

# Example of market trends essay

[Business](#), [Marketing](#)



## **Industry and Competitive Analysis**

The childcare services industry is very competitive. It is an industry made of small players who compete each day to acquire larger market share. With the enrichment and growth of young people's lives at center stage, healthy competition in the industry today requires a paradigm shift. Notably, childcare industry is among the fastest growing industries in Fondulac Avenue due to the increasing number of households in which both parents work full time. Child care costs have increased over the years. Consequently, the rates of enrollment have been on the decline.

With a total market size of \$8000 million, long-term forecasts are positive and increasing every day. Ideally, my competitive advantage is what sets my business apart from my competition. Unlike my competitors, I am planning of getting into the business with a different goal, and new ideas. I have a strategic plan which highlights the benefits customers will receive as they do business with me. A lot has not been discovered in this industry, for instance, a 2-hour call-out service, and a money back guarantee is yet to be exercised. Therefore, I will start by identifying my customers and competitors (Entrepreneur 86).

After doing a research on the industry's competitive analysis, I have come to the conclusion that, the demand for good services is driven primarily by income, employment, and in the youth population. The profitability of a childcare facility depends entirely on efficient operations, and good marketing. Since I have a good strategy of marketing my business, I surely believe that I will strongly compete against the following direct competitors; The toddler warehouse; this facility offers childcare/development for toddlers

between 2 to 5 years. As my biggest competitor, it targets double income professionals. These professionals do not have time to care for their children during the day, therefore, the toddler warehouse targets well up families that want their children to be enrolled in different programs.

Small, home based child care; these are individuals with childcare facilities based out of their houses. Some of these facilities are great, while some are subpar.

Established, often franchised, child care centers; the number of kids in these facilities is high. They offer a wide range of ages, and the child care is relatively adequate.

Medium sized companies; are independently owned facilities. They specialize with a specific age group.

Indirect competitors include; medium size childcare institutions such as; Teeney Weeney Tots, Lucky Kids Club, and The Baptist Place. These are my direct competitors who have targeted the middle to upper class. These competitors are teaching child advanced concepts such as; socializing, reading, and singing. I have understood how the industry works, the legal requirements I must meet, and the things I need to consider in planning.

Notably, the quality of my childcare centre, including facilities and surrounding, staff, and location, will influence the decision of parents to use my services. I will make my childcare premises pleasant and safe, to give my business a competitive edge. Therefore, key success factors I consider in my business include;

- Complying with government regulations
- Taking advantage of government subsidies

- Attracting community support
- Making my service easy for customers to access
- Working at full capacity

Latest research reveals a positive relationship between labor market success, and cognitive skills. Psychologists suggest that social, cognitive, and emotional development of children is harmed by low quality care, and enhanced by exposure to high-quality childcare. Emerging as a high competitive business within Fondulac Avenue and standing up to these challenges will require serious attention to providing good services, and meeting important goals.

The market trend in childcare is changing every day. The increased utilization of childcare by parents is fueled by the parents' needs and desire to stick to their professions. This trend generates demand for facilities that offer child development, and fuels the need for more general childcare facilities. This will benefit my facility because I will offer state of the art learning systems. A look at the market growth in the last five years indicates steady growth in the industry. The industry is estimated to grow at 25% for the next several years. I intend to give good services in order to; acquire superior customer attention, professionalism, safety, and immaculate care of the children (Burnette 114). My biggest challenge is the competitive rivalry within the industry, threat of new entrants, threat of substitute products, and bargaining power of customers. However, with a good strategic approach to the business, I will overcome these challenges by uncovering sources of future market growth for the industry, and discovering the latest market trends. Through specialized training, and innovative programs, I will

make my facility outstanding. In addition, I will aim at making information on quality available to consumers, and also provide price subsidies to improve quality. Lastly, I will develop an understanding of how the market relates to quality, and how it operates. With the enrichment and growth of young people's lives at center stage, healthy competition in the industry today requires a paradigm shift.

## **Works Cited**

Burnette, J. (2008). *Gender, work and wages in industrial revolution Britain*. Cambridge: Cambridge University Press.

Entrepreneur Press. (2012). *Child-care service: Entrepreneur's step by step startup guide*. New York: Entrepreneur Press.