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Gojek's Strategy to Win the Online Transportation Competition

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Abstract:
Research aims: This research aimed to design an effective approach in competing in the digital era, especially in the transportation sector. The approach in question begins with determining specific targets to be achieved, namely identifying Gojek's strengths, weaknesses, opportunities, and threats associated with Grab as its business competition in Indonesia and the targeted market abroad.
Design/Methodology/Approach: This research used Pearson Analysis, Porter's Five Forces and SWOT analysis, using survey data that can describe the decision-making of transportation services (decision tree) to create a TOWS matrix describing Gojek's current internal and external conditions.
Research findings: The results revealed that the right bottom-up approach would make it easier for Gojek to address socio-cultural issues in Indonesia. The aspect of ease of use of online applications on Gojek becomes capital influencing good socio-cultural acceptability, and service approaches in the form of tariffs, timeliness of pick-up, and driver cleanliness affect ride-sharing options.
Theoretical contribution/Originality: This study examines the use of the right bottom-up approach that will make it easier for Gojek to address socio-cultural issues in Indonesia.
Practitioner/Policy implication: Service approaches in the form of tariffs, timeliness of pick-up, and driver cleanliness become a priority of ride-sharing customers.
Research limitation/Implication: This research was only conducted in DKI Jakarta, West Java, and Banten.
Keywords: Gojek; Grab; Porter's Five Forces; Decision tree; SWOT; TOWS

Introduction

In recent years, Indonesia has transformed in terms of transportation due to increasingly modern technological developments. It can be seen from the emergence of online ride-sharing operators by transforming online motorcycle taxi and taxi services in major cities in Indonesia, such as Gojek and Grab, which are application-based in ordering and paying. Changes in people's lifestyles that are increasingly advanced make business actors start competing in the online transportation business. Therefore, it has become necessary for entrepreneurs to think of the right competitive strategy to meet effective targets. This change is an example of how the sharing economy system or technology-based sharing economy has emerged and is endemic in society.

The sharing economy system allows someone to borrow or rent an asset they own, including, in this case, lending power and vehicles in the form of online ride-sharing services. In addition, it is undeniable that the existence of online ride-sharing services creates new job opportunities for people in big cities around the world (Flores & Rayle, 2017), coupled with attractive income offers for those interested in becoming partners in it (Dong et al., 2018). The emergence of this ride-sharing online transportation operator has succeeded in attracting various groups, from motorcycle taxi drivers to private sector employees, to get involved in this business. Ride-sharing online transportation services are very helpful for the community, not only in terms of services that make it easier for customers but also because ride-sharing online transportation services can open new jobs for people in need.

Gojek, for example, a company founded in February 2011, has succeeded in solving the problem of ojek transportation that wastes time by hanging in one location into an exclusive transportation service that can be ordered through an application from a smartphone, making it easier and saving time for customers and drivers. The founders of Gojek already understand the huge business potential in this sector in the modern era and seize opportunities from Jakarta's large population who need fast and practical transportation services. Uniting motorcycle taxi services and technology is the right solution for the transportation business and is the beginning of the emergence of Gojek in Indonesia. The strategic innovation carried out by Gojek has succeeded not only in attracting a large number of users but also in recruiting thousands of motorcycle taxi drivers from various circles and conventional motorcycle taxi drivers, as was the target of the previous GoJek founder.

Meanwhile, Grab is a serious competitor for Gojek in the online ride-sharing business in Indonesia, where both online ride-sharing dominate the streets of Jakarta and other big cities in Indonesia. Grab is an online ride-sharing service owned by a Malaysian company founded by Anthony Tan in 2011, as is Gojek in Indonesia. However, unlike Gojek, Grab was first born and developed with its online taxi service in Malaysia and Southeast Asia before finally expanding by launching GrabBike in Indonesia and other countries in June 2012. Grab started its operation in Indonesia as a taxi ordering application. Then, it evolved and can provide various available transportation options, such as cars and motorcycle taxis. As a result, intense competition ensued; competition and company competitiveness became a mainstay for every company to win the competition and captivate consumers' hearts (Datta et al., 2006; Hannigan et al., 2015; Qiu et al., 2017). Of course, with the competition happening, breakthrough business model innovations need to be carried out by related companies (Wibawa et al., 2018).

According to data obtained from Katadata sources, the following is the competition data for GOJEK and Grab in 2018. From the data, it can be seen that GOJEK and Grab both compete with each other quite tightly, so to compete in satisfying consumers, of course, both will try to get optimal results by using predetermined strategies.

Table 1 Gojek and Grab Competition Data

	Number of Downloads	Ride-hailing (Motorcycle and Car)	Service Payment	Scope
Gojek	142 million	2 million partners in Indonesia	Gopay partners with 28 financial institutions and hundreds of thousands of partners in 370 cities.	204 cities in four countries
Grab	144 million	9 million (plus agents) in Southeast Asia	Grab partners with OVO in Indonesia	336 cities in eight countries

Moreover, breakthroughs in services and low tariffs on ride-sharing-based transportation services in Indonesia are currently forcing the government to start regulating ride-sharing online services operating in Indonesia. The emergence of the Minister of Transportation Regulation (Permenhub) Number PM 26 of 2017 (Kemenhub, 2017) concerning the Implementation of People Transportation with Public Motorized Vehicles Not On Routes has succeeded in defining online transportation as special rental transportation and provides several regulations for online ride-sharing service operators, especially on the application of special rules regarding rates. The enactment of this regulation provides an upper and lower limit on online transportation based on the division of regional zones, in which Region I, namely Sumatra-Java-Bali, and Region II, namely Kalimantan-Sulawesi-Papua, has different tariff limits which have been adjusted. The determination of this fare limit benefits users, where the rates between online ride-sharing services and traditional transportation services are not too different, thus providing additional relevant transportation options. This regulation also protects users from rush-hour rates commonly used by online ride-sharing services with price-fixing that spikes at certain times. However, another impact is the possibility of a decrease in bonuses to drivers and reduced promotions due to travel fare adjustments. Therefore, it is necessary to discuss the current industry conditions in the online ride-sharing service business to consider operators in determining their policies. According to the latest regulations, one sets tariff positions both at the upper and lower limits.

Based on the explanation, the authors examine online transportation, which is currently growing rapidly and competing. To compete, each online transportation service company, GOJEK and Grab, must use an optimal strategy to win the competition from its competitors. At least, business actors can estimate their competitors' strategies and marketing steps.

Literature Review and Hypotheses Development

Based on the previous research by Wibawa et al. (2018), the online ride-sharing industry in Indonesia is quite attractive to be developed in the future because the number of customers has not yet reached the maximum point, especially since this industry can offer

very varied product differentiation. In terms of competition, based on the research results by Budiana and Khasanah (2020), it shows that based on the attributes that are important to consumers, including tariffs, safety, practicality, promotions, a number of drivers/fleets, which have been analyzed using game theory, the optimal competition strategy for the two Go-Ride online transportation services, namely Gojek and Grab Bike, is a promotional strategy. By intensifying optimal promotional strategies based on consumer perceptions, it is the right step to increase marketing for each online transportation service. It indicates that the promotion factor is positive and significant to online transportation competition. In a study conducted by Yunus et al. (2020), the success of online transportation service companies depends on increasing the professionalism of drivers. Meanwhile, according to research by Hanny and Fahrizal (2021), service quality and brand image partially and simultaneously affect consumer satisfaction using online transportation services.

Furthermore, this study used the Pearson function for data processing and Porter's Five Forces tools and SWOT analysis, using survey data that can describe the decision-making use of transportation services (decision tree) to create a TOWS matrix describing the current internal and external conditions of Gojek. The authors also consider segmentation, targeting, and positioning for Gojek. Finally, the marketing analysis for the targeted overseas market was reviewed by comparing Indonesia's marketing strategy.

Moreover, ride-sharing-based online transportation companies must adapt to the current problem to gain public trust. As an Indonesian-born digital startup company, Gojek has advantages and disadvantages compared to its competitor, Grab. Thus, this research aims broadly to find competition patterns and design an effective approach or strategy to win the competition. In the design, there are several derivative goals to be achieved, including (1) Identifying what factors, especially psychographics, can determine the Indonesian people's awareness, interest, and decision to use online transportation services. (2) Analyzing the internal and external environment that affects the competitiveness and awareness of the company's opportunities and weaknesses.

Also, this study seeks to find the right approach in influencing factors to design effective and efficient strategies to overcome increasingly fierce competition. This strategy can be carried out through diversification of marketing programs and considering Indonesian people's characteristics. One way to diversify the marketing program for ride-sharing services is to look at the segmentation of society from a psychographic perspective directly related to socio-cultural issues. On this basis, the following hypotheses were made.

H_1: Does the psychographic approach of the community determine the design of Gojek's strategy in dealing with Grab as its main competitor?

H_2: Does the internal and external environment analysis affect Gojek's strategy in dealing with Grab as its main competitor?

Research Methods

In the sample selection process and data collection, the authors used a questionnaire distributed to respondents using online Gojek and Grab transportation services in three provinces, namely DKI Jakarta, West Java, and Banten. The questionnaire was equipped with a score with a Likert scale so that data processing could be carried out on the questionnaire results. The number of respondents was 229 people, with 61.2% women and 38.8% men. User age consisted of 67% age 20-35 years and 31% age under 20 years. The data obtained were then processed using Pearson correlation and analyzed descriptively, which was then grouped based on the five points of Porter's Five Forces and translated as the condition of the online transportation service industry in general. The assessment of the internal condition of the industry was determined from the total threats categorized as a low, medium, and high based on the five threats from Porter's Five Forces, namely threat of new entrants, the rivalry of existing competitors, the threat of the service substitutes, bargaining power of suppliers, and bargaining power of customers.

According to Porter (1980), collective power determines the profit potential in an industry. However, Porter's Five Forces theory also has a weakness with dynamic, practical applications. Porter (2008) argues that there are often errors in the practical application of this method. Allio & Fahey (2012) state that some managerial problems could not be applied with a small or new business. In addition, Magretta (2012) also argues that this method is difficult to apply by practical managers.

On the other hand, Lee et al. (2012) explain that it is difficult for student startups and other academics to use Porter's Five Forces method. However, according to Dobbs (2014), Porter's method is still widely relied on by many companies because if it is explained with attractive illustrations, this method is still easier to read and understand. The point is that this method requires a visual description and not just a written explanation. In addition, Sutherland (2014) argues that the Porter method has become exclusive in dynamic market competition. The criteria considered include price, quality, and features of the goods or services used. In Porter's model, significant gaps can occur since this method cannot be used for complex economic sectors, complex market interactions, and government regulatory policies (Rajasekar & Raee, 2013).

Moreover, the PEARSON function results were used to support Porter's Forces Industrial Analysis data, and then the results from Porter's Five Forces (Table 1) were used to map the SWOT analysis in the form of a matrix to develop the company's strategic factors. This matrix can clearly describe how the external opportunities and threats faced by the company can be adjusted to its strengths and weaknesses. This matrix can also generate four possible strategic alternatives to TOWS by combining and examining internal and external factors to develop the company's strategy. The authors also consider segmentation, targeting, and positioning for Gojek.

Table 1 Porter's Five Forces Industry Analysis
The Rivalry of Existing Competitors
Category: High

Similar competitors	Forces affecting the organization	Category (Low, Medium, High)
Major decacorn scale operators (Gojek and Grab)	Competing from price per kilometer, promo (burn money), and excellent service	High
Service development	Ride-sharing companies that perform various types of services will be more popular and chosen by users.	High
Exclusive market	Having a certain uniqueness can specifically meet the needs of service users.	Medium
Ride-sharing application development	The easier and more complete the application is according to the user's wishes, the more it will be an option, especially for service users who are technology stuttering.	High

Competition factor	Conditions and trends in the development of forces affecting the organization	Category (Low, Medium, High)
Competitive power	The market leaders of online ride-sharing services in Indonesia are Gojek and Grab, which compete on a balanced basis.	High
Variety of competitors	In addition to Grab and Gojek, several small-scale service operators are unique.	Medium
Marketing strategic importance	Each operator has its interest in controlling the same market expanding to Asia.	High

The Threat of New Entrants
Category: Medium

New entrants	Forces affecting the organization	Category (Low, Medium, High)
Bitcar	The profit-sharing scheme between the driver (85%) and operator (15%) is more commensurate, and consumers get a 1% commission from the fare and IDR 30,000 initial trip bonus.	High
Anterin	The application can choose the consumer in which the lower-upper limit determines the price according to the agreement. Riders can also use the app for a weekly or monthly fee.	High
Fastgo	The principle of the price is always cheaper.	Medium

The Threat of New Entrants (cont')
Category: Medium

Competition factor	Conditions and trends in the development of forces affecting the organization	Category (Low, Medium, High)
Technology access	Online ride-sharing technology is quite easy to imitate with the emergence of similar operators, such as Bitcar, Anterin, Fatgo.	High
Government policy	Permenhub No.32/2016 gives online ride-sharing services for motorbike and car transportation new operational requirements.	Low
Capital & economies of scale	Small service operators cannot compete with the leading operators of online ride-sharing services who dare to burn money.	Medium
Product differentiation	Ride-sharing online service products only revolve around transportation services by car and motorbike.	Low
Switching cost	There are no fees that service users need to pay to switch operators.	Medium

Threat of Substitutes
Category: Low

Substitution's products	Forces affecting the organization	Category (Low, Medium, High)
Similar transportation services	Not using apps and tech help is easier for some users.	Medium
B2B cooperation	The transportation company makes an agreement to cooperate with the office legally.	Low
Commuter line service	cheaper and on time	Medium

Competition factor	Conditions and trends in the development of forces affecting the organization	Category (Low, Medium, High)
Number of non-application substitution services	Users can easily get substitute services with relatively more comfortable and good quality, such as buses, public transportation, motorcycle taxis, and conventional taxis, but at varying costs and can exceed the cost of using online ride-sharing services.	Low
Ride-sharing competition vs. substitution Services	There is no obstacle whatsoever for users to switch to substitution services. Online ride-sharing services tend to be complementary services that support substitute services.	Low

Bargaining Power of Suppliers
Category: Low

Suppliers	Forces affecting the organization	Category (Low, Medium, High)
Driver	The amount needed is quite a lot.	Low
B2B cooperation supporting non-transportation services	The 3rd party non-transportation service quality is below standard.	Low

Competition factor	Conditions and trends in the development of forces affecting the organization	Category (Low, Medium, High)
Supplier substitution	Operators do not have a choice regarding the availability of riders, but the number is relatively abundant.	Low
Switching cost	Operators can terminate the cooperation at any time due to binding regulations on driver-partners.	Low

Furthermore, Porter's Five Forces results were used to map the SWOT analysis, as shown in Table 2. By completing the SWOT analysis, the authors could fully understand the current condition of Gojek, internally and externally. Such analysis can be useful for strengthening its strengths, guarding against its weaknesses, seizing its opportunities, and reducing its threats. Thus, it can be concluded (1) In January 2015, Gojek became the first transportation company to the mobile application. Meanwhile, Grab became Gojek's proportional competitor four months later. During the break, Gojek has entered Bandung and Bali. Moreover, Gojek has launched Go-Food and Go-Mart when Grab registers its motorbike for competition. It is what makes Gojek penetrate the market earlier than Grab. (2) Gojek acquired Kartuku, Midtrans, and Mapan as cashless payment solutions and merchant partnership media at the end of 2017. This acquisition was made to strengthen Go-Pay. Meanwhile, GrabPay, which the Central Bank of Indonesia liquidated in October 2017, changed its name to OVO Cash in December 2017.

(3) In early 2016, Gojek acquired C42 and CodeIgnition as their technology muscle. This decision was made due to its inability to control the app's bugs and its tremendous growth rate, which cannot be balanced with its technological capacity. (4) Although travel fares are transparent, the fare calculation is not. In addition, drivers sometimes refuse long-distance trips. They need a solution to reduce driver protests due to fare dynamics. (5) Consumers are given the authority of subjectivity when providing ratings and comments to drivers. To prevent driver evaluation, Gojek can carefully observe the driver's track record in the first place before suspending the driver's account or disbursing the driver's account.

(6) Since Go-Ride drivers are the most populist troop and are not sheltered from the rain, Gojek has to tackle problems that provide win-win solutions for both drivers and consumers. (7) Consumer data misused by drivers must be severely punished, for example, account suspension. (8) Go-Ride is still not profitable but is the most influential promotional media because drivers wear Gojek attributes and travel around the city. (9)

Born and raised among 250 million Indonesians, Gojek has earned its reputation as the most influential local online transportation company and has earned the president's trust. (10) Gojek must immediately address the problem of rejection in several parts of Indonesia. It can be a good exercise to strategize their current and future overseas expansion.

Table 2 SWOT Analysis Matrix

Strengths (S)	Weaknesses (W)
1. First time switching to Android and iOS OS in Indonesia 2. First to acquire three financial technology companies and register their former founders on the team 3. Currently running 17 services 4. Already entered 144 districts and cities 5. Acquired two Indian tech muscles and enlisted its former founders on the team 6. Price transparency, supporting cash and cashless 7. 200+ engineers more than 1 million+ drivers 8. Having 79.20% local market share 9. Total US$3.3 billion fund	1. Driver fare fluctuation 2. High subjectivity of consumers when assessing services 3. Gojek consumers are vulnerable to rainfall. 4. Depending on the driver's phone quality and internet speed 5. Unable to select the driver 6. Unable to change destination after order received 7. Consumer data misused by drivers 8. Driver's low driving knowledge 9. Application encountered an error, ordering problem 10. Go-Ride is still not profitable.
Opportunities (O)	**Threads (T)**
1. Born and raised among ± 250 million Indonesians 2. It has been downloaded 10 million+ times on Google Play. 3. Has built a strong driver community 4. Reducing unemployment in Indonesia 5. There are no strict regulations and penalties for companies. 6. Regulations are being made and improved by the company. 7. President Widodo supports. 8. Many merchants to partner with, potential B2B 9. Direct booking method 10. Many events to do a mass campaign 11. Competitors have not provided raincoats and annuals. 12. Competitors are still developing their features.	1. Banks see them as their competitors through Go-Pay floating funds. 2. Drivers do not want to travel long distances. 3. Driver hacks app by using fake GPS and other methods. 4. Go-Car is still stuck because of a traffic jam. 5. Threats from conventional transportation drivers, both verbally and physically 6. Denial of operations in many areas 7. Grab has grown in more countries in Southeast Asia, with more ratings. 8. The government is slowly interfering with regulatory restrictions. 9. Consumers rarely carry cash.

Results and Discussion

Referring to the SWOT analysis and the questionnaire results, it has proven the current conditions of Gojek's competition with Grab, so a TOWS analysis can be made as follows.

Table 3 TOWS Analysis

Strengths-Opportunities (SO)	Strengths-Threads (ST)
1. Gojek is the first online transportation company supported by the government by collaborating with several well-known banks and companies so that national distribution is more massive. Gojek is present in 144 districts, while Grab only operates in big cities. 2. The length of time consumers use Gojek services has been superior in the last three years (Gojek 58% and Grab 56%). In terms of credibility, Gojek is slightly above Grab (Gojek 78.2% and Grab 76.7%). 3. Payment transactions with Go-pay strengthen the position of ease of payment for working or productive age, which spreads to ± 250 million Indonesians (Gojek 57%, Grab 56%).	1. Creating innovative services, Gojek has a wide distribution in 144 districts and cities and has 16 services, while Grab only serves big cities with eight services. 2. The level of satisfaction of the driver's service to consumers (Gojek at 70%, Grab at 69%) 3. Gojek payment transactions create Go-pay electronic money. 4. Gojek's level of credibility is higher with government support (Gojek at 78%, Grab at 77%). 5. The company's attention to drivers (Gojek at 58%, Grab at 55%) means that Gojek must pay more attention to the driver's needs. 6. Gojek has released 17.5% to the public at a low price, increasing to two times the base price, while Grab's shares focus on overseas market share.
Weaknesses-Opportunities (WO)	Weaknesses-Threads (WT)
1. The government has not determined the tariff benchmark for online transportation. Therefore, control over prices is set by each company (Gojek 74% said it was cheap, and Grab was 79% said it was cheaper). 2. Fares with promos (Gojek is 94% cheap, Grab is 96% cheap) 3. Fulfillment of user needs (Gojek 93%, Grab 93%) 4. The criteria for suitable vehicles are expected by consumers (Gojek at 94%, Grab at 92%). 5. Driver discipline and punctuality criteria (Gojek 94%, Grab 95%) 6. Handling by the company if there is a misuse of consumer data by drivers (Gojek at 78%, Grab at 77%) 7. Recruitment of drivers according to the criteria (Gojek at 63%, Grab at 60%)	1. The company cares about drivers (Gojek at 58%, Grab at 55%). 2. Responses to passenger complaints (Gojek at 70%, Grab at 69%)

Based on the TOWS matrix, the authors can combine and examine internal and external factors to develop a TOWS strategy as follows: (1) By partnering with three financial technology companies, Gojek can strengthen its Go-Pay service. A large amount of floating money will lead to a large interest rate. This opportunity can be exploited to maximize their return on investment. Gojek can also solve the problem of buying behavior without cash and partnering with banks. (2) In engineering terms, Gojek can allow for "on-the-spot" bookings, utilize its engineers to maximize platform security, provide filtering features to allow consumers to choose their driver criteria, provide location feature changes before driving a vehicle, provide changes in transportation mode features when consumers are stuck in traffic jams, and develop and launch their new, fast-paced services, ahead of their competitors.

(3) Since Gojek was born and raised in Indonesia, there is a high possibility that their services are used by Indonesians and tourists alike. To maintain and grow its market share, Gojek can use its funding to develop new features, recognize the community through the benefits of Gojek's appearance, and conduct mass campaigns (e.g., involving ten influencers from each province of Indonesia to ride a Gojek and upload their riding experiences with Gojek on YouTube in exchange for a Go-Pay wallet bonus).

(4) An innovative problem to overcome the rainy season in Indonesia (as shown in Table 4) is that Gojek can provide its drivers with its official raincoats free of charge. It can act as a promotional medium for Gojek itself. (5) To strengthen the national driver community, Gojek may hold a national, regional meeting event where drivers can meet and share their experiences. In addition, Gojek can convince rival racers to join Gojek through this event. Gojek can improve its B2B and B2C business by implementing this strategy.

Table 4 Rainy season in some countries, 1991-2015

Month	Indonesia	Vietnam	Singapore	Thailand	Philippines
Jan	✓	-	✓	-	-
Feb	✓	-	-	-	-
Mar	✓	-	-	-	-
Apr	✓	-	-	-	-
May	✓	✓	-	✓	-
Jun	-	✓	-	✓	✓
Jul	-	✓	-	✓	✓
Aug	-	✓	-	✓	✓
Sep	-	✓	-	✓	✓
Oct	✓	-	✓	✓	✓
Nov	✓	-	✓	-	-
Dec	✓	-	✓	-	-

Source: World Bank Group, 2015.

(6) It is well known that Gojek can help overcome the unemployment problem in Indonesia and has the potential to improve national welfare. By presenting this fact, Gojek can get support from the government and ask for several things, such as government regulations that can adapt to industrial growth instead of being a burden and provide adequate internet speed. (7) Gojek can provide additional bonuses for long trips so that

the driver does not refuse. To maintain and improve the quality of their services, Gojek must make strict regulations regarding consumer data misused by drivers (e.g., any misused data can lead to account suspension), conduct annual reviews for drivers and consumers (drivers and consumers caught committing fraud), conducting in-house driving tests for drivers (ensure safety), quick response to consumer complaints, and bonuses for consumers who promote Gojek to others (bonuses are given in the form of a code that can be used as a reference).

Furthermore, in defining the marketing strategy and its implementation to facilitate Gojek's growth and expansion, the STP strategy can be analyzed as follows.

Segmentation

About segmentation, according to Table 5, Indonesia is the most populous country in Southeast Asia, with 263,991,379 inhabitants, followed by the Philippines and Vietnam, respectively. According to Table 6, Indonesia has 76.11 million cellular internet users and 104.96 million total internet users. According to Figure 1, West Java Province is predicted to retain its title as the province with the most population in Indonesia, with 49,935,700 inhabitants in 2020. According to Table 7, there are 2,198,444 four-wheeled non-public vehicles and 13,725,590 two-wheeled vehicles. According to Table 8, the population of West Java over the age of 15 is divided into two categories: employment and unemployment. The total working population stands at 20,550,000 against 1,840,000 unemployed. Also, 82.40% of jobs are male against 32.89% female, and 8.00% of unemployed are male against 8.62% female.

With 263,991,379 population and 104,960,000 total internet users, it is found that 159,031,379 population has not been exposed to the internet. For the current situation, the total market that Gojek has the potential to confiscate is worth 104,96 million in population. There are 28,850,000 residents who do not use cellphones as their internet medium due to personal computers or laptops alone. If Gojek does not immediately expand its online services to web-based, it could lose its 28.8 million potential users. Even though PCs and laptops are not feasible to order ride-hailing online, it is still beneficial for potential consumers to order Gojek Go-Food, Go-Mart services, and the like. Moreover, benchmarking West Java, the province with the most populous population in Indonesia, non-public four-wheeled and two-wheeled vehicles totaled 15,924,034 units. The number of these vehicles almost reaches the total population of Cambodia (16,005,373 population) or even exceeds the population of PDR Laos, Singapore, Timor, and Brunei Darussalam (14,195,421 population).

In addition, at the age above 15 years, the total male unemployment reached 147,200, while the total employment for men reached 16,933,200. The two produced 17,140,400 men in total. According Republika (2018), Gojek already has a market share of 79.20%. Meanwhile, according to Herman (Detik, 2018), there are around 20,000 drivers throughout West Java Province. Suppose the authors assume that the overall percentage of mobile internet to the total population of Indonesia is constant in each province. In that case, there will be 28.83% of mobile internet users in West Java Province, which is

equal to 14,936.462 current and potential Gojek application users, both drivers and potential users. Meanwhile, Grab's maximum potential revenue is shown as follows:

Total journey of 8 km x 14,936,462 current and potential users x Rp 2,300 = Rp 274.8 billion a day

79.20% Gojek market share: 79.20% x Rp262.8 billion = Rp59.9 billion a day
20% for Grab (20:80 scenario): 20% x Rp208.2 billion = Rp 11.9 billion a day

If the authors assume that the overall percentage of non-mobile internet to the total population of Indonesia is constant in each province, there will be 71.17% of non-mobile internet users in West Java Province, which is equal to 35,539,237 population. In addition, from a total of 15,924,034 four-wheel and two-wheel non-public units, the number of Gojek drivers is still around 200,000 people. Thus, there is still a big chance for Gojek to take over the remaining 15,724,034 potential drivers, assuming one driver per vehicle at a time.

Table 5 Southeast Asia population by country, 2017

Rank	Country	Population
1	Indonesia	263,991,379
2	Philippines	104,918,090
3	Vietnam	95,540,800
4	Thailand	69,037,513
5	Myanmar	53,370,609
6	Malaysia	31,624,264
7	Cambodia	16,005,373
8	Lao PDR	6,858,160
9	Singapore	5,612,253
10	Timor	1,296,311
11	Brunei Darussalam	428,697

Source: World Bank Group, 2017.

Table 6 Mobile internet and total internet users in some countries

Country	Mobile Phone Internet Users	Total Internet Users
Indonesia	76,110,000	104,960,000
Philippines	37,650,000	48,784,225
Vietnam	42,180,000	53,860,000
Thailand	25,770,000	38,910,000
Singapore	3,550,000	4,470,000

Table 7 Number of non-public and public land transportation in West Java

Transportation Type	Non-Public	Public
Minibus*	1,239,693	70,903
Buses	9,326	19,890
Four-Wheels	2,198,444	161,086
Motorcycles	13,725,590	None

Table 8 Employment data in West Java

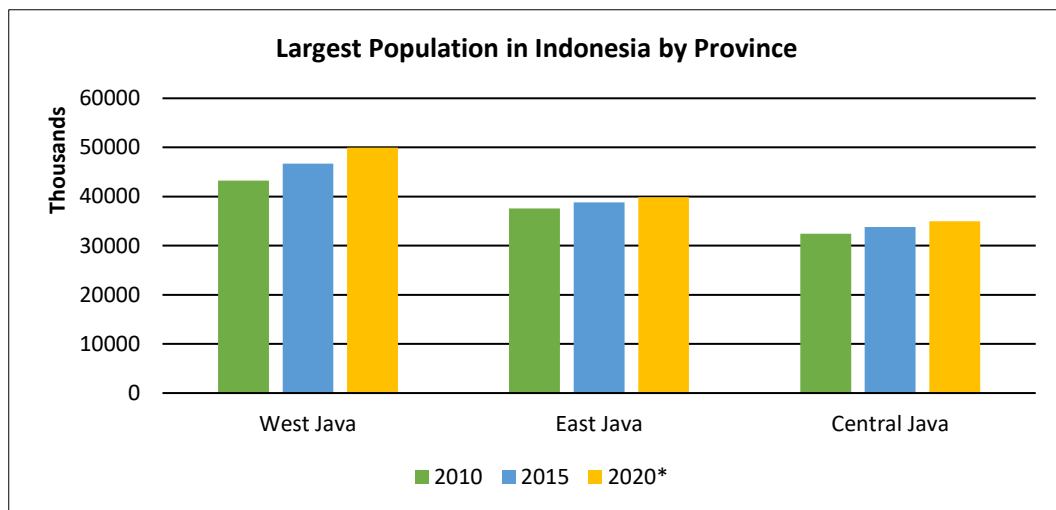| Status	Amount
Population > 15 years old	
Employment	20,550,000 population
Unemployment	1,840,000 population
Employment based on gender	
Male	82.40 %
Female	43.89 %
Unemployment based on gender	
Male	8.00 %
Female	8.62 %

Figure 1 Indonesia's largest population by province
Source: Statistics Indonesia (2018)

Targeting

Due to local wisdom conflicts related to social jealousy, Gojek needs to target the rural-conservative segment. The rural-conservative segment is defined as Indonesians, aged over 15-65 years, blocking themselves from technological advancement or not prioritizing mobile technology as a daily necessity, including drivers of conventional transportation organizations who do not have enough driving license documents. By targeting this segment, Gojek has the potential to recruit the remaining 15 million potential drivers, reach 35 million populations who have not been touched by mobile internet technology, and retain current drivers and consumers in terms of their service loyalty.

Positioning

There are several product positionings that Gojek must provide to the public. "Ojek for every need" like Gojek's original hashtag can be conveyed in several other ways to capture elements of all society. Gojek can add "the safest and most reliable service to choose

from" to represent the service and quality of innovation by implementing the TOWS strategy. It can also add "Moving the nation towards progress and prosperity" to represent Gojek's desire to improve people's quality of life. Lastly, Gojek can add "the desire for an Indonesian company to be born among the world's business competitiveness" to give Indonesian people originality and illustrate that Gojek always thinks locally but can act globally.

Southeast Asia Expansion Planning

"Xe Om" is a cheaper and more attractive alternative for locals and tourists alike, caters to both Vietnamese and tourists from north to south, covers mountainous and metropolitan areas to get around when traveling, is sure to be a tough competitor Go-Viet in the future. Moreover, Aber, a local online ride-hailing company, has been initiated by a group of young Vietnamese engineers and has offered six services, including Aber Bike, Aber Car, Aber Truck, Aber Travel, Aber Business, and Aber Travel, heating the competitive atmosphere. In addition, Grab has entered the competition too. The Vietnam Competition Authority (VCA) claims that Grab has taken over 50% of the market (Nikkei Asia, 2018). In Thailand, traditional modes of transportation, such as Tuk-tuks and motorcycle taxis, will be one of GET's struggles. In addition, Grab already holds a 95% market share from third parties and 72% in private vehicles there (Forbes, 2018). Benchmarking from the Indonesian situation, it is almost possible that Gojek will face the same problem. Collaboration with local Vietnamese and Thai companies to build and operate Go-Viet and GET is the wisest decision Gojek has made. It is because, by giving Vietnamese and local Thai companies authority over their country, under the supervision of Gojek Indonesia, they can adapt to the local wisdom of their country and government regulations. Finally, Gojek can adapt the TOWS strategy as a benchmark abroad.

Conclusion

Based on the results and discussion, it can be concluded (1) Gojek has a strategy of excellence in ride-sharing competition in facing Grab as the main competitor through a psychographic approach to the community; (a) The Gojek feature prioritizes user needs, compared to Grab as its competitor; (b) The ease of using the Gojek application causes users to feel comfortable so that the number of Gojek users, especially those over five years old, has exceeded Grab users; (c) Gojek's normal fares are much cheaper than Grab, even though the promo rates for Grab are higher. Meanwhile, in terms of consumer satisfaction, namely punctuality and driver cleanliness, Gojek is superior to Grab.

(2) Based on the internal and external environment analysis results using Porter's Five Forces, described in the form of a SWOT analysis, the following TOWS strategy is produced; (a) By partnering with three financial technology companies, Gojek is strengthening its Go-Pay service, outperforming its competitor Grab. (b) In terms of engineering, Gojek is developing and launching its new, fast-paced service ahead of its competitor Grab. (c) In dealing with the rainy season in Indonesia, Gojek provides its official raincoats for free to drivers as a promotional medium for Gojek itself. (d) Gojek

helps solve the unemployment problem in Indonesia and has the potential to improve national welfare. Thus, Gojek has received support from the government. (e) To maintain and improve the quality of their services, Gojek must make strict regulations regarding consumer data misuse by drivers, conduct annual reviews for drivers and consumers, conduct in-house driving tests for drivers, and respond quickly to consumer complaints and bonuses, who promote Gojek to other people.

Based on the conclusions, the researchers convey several recommendations for the online transportation company, Gojek, as follows: (1) Gojek must continue innovating to create uniqueness or differentiation to win the competition with Grab in Indonesia and expand to Southeast Asia, especially in terms of developing features according to user needs, ease of application use, and fulfilling consumer needs satisfaction through quality improvements service. (2) With the support from the government (because Gojek can overcome unemployment), Gojek is expected to request some government regulations that adapt to industrial growth and still support competition. Through these strategies, Gojek can approach both the government side through supportive regulations and the community side through creating demands.

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