnaires are - less discrepancies, easy to administer, consistency in answers and easy for the data management.

2. Unstructured Questionnaire

Unstructured questionnaires include open ended and vague opinion-type questions. Maybe questions are not in the format of interrogative sentences and moderator or the enumerator has to elaborate the sense of question. Focus group discussions use such questionnaire.

The business feasibility study will be done with the structured and unstructured questionnaire to obtain the data. The

questionnaire is made to obtain information from eligible respondent about Furui Daycare and Activities Center product. The daycare will be located in BSD, so the questionnaire will be distributed in Tangerang area (Gading Serpong, Karawaci, BSD, Alam Sutra, Modern Land, and other location near Tangerang). The questionnaire will be distributed to eligible respondent that suit to the product by the writer with the help of assistant that have knowledge about Furui Daycare and Activities Center and the ability to explain it to the respondent. The questionnaire will be distributed in late of October.

b. Interview

According to Harrell & Bradley (2010, p. 6), Interview are discussions, usually one-on-one between an interviewer and an individual, meant to gather information on a specific set of topics. Interviews can be conducted in person, over the phone, or online (Harrell & Bradley, 2010, p. 6). Interviews can further be used to gather background information or to tap into the expert knowledge of an individual (Harrell & Bradley, 2010, p. 24). The owner of Furui Daycare and Activities Center (interviewer) would like to gather information from the interviewee that has thoughts or knowledge about the business.

2. Secondary Data

According to Harrel & Bradley (2010, p. 7) secondary data sources are datasets that are already in existence, such as census data. The utilization of this existing data provides a viable option for researchers who may have limited time and resources (Johnston, 2013). The example of secondary data is information collected through censuses or government departments like housing, social security, electoral statistics, and tax records. Furui Daycare and Activities Center will obtain the secondary data from the government records and information from other sources.

D. Theoretical Conceptual View

1. Understanding Tourism

According to Marczyk, DeMatteo, & Festinger (2010, p. 2) tourism is the phenomenon arising from temporary visits (or stays away from home) outside the normal place of residence for any reason other than furthering an occupation remunerated from within the place visited. For decades tourism industry growth has been a major contributor to increased economic activity in world. It has created job opportunities in both large and small communities in many places. It is the dominant economic activity in some communities. Yet, the impacts of tourism to a community are not widely understood – even where tourism is growing dramatically and should be of the greatest interest or concern. Most people think of tourism in terms of economic impacts, jobs, and

taxes. However, the range of impacts from tourism is broad and often influences areas beyond those commonly associated with tourism. Leaders as well as residents who understand the potential impacts of tourism can integrate this industry into their community in the most positive way. According to Kreag (2014), The impacts of tourism can be sorted into three general categories:

1. Economic
2. Environmental
3. Social and cultural

Each of the categories have their own positive and negative impacts and it is must be done according to the location and culture of the country.

2. Understanding of Hospitality Industry

Baker, Huyton and Bradley (2011) stated that hospitality industry is the collection if business providing accommodation and/or food and beverage to people who are away from home. Commercial Enterprises are now shifting their services into hospitality industry to attract customer (King, 2015). A central theme shared between tourism studies and hospitality studies explores encounters between people who are “strangers” to each other. This encounter involves the movement of a mobile actor (the guest) into the home territory of a static host. The host-guest encounter is also, of course, a power relation, though the dynamics of this relationship and the locus of

power are complex issues, as we shall see. King (2015) identified four characteristics of hospitality in its modern sense.

1. It is conferred by a host on a guest who is away from home.
2. It is interactive, involving the coming together of a provider and receiver.
3. It is comprised of a blend of both tangible and intangible factors.
4. The host provides for the guest's security, his psychological and his physiological comfort.

The Dutch theologian Nouwen (2013) discussed the spiritual aspects of hospitality, and defined it as the creation of a free and friendly space where strangers can enter in and become friends. The world of hospitality is a diverse place, so it has various scope as can be seen in the table below.

Table 3
The scope of the hospitality industry

Category	Examples
Accommodations and Lodging	Hotels Motels Resorts Campgrounds/Cabins Air BnB/ Home Away
Recreation and Entertainment	Gaming Theme Parks Adventure and Outdoor Recreation

Table 3
The scope of the hospitality industry (Cont.)

Category	Example
Conventions and Event Management	Meetings Expositions Social and Special Events
Clubs	City Private Country Clubs
Travel Services	Travel Agents/ OTA's Airlines Cruise Ships Rail/ Bus Car Eco Tourism
Food and Beverage Services	Restaurants Catering Institutional

Source: Fundamental of Business, Hospitality and Tourism (2016)

The early architectural design of an elderly daycare came from the hospitality industry; therefore, many nursing homes resembled small hotels or apartment complexes (Eskildsen & Price, 2009). Elderly daycare also have common areas for dining, social activities and elderly comfort (Eskildsen & Price, 2009). Most daycare also features a kitchen for the preparation of meals, laundries and areas for administration and maintenance (Eskildsen & Price, 2009). Furui Daycare and Activities center is a type of service business that offers care and recreational services for the elderly where they can fully active in the day or choose to rest in the daycare. The elderly can socialize with fellow members and staff, also will has a lot of recreation and activities that the elderly can choose to participate such as karaoke, gardening, or even tea time in the dining area.

The industry are now offering a hotel or resort like operations of a senior living community. According to Boyle, Bunchman, Barnes, & Bennet (2010) There have been a big shift toward true communities when it comes to senior living, complete with activities and amenities that make the experience more like a nice hotel or comfortable apartment.

Furui Daycare and Activities Center also has a similar idea with “senior living” that Boyle, Bunchman, Barnes, & Bennet (2010) suggested. A senior living would provide the guests with both increased personal and medical assistance, care, and companionship. A senior living would assist family and caretakers if they are not available to care for elderly (Boyle, Bunchman, Barnes, & Bennet, 2010). Hotels and resorts provide experiences away from home and as a respite from the normalcy of day to day life. Conversely, senior living communities are home to the people who live there, however also adding community and familiar feeling to the place (Boyle, Bunchman, Barnes, Bennet, 2010).

The differences between Furui Daycare and Activities Center and senior living are that the elderly will go home in the end of the day rather than spend the night in the daycare.

3. Elderly Daycare and Tourism

Aging of population in majority of nations along with other changes regarding mature population such as socio-demographics, health

status and travel behavioral patterns is one of primary reasons for the development of appealing tourism target group that can be referred to as the senior tourists segment, which is nowadays a part of the global tourism and travel industry (Nimrod & Rotem, 2010). Mostly, elderly travel for relaxation, socializing and meeting new people, visiting new places and enriching experiences (Nimrod & Rotem, 2010). According to Le Serre, Legohérel, & Weber (2013) elderly tourists are motivated to travel for seeking rewards rather than escapism. Le Serre, Legohérel, & Weber (2013) also mentioned that the main push travel motivations for elderly include visiting friends and relatives, health, and rest and relaxation.

Posner (2015) points out that older people tend to make friendships predominantly with those within the same age cohort. Thus with advancing age, it is inevitable that people lose their friendship networks and that they find it more difficult to initiate new friendships and to belong to new networks. Having lack of social life could cause loneliness and depression. The negative effect of loneliness on health in old age has been reported by researchers (Heikkinen *et al.*, 2012).

Furui Daycare and Activities Center can be one of elderly tourism destination because it provides entertainments, recreational activities, enriching experiences such as workshop for elderly to learn something new. Elderly will meet new people, friendship, and have their own community in the daycare and activities center.

4. Elderly Daycare and Hospitality

According to the Department of Health of United States (2011), elderly day care service offers communal care, with paid or voluntary carers, in a setting outside the user's home. Individuals come or are brought to use the services, which are available for at least four hours during the day, and return home on the same day. Day care centres are considered to have two main functions. Firstly to enable people to continue living in their own home rather than moving into residential care, and secondly to provide respite for carers who tend to be family members living in the home (Hussein, 2010). Furui Daycare and Activities center aims to make a second home to the elderly, where elderly feels like they are not abandoned by their family because they will go to their own home in the end of the day and during their stay, they will engage will fun activities to fulfill their days. Based on the research carried out by Bartlett (2009, p. 28), suggests there is 'a very strong demand' for day centres amongst older adults and that 'the single area that most older people wanted to change was 'what they did during the weekday'' so Furui Daycare and Activities center will only open from Mondays to Saturdays because the working days in Indonesia commonly from Monday to Friday or Saturday. Furui Daycare and Activities Center believes that the caretakers will be available to care the elderly on Sunday and also the elderly can have other activities in the weekend.

Elderly daycare and hospitality industry is connected because inside the daycare, there are hospitality traits and component such as welcoming customers that are away from their homes, food and beverage, services such as massage therapy, caring for elderly through sincerity and hospitality, and also creating events and activities for the elderly such as classes and outings. Furui Daycare and Activities Center is inside the scope of hospitality industry, and is the mixture of accommodation and country clubs.

5. Housing Types and Services

According to Carstens (2009), there are housing types and services for the elderly as we can see in the table below.

Table 4
Housing types and services for elderly

Housing type	Ability level	Description
Managed public housing: apartments for the elderly; retirement housing	Independent	Self contained units, may include meals often government rent support; may include public spaces
Congregate care apartments	Semi-independent	Resident capable of own personal care; meals available; may include emergency staff and social services
Homes for the aged	Semidependent	Meals; personal and housekeeping assistance; may be a nursing staff

Table 4
Housing types and services for elderly (Cont.)

Housing type	Ability level	Description
Intermediate care;nursing homes	Dependent	Licensed practical nurse; meals; personal assistance
24-hours skilled nursing facility	dependent	Health care facilities, 24 hour registered nurse; all meals; housekeeping, social services, physiotherapy
Geriatric Hospital	Dependent	Acute care, diagnosis, medical supervision, therapy

Source: Site planning and design for the elderly (2009)

Furui Daycare and Activities center can be categorized to homes for the aged in the housing types and service that mentioned in the table above but with slightly different service and more personal.

E. Concept Application in Business Plan

Furui Daycare and Activities center is an elderly daycare is part of the hospitality industry because this place is providing accommodation, and food and beverage for the elderly while away from their home and families. Hospitality is part of this business because the owner and employees of Furui Daycare and Activities center will provide deep care and best service to the elderly and focused on their needs. Furui Daycare and Activities center also support the tourism industry because it gives the caretakers mobility to travel for daytrips or for work while not worrying about their elderly.

Furui Daycare and Activities center is a type of adult social daycare where it is required the elderly to be physically and mentally stable and doesn't need a serious health treatment.

The meals are given to the elderly in the center, or they can eat snacks by their own in the dining area with their caretakers. The elderly in Furui Daycare and Activities center mostly will be in groups and monitored by the caretakers and when in situation needed, a personal caretakers is in assistance. Unlike the homes for the aged, where they only have nursing staff, Furui Daycare and Activities Center will have a licensed doctor in the house for emergency or if the elderly feel sick while in the daycare.

Furui Daycare and Activities center is for independent to semi dependent elderly and have healthy body and no chronic disease or insanity that can cause problems for other elderly in the facility.

Furui Daycare and Activities Center building and facilities will be build to see the elderly needs. Building with low floor, wide steps, bathroom or toilet with handles, place for wheelchair, and easy access will be provided.

The elderly can only stay at this place for the day started at 7 am to 6 pm then they can go home by themselves, take the daycare shuttle, or taken home by their caretakers according to their plans at the start. In this place, the elderly will have a great time with the activities provided especially for them, such as tai chi in the morning, flower arranging class, knitting class, karaoke, and cards playing to sharpen their minds and connecting the elderly with the social environment where they can found companion and friends with fellow elderly and the employee of Furui Daycare and Activities Center.

The Health of the elderly will be monitored, if there is sick elderly there will be a house doctor that will attended the elderly. Furui Daycare and

Activities Center also provided the best meal plan for the elderly by using a healthy catering service. The elderly will have light snack for brunch at 10am, lunch at 12 pm, afternoon snack at 3 pm, and optional dinner at 5 pm.

