

# 4<sup>th</sup> ICITB

## OPERATION MANAGEMENT IN J&T EXPRESS

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### ABSTRACT

*J&T Express is an express delivery company that applies technology development as the basic system. Extensive network that J&T Express facilitates express services for customers throughout Indonesia. J&T Express serve the delivery within city, inter-city, inter-provincial, and also e-commerce customer. J&T Express provides pick up service with high transmission speed, at the same time also support the growth of e-commerce business. J&T Express in operation management provide the good services to customers for had good time e-shopping and quality goods cooperate with some companies like Tokopedia, Shopee and Bukalapak and etc. J&T Express always improve their services by used the new technologies as like AI system for control the shipping of goods and also social media as like Facebook, WeChat, Twitter, Instagram, Line and YouTube for connected with customers and always upload new information at there. So that J&T Express management can know the need of demand form customers commitment it with their customer service can improve their level of services.*

***Keywords: J&T Express; Shipping; Operation Management;***

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### INTRODUCTION

Now days many company and owner have used many type of operation management system for their future company become good and top in the world. According to MyAccountingCourse.com (2018), operation are the business activities that a firm engages in to convert materials into finished products or services, sell them to customers and earn a profit. Operation means the actions and decisions made by participants and members of a business that affect the production, distribution, service, management, etc needed for a company to function that requires the use of resources and assets. According to Tim Dhoul (2014), operation management is chiefly concerned

with planning, organizing and supervising in the contexts of production, manufacturing or the provision of services. Operation management is something liked soft skill to using in the organization process to improve the profit for the organization. So operation management is an important for organization because it's is major overall activities often include product creation, development, production and also distribution. The process making the operation in organization more efficient and effectiveness.

The global E-commerce retail from \$860 billion in year 2011 to \$1920 billion in year 2016 have increased, with an average annual growth rate of 17.4%, where Asia accounts for 46% of the global market. Over 20% for the average annual growth rate of E-commerce retail in Malaysia. Express Industry is of vital significance for the rapid expansion of online E-commerce, and requires advanced express services for delivery of goods. So, Here J&T Express Come. According to J&T Express office site (2015-2018), J&T Express is a technology based express service company founded in August 2015 in Jakarta of Indonesia, nature of business covers domestic and international express service. The CEO of J&T Express is Jet Lee. J&T Express try to apply advanced IT management facilities to provide customers with high-efficiency and high-quality services. J&T Express major involved in express service with high efficiency pick-up and delivery service, meanwhile develop related network business. J&T Express business keep growth at a tremendous speed, after one year development become Top 2 express service company in Indonesia and the best express brand for E-commerce in Sep 2017. J&T Express has successfully built a long-term partnership with Indonesia's giant E-commerce players like Tokopedia, Shopee and Bukalapak and has solved the biggest delivery issues that E-commerce usually faced. The J&T Express company valued reach 440 million USD and obtained financing 110 million US Dollar in Jul 2017. J&T Express has extended its services to all over Indonesia with more than 4,000 service points and approximately 20,000 well-trained talents. Vision is build an internet technology development based express company with range up to Southeast Asia. The information can be obtained at <https://www.jet.co.id/> or 021-8066-1888.

In this paper on J&T Express in operation management need to use high-quality and high-quality services in using technology to launch operational management to improve profit flow and meet customer demand satisfaction. In this paper also can get the benefit and recommend the management of J&T Express operations in this 21-Century .

## **LITERATURE REVIEW**

According to Robin Lo (2017), J&T Express as one of the famous express company in Indonesian announced that they recently received a new round of funding of more than 100 million dollars. As reported, the initial assessment of the company is 440 Million Dollars and is targeted to receive an additional investment of value at 88 million Dollars which is 20%. However,

J&T Express managed to fix 103 million dollars and the value of company is currently at 543 million dollars. Based on the most populated country in Southeast Asia, J&T Express has targeted its expansion to more countries in Southeast Asia. In addition, the rise of Indonesia's E-commerce industry has played a major role in capture of express delivery service market. The additional funding will be used to speed up the expansion and broaden the network of J&T Express locally and regionally. Currently, J&T Express is regarded as one of the "Dark Horse" in express delivery industry. Established in August 2015, J&T Express has successfully managed to get a lot of positive feedback from consumers because its innovative advantages. It is not surprising that it only took 2 years for J&T Express to become one of the largest express companies in Indonesia.

Indonesia is a well-known archipelago with more than 17,000 thousand islands is facing one geographic problem that causes a lot of barrier in developing an express delivery company. The existence of J&T Express has made a huge change in the express delivery industry in Indonesia. Through deep market behavior research and consumer demand analysis, J&T Express decided to be the first to introduce free pick up service without the minimum weight, quantity and distance. This service allows customer to deliver their packages without having to leave their house or going to the nearest J&T Express' branch. Often, other market players tend to develop their business gradually and expand after a few years while J&T Express takes the risk to established branches all over Indonesia from the start. This makes J&T Express the first express company to cover all areas within a year and the difference from other new market player. To improve the overall stability and effectiveness of the business, J&T Express implemented an internal control system where all branches are opened without any third party or franchise system. This system enables them to improve the overall stability and effectiveness of their business and thus avoid price inconsistency, provides faster solution towards existing complaints and providing employees a higher sense of responsibility that leads to a better customer experience while using J&T Express' services.

J&T Express is committed to help and support the rapid development of Indonesia's E-commerce industry. Supported by advanced IT system, J&T Express became the first express delivery company to offer a real-time package tracking system through phone applications or via website. Customers can enjoy J&T Express service 24 hours in all year long as it opens 365 days a year. Moreover, their free pick up service can be accessed anytime anywhere through smartphone application, website and call center. With all these innovative features, J&T Express has successfully built a long-term partnership with Indonesia's giant E-commerce players like Tokopedia, Shopee and Bukalapak and has solved the biggest delivery issues that E-commerce typically faced.

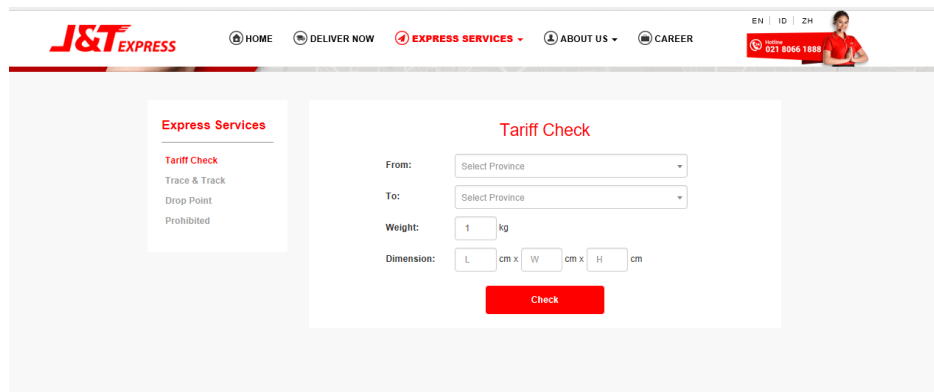
“Obligation, Sharing, Responsibility, Service and Result Oriented” are the values that the company holds to grow rapidly and achieve success. J&T Express currently covers all Indonesia with 1.300 droppoint, 54 gateways, 1.000 operational cars, 15.000 employees and is an official Garuda Cargo and Citilink Cargo agent. The number of deliveries has reached more than 200.000 packages daily and 250.000 daily during high seasons, and will have a constant growth of 20% monthly. Jet Lee, the CEO of J&T Express says, “As a new established express delivery company, we still have a lot of drawbacks but we will continuously improve. We would like to thank our customers for the understanding and the supports.” Regarding the funding, he commented, “J&T Express will continue to focus on improving customer experience, optimizing network coverage, increasing delivery speed and tightens our partnership with E-commerce. We will continuously lead the development of Indonesia’s express service delivery market and support the growth of E-commerce industry along with it.”

He added, “As our Indonesian market has begun to stabilize, we have started to prepare an investment and team members to enter Vietnamese and Malaysian market. I believe our success in Indonesia will repeat itself in Southeast Asia, contributing and supporting the growth of E-commerce industry all over Southeast Asia.”

## **FINDINGS AND DISCUSSION**

J&T Express had provide 10 Express Excellence for all customers that used their services. First J&T Express provide pick up services that coverage area all across Indonesia with real time tracking system and waybill SMS to know the condition of goods. J&T Express also provide application and website facility to delivery the goods with regular price for premium service. J&T Express had 365 operation days and 24 hours hotline. VIP Platform also provide by J&T Express and insurance claim facility for those had lose or did not get the delivery goods can apply it.

J&T Express also works with JNE, IKI, Fedex and more, to facilitate delivery of goods to customers. Therefore, they need to have good operating management, so it does not take long time to arrive at right place. Beside that, J&T Express also has charges that will be charged according for domestic shipped and also for international.



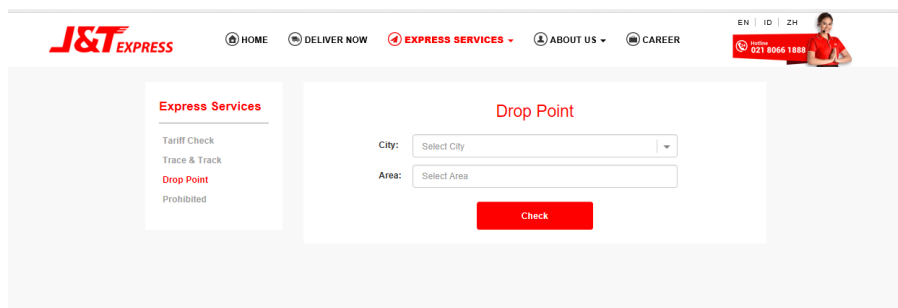
**Figure 1.**This is example charge for domestic and international

So from that it's will be easy to customer know how much they needed to pay if they want using domestic shipping or international shipping. So the technology easy for customer because haven't need to go the office for know the price . Beside that, J&T Express also can save the budget because did not need to take many staff to handle the office. In addition, J&T Express also has branches in various countries such as Malaysia, Vietnam and various. Each country has different currency values, so they need to have more efficient operation management to avoid losing profit and get the profit according to the target and also been achieve the vision and mission that set by the organization.



**Figure 2.**This is the process of express shipping

So from above picture we can see the process of express shipping. Beside that, from the picture we can see that it has its own process to reach to customer and the user will get the goods sent directly at the door by J&T Express employees. But at each level is supervised by the designated employees in their division, it facilitates the process of delivering goods more systematic.



**J&T EXPRESS** [HOME](#) [DELIVER NOW](#) [EXPRESS SERVICES](#) [ABOUT US](#) [CAREER](#) EN ID ZH 021 8066 1888

**Express Services**

- Tariff Check
- Trace & Track
- Drop Point**
- Prohibited

**Drop Point**

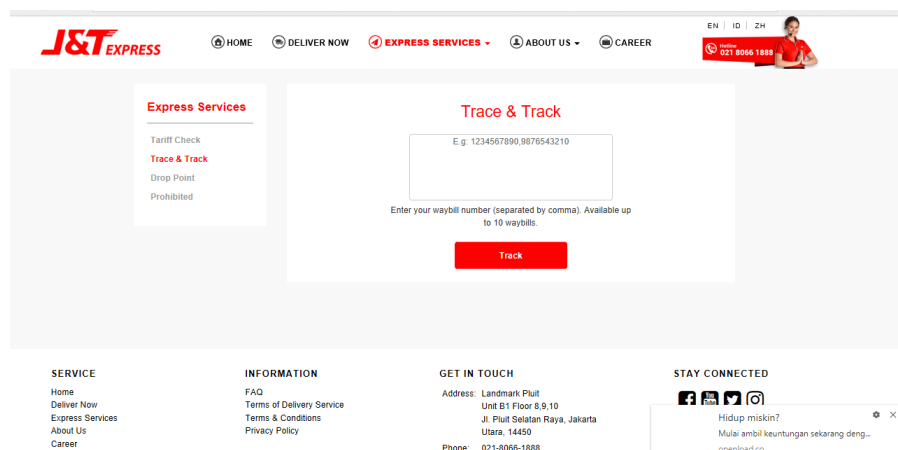
City:

Area:

**Check**

**Figure 3. this is the point to customer known where their goods are drop point.**

In addition, J&T Express had provide a resit trace & track to customers when their want to post their goods for reference. At the resit the customers can know about their condition of goods and the number and date of goods will delivery by J&T Express. By the reference of resit that customers had it, customers can claim back their goods if the goods is broken and destroyed because their goods had protect by insurance. By that must contract J&T Express Service Contract for did record and comment about this situation.



**J&T EXPRESS** [HOME](#) [DELIVER NOW](#) [EXPRESS SERVICES](#) [ABOUT US](#) [CAREER](#) EN ID ZH 021 8066 1888

**Express Services**

- Tariff Check
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**Trace & Track**

E.g: 1234567890,9876543210

Enter your waybill number (separated by comma). Available up to 10 waybills.

**Track**

**SERVICE**

- Home
- Deliver Now
- Express Services
- About Us
- Career

**INFORMATION**

- FAQ
- Terms of Delivery Service
- Terms & Conditions
- Privacy Policy

**GET IN TOUCH**

Address: Landmark Pluit  
Unit B1 Floor 8,9,10  
Jl. Pluit Selatan Raya, Jakarta Utara, 14450

Phone: 021-8066-1888  
E-Mail: jntcallcenter@jet.co.id

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**Figure 4. This is the example for customer check for express post**

The picture above shows the website that customers can refer to know where the goods placed it. The facilities provided by this facility make it easy for customers to know where the location of the goods is located and the level of transfers without having to call the J&T Express office. so technology is now easier to manage J&T Express operations because it does not have using old fashioned way. Meanwhile, J&T Express also produced a Apps to facilitate customers to install their smart phone.

## CONCLUSION

In conclusion, from the contents above now days technology is so important,so if J&T Express want be more advanced they need using technology in managing operation because technology also can help the company earn more profit. After that, technology will make the process more faster and also have not using a lot workers and J&T Express will be more organized in each process at each level to produces services they provided. In additional, maybe in the future can use higher technology to send the goods to customer such as liked use eclectic car so maybe J&T Express can cut the workers costing and J&T Express will be a good services company like international postal companies. So, other company express will trust with J&T Express because have quality system like them then will collaboration with J&T Express. This will make J&T Express better known worldwide.

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