

## MARKETING STRATEGY ANALYSIS BASED ON THE BOSTON CONSULTING GROUP (BCG) MATRIX AT THE BONDOWOSO BRANCH OF THE KUMON TUTORING INSTITUTE

Ahmad Sauqi

STIE Mandala Jember  
Jl. Sumatera 118-120 Jember  
Jl. Moh. Yamin 80 Jember  
085258755229, +62  
sauqi@stie-mandala.ac.id

### ABSTRACT

This research will focus on analyzing in knowing more about the position and growth of the KUMON Bondowoso tutoring institution by implementing the BCG (Boston Consulting Group) Analysis. The research was conducted at KUMON Bondowoso Branch, precisely on MT Haryono Street No 69 Bondowoso, carried out in April 2021.

The TPP (Market Growth Rate) calculation result shows a value of 3.89% and this means that LBB Kumon Bondowoso has a fairly high market growth. The value of relative market share or PPR is 1.01 greater than 1, this indicates that LBB Kumon Bondowoso has a relatively larger market share than LBB Neutron Bondowoso.

Based on this quadrant position, the Kumon Bondowoso tutoring institution can apply a hold strategy in other words to defend. This strategy focuses on maintaining product quality, in this case it is a form of quality service and remains excellent. Of course, investment must also be made to maintain the excellent service quality so that in the future it can still be able to maintain existing advantages and can be more stable in facing competitors or similar businesses. as well as expanding the marketing network.

**Keywords :** Strategy; Marketing; BCG; Kumon; Bondowoso.

### 1. BACKGROUND

The Unitary State of the Republic of Indonesia is a country that has many islands and consists of various ethnic groups. This diversity of ethnic groups is a gift from Allah to the Indonesian people who must be kept intact at any time. Since the proclamation of Indonesian independence on August 17, 1945, and now it has arrived in 2021, the Indonesian nation has experienced a lot of progress, thanks to the lofty ideals of the nation's founders and with God's permission, our nation can be said to be prosperous both in the fields of economy and security, education and so on.

Talking about education, we all know that since the founding of the Republic of Indonesia, the nation's leaders in the early days of independence prioritized education, even in Article 31 paragraph 1 it states that "every citizen has the right to education". Indonesia indeed prioritizes education because this country is very aware that with education human resources will be created who are ready to contribute in developing the Indonesian nation.

In the beginning, in Indonesia it was programmed to have compulsory education 6 years ago increased to 9 years and continued with 12 years of compulsory education up to Senior High School education. This is part of the commitment of the Indonesian government to take seriously the education of its citizens.

The progress of education in Indonesia has indeed produced many graduates who are competent in their fields so that slowly but surely the benefits of education itself are increasingly being felt. The number of tertiary institutions even at the district level, the existence of junior high schools, high schools at the rural level and even PAUD and kindergartens at the hamlet level proves that education in Indonesia is getting easier to carry out because the government is really serious about developing the world of education.

The Merdeka Learning-Merdeka Campus Program, which we usually call MB-KM, is a part of educational innovation issued by the Minister of Education, Bapak. Nadiem Makarim, as a form of rapid response to educational development during the Covid-19 pandemic, we all know that teaching and learning activities had to be carried out online since covid-19 entered Indonesia in March 2019. However, education must continue to run in conditions. whatever because with knowledge we can prepare candidates for future leaders of the nation.

Education in our country has become a primary need because people are basically aware of the importance of education. The education sector has also long been looked at and developed by business actors by building learning guidance institutions. Usually, tutoring business actors are built by teachers and lecturers, the tutoring institution itself will certainly try to answer market needs in terms of what prospective students are currently mentoring. Based on field studies, usually those who take a lot of tutoring are elementary to high school students with subjects such as mathematics, English, physics, chemistry, biology, social science and so on.

Talking about tutoring institutions, there is one that is quite well known, namely LBB KUMON. Kumon is one of the tutoring institutions based in Jakarta and has become a popular tutoring agency in Indonesia, this tutoring in the form of a franchise. In several cities in Indonesia there are Kumon branches, one of which is in Bondowoso

City. Kumon Bondowoso is located at Jalan MT Haryono No 69 Bondowoso. Kumon Bondowoso focuses on providing tutoring for Mathematics and English only.

There is a business phenomenon that occurs in the Kumon Bondowoso tutoring program, where the number of tutoring participants can be said to have increased insignificantly every year, especially during the Covid-19 pandemic, the less the number of participants in the guidance. To further clarify the number of Kumon Bondowoso tutoring participants, we submit the following in the form of a table regarding the number of Kumon Bondowoso tutoring participants for the last 2 years from 2019 to 2020.

**Table 1**  
**Total Participants of LBB KUMON Bondowoso in the last 2 years**

No.	Year	Match Class	English Class	Total
1.	2019	121	86	207
2.	2020	128	87	215

Source: Primary Data Processed in 2021

Kumon Bondowoso is very active in promoting as an effort in a marketing strategy to increase the number of mentorship participants. Kumon Bondowoso also always maintains service quality, especially the performance of mentors who have a high level of professionalism. Real conditions in the field have mushroomed many other tutoring institutions that offer more competitive prices. Moreover, we all know that the ease of technology has made it easier for humans to meet their needs, including in terms of education with the presence of teacher rooms and so on.

This research will focus on analyzing in finding out more about the position and growth of the KUMON Bondowoso tutoring agency by implementing the BCG (Boston Consulting Group) Analysis.

### **Problem Formulation**

Based on the background of the problems that have been described, we can formulate 2 problem formulations for this research.

1. What is the position of the BCG matrix quadrant in the marketing strategy of the KUMON tutoring agency, Bondowoso Branch?
2. What strategy should be formulated by the KUMON Bondowoso tutoring agency based on the BCG matrix?

### **Research Objectives**

Every research certainly has a purpose, while the objectives of this research are as follows.

1. To find out the position of the BCG matrix quadrant in the marketing strategy of the KUMON tutoring agency, Bondowoso Branch.
2. To find out the strategies that must be formulated by the KUMON Bondowoso tutoring agency based on the BCG matrix.

### **Research Benefits**

As for the benefits of this research, we will divide it into 2 main benefits, namely for the KUMON Bondowoso learning guidance institution and the benefits for researchers. The following is the explanation.

1. For the Bondowoso branch KUMON tutoring agency, it is hoped that it will be able to provide input regarding strategies that can be used in the future to increase the number of tutoring participants, it is hoped that the results of this research can provide the right strategy formulation to be implemented and can actually increase the number of tutoring participants in KUMON Bondowoso.
2. For researchers, this research will be very useful, especially in scientific development related to BCG analysis in the implementation of service marketing. In the future, the theory that has been practiced can be taught to students more easily and hits students.

## **2. THEORY BASIS**

Marketing strategy is basically a comprehensive, integrated and unified plan in the field of marketing, which provides guidance on the activities to be carried out in order to achieve the marketing objectives of a company. In other words, a marketing strategy is a set of goals and objectives, policies and rules that give direction to the company's marketing efforts from time to time, at each level and its references and allocations, especially as a company's response to the competitive environment and conditions. always changing (Sofjan, 2010).

Services are activities, benefits or satisfaction that are offered for sale. For example, repair workshops, beauty salons, courses, hotels, educational institutions, and others (Kotler, 2007).

Boston Consulting Group (BCG) analysis method is a method used in compiling a strategic business unit planning by classifying the company's potential profits (Kotler, 2002). The BCG matrix is one of the easiest decision-making tools. just by reading the chart, people will be able to easily see which position their company is in.

The Boston Consulting Group matrix is a chart created by Bruce Henderson for the Boston Consulting Group in 1970 to assist companies with analyzing their business units or product lines. Boston Consulting Group is used for market understanding, portfolio optimization and effective resource allocation. To understand the BCG matrix, we need to understand how market share and market growth are related. Market share is the percentage of the total market that is being served by a company, either in terms of revenue or in volume units. The higher the market share, the higher the proportion of the market to be controlled. The main purpose of the Boston Consulting Group

(BCG) Matrix is to find out which products deserve attention and financial support so that these products can survive and contribute to the company's long-term performance so that the company can develop and be sustainable in the sense that its existence is always in the minds of its consumers.

### **Research Location and Time**

This research was conducted at the office of the KUMON branch of the Bondowoso tutoring agency, precisely on Jalan MT Haryono No 69 Bondowoso. The research time was carried out in April 2021.

### **Research Methods And Approaches**

This research method uses descriptive research methods. Descriptive research is a type of research that aims to present a complete picture of a social situation for exploration and clarification of a phenomenon or social reality by describing it. The research approach leads to a qualitative approach that leads to an explanation of descriptive data, followed by a quantitative approach that will focus more on analyzing company data such as sales data and so on.

### **Research Subjects and Objects**

The subjects in this study were the Bondowoso Branch of the KUMON Tutoring Institute, while the object of the research was all employees of the Bondowoso Branch of LBB Kumon who in fact also marketed KUMON Bondowoso tutoring services.

### **Data Sources**

The source of data in this study is primary data, primary data is obtained directly in the field by means of interviews (Umar, 2011). For secondary data, it is more as supporting data derived from relevant literature studies (Sugiono, 2009).

### **Research Instruments**

The research instrument in this study was a recording device in the form of a Xiaomi Redmi 9C cellphone which was used as a recorder during interviews, of course with the permission of the interviewee. The next instrument is a notebook that will be used to write important things related to the research being carried out.

### **Data Collection Techniques**

The data collection technique in this research was carried out sequentially starting from observation, interviews, documentation and the last one was literature study.

### **Data Analysis Methods**

Boston Consulting Group (BCG) analysis method is a method used in compiling a strategic business unit planning by classifying the company's potential profits (Kotler, 2002). The BCG matrix aims to determine the market growth and market share and strategies that will be carried out by the Bondowoso branch of the KUMON tutoring agency. The BCG matrix in this study was carried out by comparing the reports on the number of participants of KUMON Bondowoso guidance for the last 2 years, namely 2019 and 2020 compared to the reports on the number of participants of the Bondowoso NEUTRON guidance for the last 2 years as well. The implementation of the BCG matrix is by placing the vertical and horizontal axes with the following explanation.

#### **1. Measuring Market Growth Rate (Vertical Axis)**

The market growth rate (TPP) or market growth can be found by calculating the company's average income rate. This market growth rate is measured in percentage terms. The following below is the TPP formula:

$$TPP = \frac{VP N - VP N-1}{VP N-1} \times 100\%$$

Information :

TPP = Market growth rate

VP N = Last year's sales volume

VP N-1 = Previous year's sales volume

#### **2. Measuring Relative Market Share (Horizontal Axis)**

Relative market share (PPR) is used to compare the sales of the company's products with the biggest competitors selling the same products. The following is the formula for calculating PPR:

$$PPR = \frac{VP N}{VPP N}$$

Information :

PPR = Relative market share

VP N = Last year's sales volume

VPP N = Competitor's last year's sales volume

#### **3. Creating the BCG Matrix (Boston Consulting Group)**

Based on the results of TPP and PPR calculations, then a BCG matrix can be made by entering it into the BCG

matrix to determine which quadrant the position of the company is located. To make it easier to understand, here we present the BCG matrix image and the quadrant classification position as follows.

**Figure 1**  
**BCG MATRIX**



The position of the Classifier is as follows.

- Stars, which is in this quadrant the company has the best long-term opportunities for promising growth and can be a source of profit for the company.
- Cash Cow or dairy cow, which is in this quadrant shows the position of a company such as a dairy cow because it generates cash flow that is higher than what it needs.
- Question-mark or question mark, which is in this quadrant, shows the position of the company to have a small market share in a fast-growing market.
- Dogs, which is the position of this quadrant, shows that the company's products being sold have a relatively low or not growing market share.

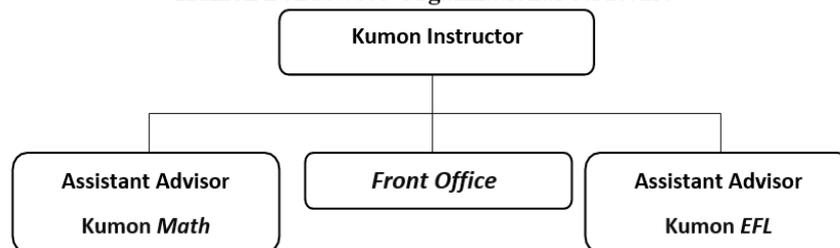
**Brief History, Vision Mission and Company Organizational Structure.**

Kumon is a non-formal tutoring program in the form of a franchise. Kumon tutoring has two subjects, namely Mathematics and English. Initially Kumon classes were only established in Jakarta around 1993. Along with its development Kumon has many branches, one of which is in the City of Bondowoso. Kumon Bondowoso is located on Jl. MT Haryono No 69 Bondowoso. Kumon Bondowoso has been around for 7 years.

The vision of LBB Kumon Bondowoso is as follows "We hope that people in various areas especially in Bondowoso City have the opportunity to learn using the Kumon Method and each student learns independently with enthusiasm to realize their dreams and targets." Meanwhile, the mission of LBB Kumon Bondowoso is as follows "By exploring the potential that exists in each student and developing their abilities as much as possible so that they can contribute to the global community especially Bondowoso City".

The organizational structure at LBB Kumon Bondowoso can be seen in the following figure.

**Figure 2**  
**Kumon Bondowoso Organizational Structure**



The functions of each of the organizational structures at LBB Kumon Bondowoso are as follows: The Kumon supervisor is the owner of Kumon Bondowoso and is the supervisor whose job is to manage all interests which include LBB Kumon Bondowoso including creating and correcting the learning program, LBB Kumon. The Kumon Math / EFL assistant tutor is a senior teacher on math subjects whose duties include teaching students, following up with parents of students, making learning plans and programs and learning targets. The task of the Front Office is to record daily financial income, record tuition payments, provide and remind parents of information regarding homework, tutoring schedules, student pick-up.

**3. DISCUSSION**

This discussion only focuses on the TPP, PPR and BCG Matrix, to facilitate the discussion so that it is systematic, in the following we present a table of the number of tutoring participants for the last 2 years between KUMON Bondowoso tutoring and NEUTRON Bondowoso tutoring.

**Table 2**  
**Total Participants of LBB KUMON Bondowoso in the last 2 years**

No.	Year	Match Class	English Class	Total
1.	2019	121	86	207
2.	2020	128	87	215

Source: Primary Data Processed in 2021

**Table 3**  
**Total Participants of LBB NEUTRON Bondowoso in the last 2 years**

No.	Year	Number of participants
1.	2019	200
2.	2020	212

Source: Primary Data Processed in 2021

**Measuring Market Growth Rate (Vertical Axis)**

The application of the TPP formula is as follows:

$$TPP = \frac{VP N - VP N-1}{VP N-1} \times 100\%$$

Information :

TPP = Market growth rate

VP N = Last year's sales volume

VP N-1 = Previous year's sales volume

$$TPP = \frac{\text{kumon 2020} - \text{kumon 2019}}{\text{kumon 2019}} \times 100\%$$

$$TPP = \frac{215 - 207}{207} \times 100\%$$

$$TPP = 3.89\%$$

The TPP (Market Growth Rate) calculation result shows a value of 3.89% and this means that LBB Kumon Bondowoso has a fairly high market growth. Basically, the market growth between 1% to 20% can be said that the market growth is high in the position of the BCG matrix, for a market growth of -1% to -20% is categorized as low.

**Measuring Relative Market Share (Horizontal Axis)**

The application of the PPR formula is as follows:

$$PPR = \frac{VP N}{VPP N}$$

Information :

PPR = Relative market share

VP N = Last year's sales volume

VPP N = Competitor's last year's sales volume

$$PPR = \frac{\text{Kumon 2020}}{\text{Neutron 2020}}$$

$$PPR = \frac{215}{212}$$

$$PPR = 1.01$$

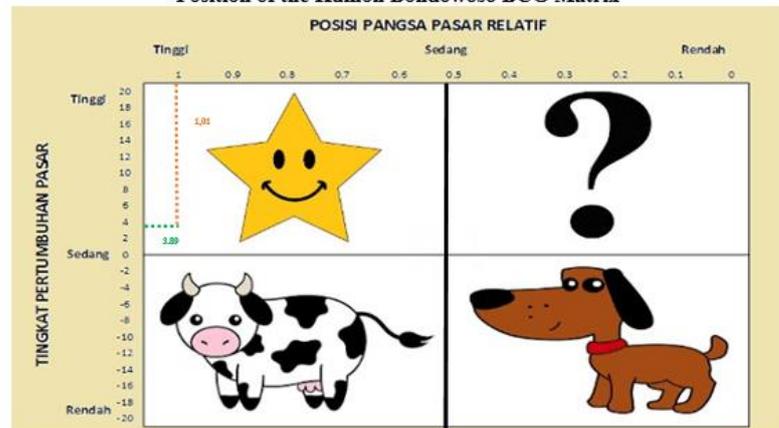
The value of relative market share or PPR is 1.01 greater than 1, this indicates that LBB Kumon Bondowoso has a relatively larger market share than LBB Neutron Bondowoso.

**Creating the BCG Matrix (Boston Consulting Group)**

On the vertical axis, to be precise, the assessment of the market growth rate gets a value of 3.89%, then on

the horizontal axis, the valuation of the relevant market share gets a value of 1.01. This means that the value of 3.89% means that LBB Kumon Bondowoso has a fairly high market growth, furthermore the value of 1.01 indicates that LBB Kumon Bondowoso has a relatively larger market share than LBB Neutron Bondowoso. To facilitate understanding, we present a picture of the position of the BCG matrix for the Kumon Bondowoso tutoring agency.

**Figure 3**  
**Position of the Kumon Bondowoso BCG Matrix**



#### Analysis of Kumon Bondowoso LBB Strategy

Referring to the BCG matrix, LBB Kumon Bondowoso is in the stars quadrant point with evidence of high market growth and high market share. Based on this quadrant position, the Kumon Bondowoso tutoring institution can apply a hold strategy in other words to defend. This strategy focuses on maintaining product quality in this case is a form of quality service and remains excellent. Of course, investment must also be made in order to maintain the excellent service quality so that in the future it can still be able to maintain existing advantages and can be more stable in facing competitors or similar businesses. As for the implementation, the implementation of this hold strategy can be done in the following way.

##### a. Improve product quality

The products that are sold at Kumon Bondowoso are tutoring services, the focus of the service is only mathematics and English. Maybe it would be better if there was a new innovation, for example, adding several other subjects so that customers would be more interested.

##### b. Improve service quality

Kumon Bondowoso can develop service quality by always thinking smartly about what needs are desired and can make customers satisfied in enjoying the services of Kumon Bondowoso. In essence, Kumon Bondowoso can provide satisfaction surveys to its customers so that in the future they can find out what steps can be taken for the development and sustainability of Kumon Bondowoso.

##### c. Improve marketing communication

Marketing communication must be carried out intensively because how the brand image that is embedded in the hearts of customers and the people of Bondowoso in particular will also affect the interest of prospective tutoring participants in the future.

##### d. Expanding the marketing network

LBB Kumon Bondowoso can expand the marketing network by picking up the ball at schools around Bondowoso. This ball pick-up can be done from elementary, junior high to high school education levels and this can be done by providing special promotions so that in the future it is possible to have an MoU with schools that are Kumon's target market.

## 4. CONCLUSION

The conclusion of the study with the title Marketing Strategy Analysis Based on the Boston Consulting Group (BCG) Matrix at the KUMON Tutoring Institute, Bondowoso Branch, is as follows:

1. The TPP (Market Growth Rate) calculation result shows a value of 3.89% and this means that LBB Kumon Bondowoso has a fairly high market growth.
2. The relative market share value or PPR is 1, 01 greater than 1, this indicates that Kumon Bondowoso LBB has a relatively larger market share than LBB Neutron Bondowoso.
3. Based on the quadrant position, the Kumon Bondowoso tutoring institution can apply the hold strategy in other words, to defend. This strategy focuses on maintaining product quality in this case is a form of quality service and remains excellent.
4. Implementing a hold strategy can be done by improving product quality, service quality, marketing communications and expanding the marketing network.

## 5. SUGGESTIONS

The suggestions that we can give to the Kumon Bondowoso tutoring agency are as follows:

1. Kumon tutoring institutions are located in the star quadrant, so investment is needed to maintain the excellent service quality so that in the future it can still be able to maintain existing advantages and be more stable in facing competitors.
2. Investments are also directed towards new innovations, for example the addition of several other subjects so that customers will be more interested, not only in mathematics and English.
3. Kumon Bondowoso is expected to remain focused on improving customer satisfaction and always strive to promote the name Kumon, especially among the Bondowoso community.
4. Kumon Bodowoso is expected to expand the marketing network with a pick-up system and even make an MoU with schools.

## **6. REFERENCES**

- Husein, Umar. 2011. **Metode Penelitian Untuk Skripsi dan Tesis Bisnis Edisi 11**. Jakarta: PT Raja Grafindo Persada.
- Kotler, Philip. 2007. **Manajemen Pemasaran Jilid 2 Edisi 11** . Jakarta : PT. Indeks.
- Kotler, Philip. 2002. **Manajemen Pemasaran, Edisi Millenium Jilid 2**. Jakarta: PT. Prenhallindo.
- Sofjan, Assauri. 2010. **Manajemen Pemasaran, Dasar, Konsep, Strategi**. Jakarta : PT. Indeks.
- Sugiyon. 2009. **Metode Penelitian Kuantitatif, Kualitatif dan R&D**. Bandung: Alfabeta.