THE COMPARISON BETWEEN GRAB AND GOJEK IN BANDAR LAMPUNG, INDONESIA

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Abstract

There are a lot of company that provide a service to customer. Through provide services, company can gain a lot of profit. Services are activities, which are offered for sale or are provided in connection with sales of goods. Services are intangible, difficult to attain quality standard and it involves expenditure without tangible return benefit. Therefore, the researcher had choose topic "The Comparison between Grab and Gojek ". This is because both provide services to their customer. The purpose this research is to identify how the seven tools marketing mix used to compare between Grab and Gojek. The researcher measured the information about both application by using marketing mix, which is product, price, place, promotion, process, people and physical evidence. Besides, there are surveys that the researcher already made to gain a lot of feedback from the respondent who are using both transportation. The survey form have been given to 100 respondents randomly in Bandar Lampung, Indonesia. The questions are provide by using google form. Even though, Grab and Gojek look similar but there have differentiation between both applications. The researcher will identify the SWOT analysis for both. Grab and Gojek should know how to overcome their weaknesses and ensure that their services remain the choice and loyalty of their customers.

Keywords: comparison, Grab, Gojek, SWOT

1. INTRODUCTION

In the last two decades, information technology has emerged in the world affecting our personal, social and public life and has made a significant impact on the quality of life. It handles data and information represented in digital, text, image, graphics

or voice media and deals with communication, storage, processing, and printing or exhibition in the manner. By using technology, companies can produce large product and cost savings. The development of modern technology is also accelerated by the development of the internet. Internet development is a positive thing for public society. The provision of online services has made it easy for people to find easy ways to go to their destinations in a short time only with the application provided. Online transport applications have succeeded in reducing congestion especially in big cities, encouraging people to use their own vehicles and providing easy-to-use applications for their users. Online transportation business that recently have been known very well are Grab and Gojek. Both app based transportation companies are proved causing a significant change mainly for public society lives. Even, these companies have become app based service companies as public main choice especially in big cities. They compete each other tightly. Noticing such a phenomenon early on, Grab rapidly expanded into the region since 2013 and has so far been the first ride-hailing, delivery and mobile payment for most of Southeast Asian mobile users, appealing to each specific market with a specific and localized strategy. Gojek is the first Indonesian private technology company to be classified as a 'unicorn' startup. It is clear that Grab and Gojek have their own interests especially for the citizen in Lampung, Indonesia.

2. RESEARCH METHOD

In this part, the researcher has selected three ways to present the data obtained from a different sources. Primary source are through interview and survey. Secondary source though journal review and last is by using SWOT method.

- a) Interview and Survey
 For Grab, the researcher interviewed Mr. Bismi Ariffadillah, business development executive. Researcher got a lot of information about Grab in terms of how the Grab application works, the qualifications needed to be a Grab driver and so on. The researcher provided some questions answered by 100 respondents around Lampung.
- b) Journal Review For Gojek, researchers refer to journals about Gojek. The journal about customer desicion before and after promotion of Gojek.
- SWOT
 SWOT method use to find the strength, weakness, opportunity and threats of Grab and Gojek.

3. FINDINGS AND DISCUSSION

Products

This research have made comparison between two types of company that provide services, which is Grab and Gojek applications. Nevertheless, both applications provides same services of transportation such as car and bike. On top of that, the researchers already found out both application have their own strength and weakness. These two applications were highly demand in Bandar Lampung, Indonesia because most of the citizens use these applications for their main transportations. In this research, Grab application features is called as GrabCar and GrabBike, meanwhile Gojek called as GoCar and GoRide. For GrabCar, there are same services with GoCar, which is both applications provides two types of car services. For example, the customer can choose either 1-4 seater or 1-6 seater in the application before book the order. Besides, there are slightly different between GrabCar and GoCar because Grab provides car rental and Grab exclusive services. Means that the customer can rent car whether by hours or per day payment in the application. The reason why customer want to rent a car because it will be more cheap compare to use the driver provided especially when the customer would like to use it in long time. Other than that, Grab exclusive from Grab application is different from normal GrabCar. This is because of the driver of Grab exclusive are experience worker, high ranked by customers, and more safety. All the drivers will provide training program at least once a month to make sure their services improve. The driver of Grab exclusive must be determine by the Grab Company because not all the drivers can be a Grab exclusive driver. Only for the high performance driver can get the license for Grab exclusive. However, the customers must paid little bit expensive compare to normal GrabCar because the service are literally different. It depends on the customers either want to choose normal GrabCar or exclusive. For GrabBike and GoRide, both services are same. In conclusion, although there are different between car transportation, the citizens in Bandar Lampung still like to use both applications.

Price

Based on research, there are differentiation between price's Grab and Gojek. Both price differences are not significant but can give a huge impact to consumers. Based on our survey, we can see Gojek more cheaply than Grab. Not only that, Gojek it is created by Indonesia people, they called it "Karya Anak Bangsa". Example,

through Grab application, from IBI Darmajaya to MBK using Grabcar 15,000 Rp and GrabBike 9,000 Rp. Through Gojek application, use GoCar at 14,000 Rp and GoRide at 9,000 Rp. A small price difference can affect consumers. Users tend to choose the cheaper ones. In conclusion, price also plays an important role in marketing the company to profit and minimize production costs.

Place

There are more 500 thousand driver around Indonesia. The researcher see the growth of Gojek and Grab are become more important to local and for foreign who came to Lampung. It is easy for local or foreign to get to their destination easily. Lampung is not only famous for tourism centers but also for education. There are many universities in Lampung such as IBI Darmajaya, Lampung University, Malahayati University, Raden Intan Lampung Islamic State University and more. The increase in students led to the increase of Grab and Gojek drivers in Lampung. This is a opportunity for them to increase their income. Example by using Grab people easily booked the grab, choose the number of seat car, set location and final step got Grab's driver. By using this application, drivers easily track their customer's position. Mostly, student choose GoRide when they want to university or somewhere. This is because, Gojek more cheap than Grab. This opportunity for Gojek;s driver to increase their service and get a loyalty of customer.

Process

Process essentially have inputs, throughputs and outputs. The process for both is the same and there are no significant differences. The Grab and Gojek order methods are the same and customer can order. However, each application still has its own advantages and disadvantages. The advantage of Gojek application is that the grab driver can contact the customer to know their customer's location more precisely and can send the order through the application. The advantage of Grab applications is that customers can send pictures through the app to inform the driver of their position and can send the order through the application. The disadvantage of the Gojek application is that it is unable to send a picture of its customer's location. They only communicate through calls and messages. The disadvantage of the Grab application is that it cannot contact the driver. It is hard for customers to tell their position clearly. Sometimes Gojek does not convey the correct information. Sometimes when a customer orders a GoCar, the information about the car that is displayed is a different type of car but the one that arrives is a different

type of car. This is confusing the customer. This makes the customer trust a bit less. The both driver, however, treats their customers warmly, customer friendly and arrives on time.

Promotion

Based on research, Grab and Gojek Company used literally same types of promotion. There are comparison between how the customers can get the promotions. Promotion is important to attract customers to be loyal to our service and to remain good relationship with customers itself. It depends on how the company manage promotional activity for customers, which is if there are more promotions for services; the contact number of customers will be improve. Therefore, the profit will be improve for the company. For example, Grab Company will give the customers promotion code and discounts if the customers use their services regularly. They also provides discounts for the new customer such as 50% price for all the services especially for car and bike transportation in the application. This is because they want to attract more customers to use Grab application as their first choice rather than choose other services applications. Moreover, Grab also provides points collected system for the customers to be redeem anytime they want. The more regularly customer use the services, the higher number of points collected in their own account. Furthermore, sometimes Grab will give free of charge services for certain customers. The points collected will be redeem at MyRewards feature in the application. Although the customers use payment method by cash, they still will get points, but for Gojek must use GoPay payment method to get Gopoints. Besides, Grab Company sometimes make corporate social responsibilities (CSR) to customer because they want to have strong relationship with customers. Moreover, Grab also will give fliers to people as long as people will noticed and know about promotions provide by Grab application. Gojek company also do the same thing like Grab. Gojek make some CSR activities towards customers such as "WIRAUSAHA" which is the purpose of this program, are promoting works opportunity to citizens in Indonesia. As a conclusion, promotions activity will help the company get more sales because the company success to build value added relationship with customers. Every company must have their own promotional activity although once a week to shape the consumer behavior towards company itself.

People

People or personnel is commitment, incentives, appearance, behavior, habits and whatever is attached to the customer or company employee. The researcher have made a survey form from randomly customers to find out which company most prefer and factors why they choose the company.

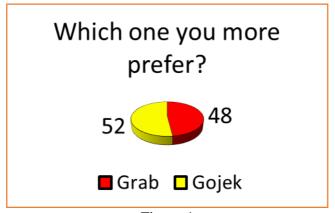


Figure 1

Based on the pie chart above, the researcher found out that Gojek application was most preferred compare to Grab with 52% voters from 100 responses while Grab only 48% voters. Although there are slightly different from both services, but still Gojek is dominants for citizens in Bandar Lampung, Indonesia.

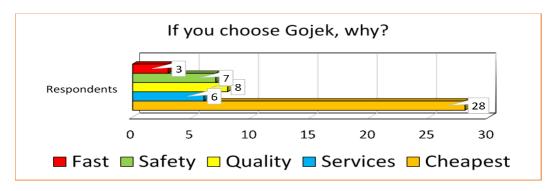


Figure 2

There are various factors why people choose Gojek compare to Grab, such as cheap price, good services, high quality, safety of customer, and fast. The core of all the factors is the price is cheap, which is Gojek voters are 28 respondents compare to Grab only 3 voters by the customers itself. Other than that, the quality is also important, which is the physical of the transportation must be clean and freshness.

Pyschical Evidence

Physical evidence refers to everything customers see when interacting with your business includes the physical environment where you provide the product or service and the layout or interior design Physical evidence for Gojek, sometimes it's good sometimes not. For example, the cars that Gojek's drivers drive are did not meet the standard and some are like old cars. This is a bit of a worry for customers when use GoCar by Gojek. Besides, for Grab, they care about the condition of their driver's car. Their drivers must ensure that the car is in good condition, attractive and well serviced to ensure maximum customer satisfaction. For Gojek and Grab, they will make sure their drivers have a mobile phone based on the latest technology. This is because it makes it easier for their drivers to interact with customers and easily attract more customers during the day. As well as the use of motorcycle, riders are encouraged to wear a Grab or Gojek logo as well as a safety shirt provided by the company and gloves. This is to ensure the safety of their drivers as well as to make it easier for customers to recognize whether they are Gojek or Grab drivers. Through the app too, both drivers also need to ask their customer's name to avoid being cheated and they are picking the right customer.

SWOT Analysis

Grab

Strength

- a) It has high standard of service because only experience and verified drivers can get license car from the company.
- b) Required customers pay directly to the driver.
- c) The operational cost from customer to driver are low.
- d) The details of drivers and estimated charges will be shown on screen after booking.

Weakness

- a) No bonding or relationship between Grab and customers.
- b) Grab have private concerns about where customers get the cab and where the destination.
- c) Grab incentive are low.
- d) Tips is very dependent by the drivers.

Opportunity

- a) Estimated price will be shown on screen after booking process.
- b) Can hire the driver for any purpose.
- c) Can easily book in suburban place.

Threats

- a) Many skeptics for initial period.
- b) The attitude of drivers who always ask for tips will affect the loyalty of customers.

Gojek

Strength

- a) Ease ordering online by smartphone.
- b) No worry about bring change or cash, just with GoPay through ATM, online banking, BRI and Mandiri Bank.
- c) More than enough drivers, which is 200 thousands, and above.

Weakness

- a) There are bad attitude of some drivers.
- b) Always have a problem of application.
- c) Has a lot of security gap for Android user.
- d) Driver reject the evaluation of performance management by the company.

Opportunity

- a) Potential for market growth.
- b) They were operated in 15 major cities in Indonesia and will keep on growing.
- c) Have 200 thousands collaborated with experience drivers and riders.
- d) High demands from citizens using bike transportation.

Threats

- a) There are similar competitors that provides cheaper price.
- b) The green jacket and logo on the helmet for GrabBike and GoRide almost similar.

c) Threats and attacks from traditional motorcycle.

4. CONCLUSION

Grab and Gojek both have same functions, so they need to plan a most significant marketing strategy to compete each other and others competitors. This is because the demands for these two applications were high and difficult to determine which one is more preferred. Gojek need strategically decision to winning competition in market, due to market condition and competition is high competitive. Grab need to plan how to setup the best price for consumers especially for citizens in Lampung. The citizens in Bandar Lampung mostly have low income compare to other cities. Therefore, there will be a problem for customer make decision-making process. As a conclude, the researcher found that Gojek is better than Grab. In term of that, the researcher suggest some alternatives strategy for Grab's marketing and HR department to play role in the company.

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