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The Improvements, Strategies And Benefits Of E- Business Of Grab Company In Lampung, Indonesia

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ABSTRACT

E-business (electronic business) is the conduct of business processes on the internet. E-business processes include buying and selling products, supplies and services; servicing customers; processing payments; managing production control; collaborating with business partners; sharing information; running automated employee services. The purpose of this research is to study the improvement of e-business of Grab. The interest group for this research is the user of Grab application involving 101 respondents in Lampung. Lampung is a province of Indonesia. It is located on the southern tip of the island of Sumatra. This research is non-experimental study with analysis study. The objectives of this research are to study the improvement of e- business of Grab, to study the e-business strategies of Grab and to know the benefits of Grab for drivers and users. The result of this research is there's a lot of improvement of e-business in grab application and services. This means that the benefits and strategies provided by Grab have significant influence to its improvement.

Keywords: e- business, servicing customers, sharing information

1. INTRODUCTION

Electronic business also known as e-business refers to the use of the Web, Internet, Intranets, Extranets or some combination thereof to conduct business. E-business is similar to e-commerce, but it goes beyond the simple buying and selling of products and services online. E-business includes a much wider range of businesses processes, such as supply chain management, electronic order processing and customer relationship management. E-business processes, therefore, can help companies to operate more effectively and efficiently.

Nowadays, we live in a world where everything can be reached just by some clicks on our phone keyboard. Thus, many applications are created and one of them is Grab Holding Inc formerly known as MyTeksi and Grab Teksi. It is transportation network company founded in Malaysia then moved their headquarters in Singapore. It was founded and co-founded by Harvard Graduates Anthony Tan and Tan Hooi Ling. They thought of making this business while they were still in the university.

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Despite receiving negative responses, they still managed to launch the application. The services they provide are GrabTaxi, GrabCar, GrabRemorque, GrabBike, GrabHitch, GrabExpress, GrabFresh, GrabPay and GrabFood and more.

Now the company operates in the Southeast Asia countries like Malaysia, Indonesia, Singapore, Philippines, Vietnam, Thailand, Myanmar and Cambodia. The services are served at 168 cities across eight countries with more than 3.5 million daily rides. In Lampung it has stated that 2.7 million people use the service of Grab in the whole year 2018.

E-business is the new revolution for a company not only for the sake of creating a competitive advantage among other competitors, but also to increase their total sale and productivity. There are many benefits in applying e-business in our lives. That is why we are interested in the e-business the company is running and we want to find the improvements, strategies and benefits in e-business of the Grab Company from Information Technology and Business perspective.

2. METHODOLOGY

For the method we used primary and secondary data. Primary data is a data that is collected by a researcher from first-hand sources, using methods like surveys, interviews, or experiments. It is collected with the research project in mind, directly from primary sources. For this research we use interview as our primary data. In order to gain a better insight into the possibilities for improvement of the e business of Grab, an interview was conducted with two executives of Grab Company in Lampung. The first person we interviewed was Mr Bismi Ariffadillah who is Business Development Executive in Grab Lampung. We also interviewed Mr Nasrul Salim, the Executive of Public Affairs to get more information and data about how e-business of Grab Company is functioning. Interviews were conducted in a small office and lasted approximately 30 minutes each. Answers were recorded by note-taking and voice recording.

A secondary source is sources that interprets and analyses primary sources. These sources are one or more steps removed from the event. Secondary sources may contain pictures, quotes or graphics of primary sources. The first secondary data that we use is making questionnaire via Google form. The form spread to 101 respondents with different demographic at Lampung Indonesia to know about their respond on e-business of Grab. For the secondary data we also use the Grab official website and application to study more about the features and data. We also use the internet sources as to know and find definition for some words or terms as to finish this study.

3. IMPROVEMENTS, STRATEGIES AND BENEFITS OF E- BUSINESS OF GRAB FROM INFORMATION TECHNOLOGY AND BUSINESS PERSPECTIVES

1). From Information Technology Perspective

a. Improvements

There are some improvements from the Grab application which is one of them is to pay cashless, by using Go-Pay. This give benefits to both party as users do not need to bring cash and it easier for the driver if the driver do not have any changes when user gave big amount of notes. Users also can do good deeds by tipping the driver through Go-Pay. Even though not many people use Go-Pay but this improvement can start a new things in modern life as an approach to future era where the notes will be less used.

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Then, there is a rating system where users can rate from one to five stars based on users' satisfaction. However, if user give three stars and below as rating to the drivers, user needs to state the reasons why. There are options for user to choose for the dissatisfactory such as the driver's attitude in the car, maybe the driver drove dangerously or the car is dirty and uncomfortable to be seated. So in order to make sure that the users give a good feedback and high rating, drivers need to make sure to be a discipline driver so their good rating also will be stated in their Grab profile. This will make sure the other user trust and put high expectation towards the driver. Moreover, there is a language translator feature if one or both the driver and the user cannot understand the language the other party is using. User can choose which language they want to translate into. So users don't have to worry if they cannot speak the same language as the driver.

b. Strategies

For the strategies, the application has built new system such as GrabWheel. GrabWheel is a application where customer can use a scooter to move. The only thing that customer need to do is search the whereabouts of the scooter and parks it at special parking for e-scooter of Grab. This is a good strategy as many Indonesian always trapped in jam so this facility is one way to prevent jammed.

c. Benefits

By having the e-business, it will lower the operating cost because there is no need to print any documents or having places to put the stationaries because every data is saved online. Then it will widen the global reach as it does not know about the concept of time and space. In this technology, what the users want can be customized decently. Plus, the company can get the customer loyalty when the users are satisfied with how the service when. Usually when ones like about something, ones will tell other people about it, thus, the amount of users will increase.

After that, it can increase the supplier management with faster communication so the service will not be late to arrive. Plus, we can shorten the production time because of the real time communication that will make the result effective

2). From Business Perspectives

a. Strategies

One of the strategies of this company is that it provided training for the drivers. The training contains 10 topics which the duration is 8 minutes. The driver can be trained by installing GrabAcademy application. This is to ensure all the drivers and riders know everything to make sure the safety and quality of every ride in every circumstances. This training also to improve the quality of service of every drivers toward the customers.

Grab also provide insurance not only for driver and rider but also user. Insurances fee has been include in the fees that we pay when using this application. So users and drivers don't have to be worry about the money if anything happen as Grab will responsible for any possibility during the journey. Grab also provide a kiosk shelter in certain shopping complexes so that the customer can easily use grab service without need to wait for the driver to fetch them. This is because the driver will wait for customer at the kiosk to send them to their destination. This is a good strategy as some customers are tired of waiting for driver to fetch them or they need to reach their destination as soon as possible. This also a good strategies as not every service based online use the same strategies thus it can attract the customer to use this application more frequently.

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Grab application is not only just a service based online company but also a company that have many achievements. As example, Grab is the official transportation of Raden Intan Airport, Lampung. There is area that officially for Grab driver at the airport. This is one of the biggest achievements as there are many competitors in service based online but Grab chosen. Grab also company hat help to promote Indonesian Tourism. This is a big achievement as the Indonesian Tourism with the tagline of 'Wonderful Indonesia' were spread through its application to the users of Grab application.

b.Benefits

Grab company has a wide and variation of benefits that given to the driver of this application. The first benefit is that when drivers need to service its car it will have a better and cheaper price rather than the other car owner. This is because the Grab Company has provide this benefit to make sure the driver capable of servicing their car with affordable price without burdening them too much. This is such a good way as the driver can gain profit without worrying of need to pay higher services charge.

The other benefit of being a driver of Grab is that they can gain extra income. This is because everyone need money for their day life activity so even if the driver has a full time job, they also can work as a Grab driver on their free time as to gain more profit and income. Many drivers come with different background and demographic. Some are student, worker, teacher and some more. For student they can gain extra income to afford their college life and same goes to the other. This not only help the driver to gain income but also help this country economy to be better. This is because as we know Grab is company that are not originally come from Indonesia so when this company opened here in Indonesia , the company itself will need to invest to Indonesia thus it will help the country economy.

Discussion

Respondent background

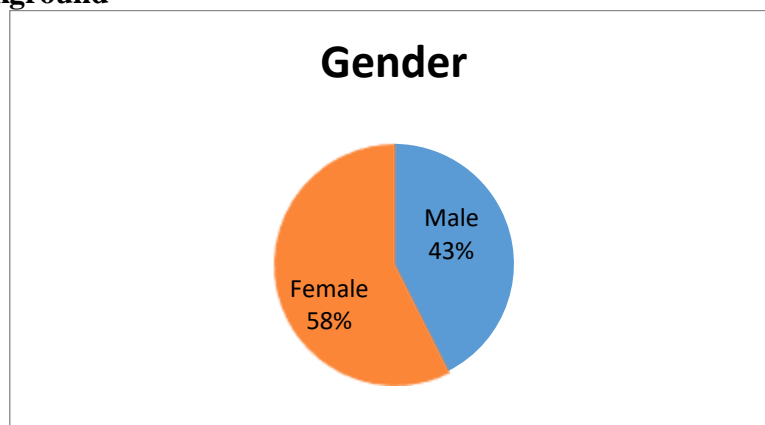


Chart I

Figure 1. Respondent background

Based on the data above, mostly respondent are female with the value of 58% with male as the minority with the value of 43'%

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Is there any improvement of Grab application?

101 responses

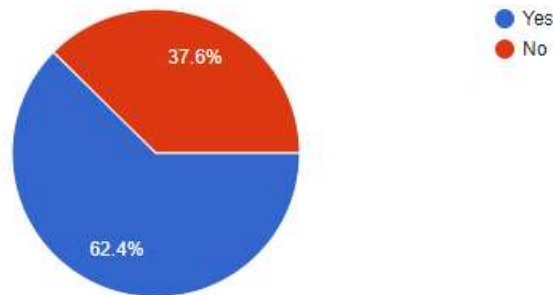


Chart II

Figure 2.Improvement of Grab application

From the research it has been revealed that 62.4% of Grab users agree that there are improvements in Grab application. As example few features has been added to the application such as GoFood and GoWheel. However, there are 37.6% of users disagree with the question asked. This may be cause by the users are not are Grab's regular customer hence they did not use the application frequently to notice any changes made in the application.

Is Grab application has effective strategies ? (price, promo and service?)

101 responses

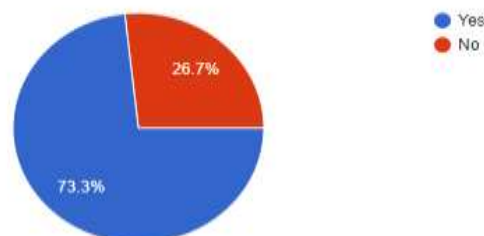


Chart III

Figure 3.Effective strategies

From the data above, 73.3% of respondent choose yes when question is grab application has effective strategies was asked. This is because the respondent may also the user of Grab found that the strategies used by Grab were effective as they received many goods as customer. But 26.7% respondent choose no because they did not find the strategies used by Grab effective maybe because they found the other application that provide the same service as the Grab have more effective strategies.

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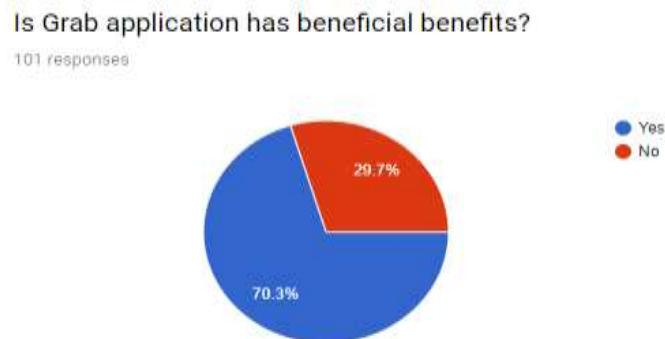


Figure 4. Beneficial benefits

Chart IV

The respondents were specifically asked whether they think Grab application has beneficial benefits or not. 70.3% of respondents pick yes maybe because many advantage as user and customer received by them. As example, promo, discount, redeem of collected points and more. This also can make the user to be more attracted to use this application. But on the other side of the coin, 29.7% disagree that Grab application bring beneficial benefits to them maybe because they not a loyal customer and find Grab competitors to have more benefits than Grab itself.

4. CONCLUSION

Conclusion clearly presented the result of this study. From this study we can conclude that there's a lot of improvement of e-business of grab. Many benefits provided by the company not only for driver but for users or customer also.

Based on the data analysis and discussion, the conclusion of this research can be concluded as:

1. Based on the data majority of respondents are female with the value of 57%.
2. Most of respondent choose yes when the first questionnaire asked which is whether they agree or not that there are improvements in Grab application.
3. There are a lot of benefits that Grab offers, that make customers attracted to use this application.

Recommendation

1. The effective strategies also will make customer to be more attracted to use this application.
2. The effective improvements will also lead to maximization of profit for this company.
3. By using the right methods and ways the problem and risk occur in company can be reduced from time to time.

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