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多邊平台經濟剖析 - 印尼首個獨角獸企業Gojek
之成功要素與企業文化之探討

Multi-Sided Platform Economy - Key Insights and Success
Factors of Gojek, Indonesia's First Unicorn

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中華民國一〇八年十二月

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Abstract

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By

Martin Rahnitzsch

Gojek is a digital multi-sided platform company that offers motorcycle-based ride hailing and a variety of other services, with the aim to solve real-life inefficiency problems of Indonesian people. The company started in 2010 with 20 riders and grew to a US\$10 billion venture with more than 1 million riders within a few years. They were able to defeat Uber and Grab in Indonesia while providing jobs and essential benefits to hundreds of thousands of Indonesians and help overcome severe infrastructure problems. Gojek's story makes curious and raises questions about the reasons for their success. The author of this paper is looking into the founder's characteristics as well as the special economic environment Gojek operates, in order to explain the tremendous growth and success. A hendecagonal approach has been used to analyze and assess the business plan of the venture, leading to a SWOT analysis and strategical findings aiming to identify repeatable key success factors, such as entrepreneurial leadership and a deep understanding of the multi-sided platforms economy, which can be used as reference for entrepreneurs in this field.

Keywords: Multi-Sided Platform Economy, Entrepreneurial Leadership, Venture Business Plan Assessment, Start-Up, Online2Offline

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1. Introduction

Many companies participating in the so-called platform economy, because this concept supports people's current mobile and online lifestyle. Only few of them succeed, and very few of them grow and generate profit. Companies like Facebook, Uber, Airbnb, WhatsApp and Spotify, are the youngest examples of this time (2019), which bring people together or provide services or content to the people, using a single platform. Older companies like Apple, Microsoft, Amazon and Netflix had to adapt their business model to succeed and became part of the platform economy.

Not many people outside of Indonesia heard about the company Gojek. The author of this paper heard about them in 2015, while working in the Philippine telecom sector, together with colleagues from Indonesia. These colleagues were so excited about this new company, which apparently came out of nowhere and suddenly ruled the streets with public transportation on motorcycles, food delivery, and many other services that make their people's lives easier. All via one app, all on motorcycles, which is a significant aspect, taking the busy streets of Indonesia's cities into consideration.

A person who is interested in technology, innovation and entrepreneurship cannot avoid Gojek, even outside of Indonesia. They are all over the news, growing fast and expanding vertically, horizontally and internationally, and soon will be mentioned in one breath together with the international giants.

What makes this company not only interesting but also relevant is that Gojek has currently an approximated valuation of US\$10 billion, which makes them Indonesia's first unicorn (value > US\$1b) and first decacorn (value > US\$10b). They were able to defeat Uber and Grab in

Indonesia. They are focusing on solving real and relevant problems of Indonesian citizens and support them to overcome the infrastructural deficits of the government. They provide job and essential benefits to hundreds of thousands of Indonesians (the riders) and with that, boost the Indonesian economy.

They are well funded by Google and other big technology giants. They are acquiring and investing in, and local and international startups in various industries. Finally, to mention is the charismatic founder Nadiem Makarim, who was recently (October 2019) sworn in to a Ministerial office by the President of Indonesia, to drive the fourth biggest country in the world by population forward, with this his innovative mindset and international experience.

“Our strategy was designed to be resilient against giants” - Nadiem Makarim, CEO, Gojek (Bloomberg, 2017)

1.1. Aim and Objectives

Inspired by the IMBA program’s courses “Global Entrepreneurial Leadership”, “Venture Capital & Entrepreneurship” and “Strategy & Business Modelling”, the author of this paper want to find out, what are the success factors of this remarkable company, while focusing on the phenomenon of multi-sided platform economics, and entrepreneurial leadership.

Gojek’s story makes curious and raises questions about the founder’s aspiration and drive, how he managed to stay relevant and out-compete Uber and Grab, why Google, and other giants are interested in funding them.

This paper aims to understand tremendous growth and success of Gojek, to recognize repeatable patterns (successful habits and key success factors) within the Online2Offline platform

economy, and seeks to analyze how this growth can be sustained with an attempt to provide recommendations.

1.2. Process and Chapter Outline

This introductory chapter describes the aims, objective and methodology of this thesis, as well as some of the terms and environment. Chapter 2 will dive into the analysis of Gojek's business plan. Chapter 3 will elaborate on the findings and lead to the repeatable patterns and key factors of a successful platform company, followed by recommendations for the outlook of Gojek and a summarizing conclusion in chapter 4.

1.3. Methodology

To analyze a business in its different life stages, multiple methodologies can be considered (i.e. SWOT, PESTLE, Five Forces, Heptalysis, MOST, etc.). To fulfil the objective of the thesis and find the key success factors of a unicorn startup company, the author chose to perform a hendecagonal analysis of the company's business plan. Similar to an investor during the assessment process of a startup venture. The business plan analysis is broken down to the following parts: 1) The Problem, 2) The Venture, 3) The Consumer and Market, 4) The Industry, 5) The Opportunity, 6) The Value Proposition, 7) The Product and Services, 8) The Route to Market, 9) The Operation Plan, 10) The Management Team, 11) The Financial Plan.

The above-mentioned analysis is followed by a Business Model Canvas, which documents and visualizes the company's business model, as well as a SWOT analysis. Together, they are leading to strategic conclusions, as well as the key success factors (KSF) that helped the company to achieve their tremendous growth and success.

1.4. Terms and Environment

1.4.1. Platform Economy

Undoubtedly, the platform economy is one of the most important economic phenomena of recent times (2019). Many industries have been disrupted, and the way we communicate, commute, book our accommodation, listen to music, watch a movie or do monetary transactions is not the same anymore. It is digital and online, and managed by platform companies like Uber, Airbnb, Netflix, Facebook and many others. In the platform economy, the business model relies on handling information, facilitating exchange of services or assets, rather than owning them and has a match making and filtering mechanism. It benefits and relies on the network effect, where it becomes more valuable only if many users are using the platform and contribute. Aside the production and generation of the desired content by the suppliers, the digital platform company has nearly zero marginal costs for access, reproduction and distribution. Everything, from music over films to communication and contracts can be digitalized and with this, is free (cost for storage approaches zero), perfect (digital reproduction) and instant (accessible through the internet) (McAfee & Brynjolfsson, 2017).

1.4.2. Multi-Sided Platforms

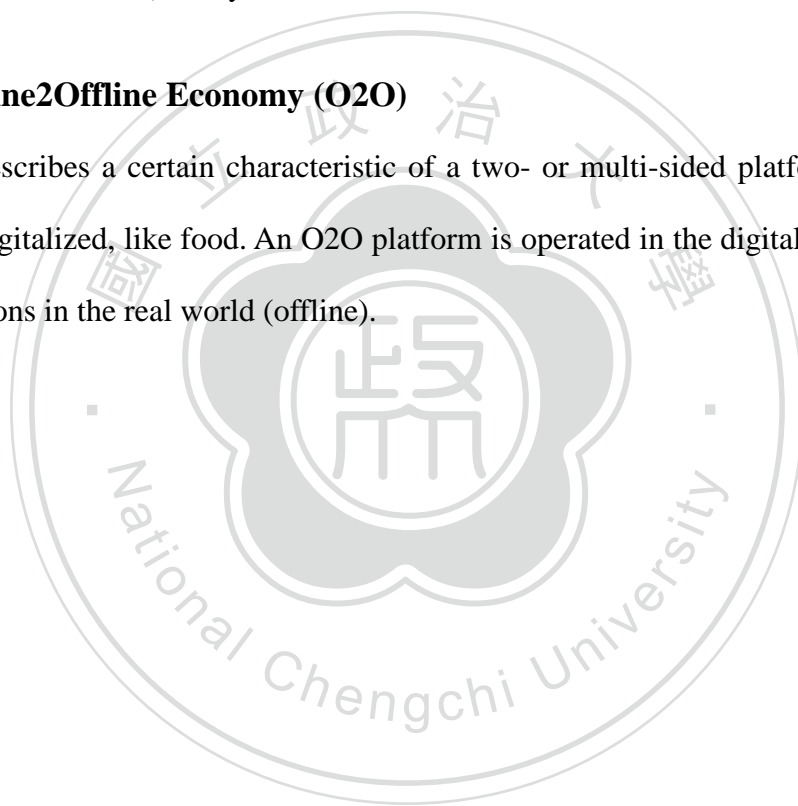
A single sided platform has only the consumer side that retrieves on-demand content, like Spotify, Netflix and Facebook. The content is digital and could be created by other users.

A two-sided platform brings together suppliers and consumers for a defined purpose. service or product, like Uber, Airbnb, etc. The suppliers or “workers” will be rewarded according to the defined or negotiated compensation that is paid by the consumer. The platform receives a commission for the match making.

A multi-sided platform brings in another dimension to the two-sided concept, by adding additional services that are complementary to the existing ones, and with this benefiting from the economics of complementary goods. If the a transportation app does not only offer to match drivers with passengers, but also offers food delivery, they are adding the food makers as a third side to the platform. The platform is becoming more attractive to any of the three sides (drivers, consumers, food makers) if any of the three sides increases in size.

1.4.3. Online2Offline Economy (O2O)

The term describes a certain characteristic of a two- or multi-sided platform. Certain goods cannot be digitalized, like food. An O2O platform is operated in the digital world (online) and triggers actions in the real world (offline).



2. Case Study: Gojek, Indonesia

2.1. The Problem

Jakarta, Indonesia suffers from a very severe infrastructure problem. The traffic jams in the city are considered to be one of the worst worldwide. It is said, that in some situations you may need up to 2 hours for only 2 kilometers of distance. One could argue to walk the distance by foot, however it must be noted that Jakarta lies within the tropical monsoon climate zone, which has year-round temperatures of about 30 degrees Celsius and high humidity of 75%-85%. Rainy season does not make it better. The major concern is the pollution, caused by massive amount of not moving cars standing in traffic with running air conditions. Walking a minor distance to the next business meeting becomes a considerable health risk.



Figure 1: Traffic Situation in Jakarta, Indonesia¹

The aforementioned traffic situation led to the evolution of alternative ways of transport. One of them is colloquially called “ojek”, which describes a motorcycle-taxi service, where the passenger

states the desired destination, negotiate the fare, and hops on the back of the motorcycle to be carried to the place. This concept is very common in many Southeast Asian countries and is somewhat efficient in the sense that motorcycles can navigate more quickly through the traffic.

Still, there are several flaws in that unlicensed system: instead of riding and earning money, those motorcycle riders wait 75% of the time. From the passenger point of view, it occurs usually that if an ojek is needed, none can be found. If no ojek is needed, one can see a bunch of them at a corner of the street waiting for passengers. A huge inefficiency in matching demand and supply of ojeks and passengers.

Further, riding an ojek is not considered safe and convenient due to irresponsible riders. The riding experience can differ every time. The fare payment need to be always negotiated in advance.

The charismatic founder Nadiem Makarim saw the inefficiency in the informal system of public transport, which represented a huge problem for most Jakartans, and he wanted to solve it, by providing a solution to improve people's quality of life. He was affected himself and annoyed by daily spending three to four hours in traffic jams. Millions of US dollars a year, in regards to time, gasoline and health costs for the society, are wasted by standing in traffic jams and losing business opportunities because of the inability to go from one place to another (Azhar, 2019).

2.2. The Venture

Gojek tries to solve this inefficiency and improve the service quality and reputation of riding ojeks for the benefit of passengers and riders.

The company started in 2010 as call center based motorcycle transport hailing company in Indonesia with a fleet of just 20 riders. A passenger could call, report his/her location and desired destination, after which an agent would dispatch an ojek rider for pick up.

Using fixed prices (depending on the time of the day) as well as only partnering with credible riders, who can be tracked by the company and ranked by passengers, made it a much more save and convenient experience.

Initially slowly growing with 800 rider in five years, in 2015 Gojek took their local service to the next level by imitating the successful concept of Uber and created an app-based platform that connects ride-seeking people to ojek riders. Uber ride-hailing app emerged not much earlier using private passenger cars.

Gojek became very popular in Indonesia and grew exponentially within the first 12 months of app-based service, collaborating that time with more than 200,000 riders and offering additional services, like food delivery (35,000+ suppliers) and on-demand cleaning and massage services (3000+ suppliers). Gojek was able to out-compete its big rivals Uber, Grab and Food-Panda in Indonesia, all of it on motorcycles. Strong foreign competitors like Grab, Uber and HonestBee, had a hard time to enter Indonesian market. As of June 2016, there have been more than 20 million transactions on the platform.

Gojek evolved to an on-demand platform with the slogan: “An Ojek for Every Need” (Chilkoti, 2015). Currently, 22 services are available in the six categories: Transport & Logistics, Food & FMCG, Payments, Daily Needs, News & Entertainment and Business. Among others: gomassage (massage service), goclean (cleaning service), goglam (beauty service) and gopay, an e-payment service, allowing people without bank account to participate in the digital

economy.

“The productivity that is lost, caused by inefficient infrastructures, is huge. And productivity is not just related to economic matters but also quality of life for every individual. A person who spends two hours on his way back from office will be not able to see his child before he goes to bed. Or if a person is late for a business meeting, he can potentially lose the deal. So, the quality will be badly affected by traffic inefficient.”

Nadiem Makarim, CEO, Gojek (Raharso & Sia, 2017)

2.3. The Consumer and Market

Indonesia has an enormous potential to improve its economic growth and to become a powerhouse in Southeast Asia. This is due to the large population of 258 million people, in which 124 million of them are in the labor force. Comparing with the rest of the world, its labor force is the fifth largest. Its demographic also shows great capability with a median age of 29.9, meaning that half of the population are under 30 (Rakhmat & Tarahita, 2017).

With 19.6 million households Indonesia has the fourth largest middle class in the world and is expected to grow to 23.9 million by 2020 (Thapa, 2017). As many of Indonesia's consumers in the low-income sector transitioning to the middle-income segment, there is expected growth in expenditure in different business sectors. Businesses will have to be aware that price will become less relevant when compared to factors like quality and practicality. In addition, businesses will have to adapt to the changes by differentiating themselves and providing segmented products offerings in order to capture the earnings from the consumers (Deloitte, 2015).

The widespread use of digital technology among its tech savvy citizens can positively influence

Gojek's growth. The "Better Than Cash"-Alliance conducted a study in 2017 stating that Indonesia has become the world's fastest growing m-commerce (mobile-commerce) market (Indonesia Investments, 2017). The m-commerce and smartphone market will also grow simultaneously because consumers will have more income to spend and become less sensitive to price. The number of smartphone users will grow from 76.64 million to 89.86 million between 2019 and 2022. (Statista, 2019a). Gojek benefits from the current market situation in Indonesia.

2.4. The Industry

With ride-hailing services, passengers can book rides, offered by riders, using their private vehicle (e.g. Uber, Grab, Lyft, Gojek). The worldwide revenue in this segment amounts to US\$183,677m in 2019. Indonesia accounts for US\$3,630m. Revenue is expected to show an annual growth rate (CAGR 2019-2023) of 14.8% resulting in a market volume of US\$318,765m in 2023. User penetration is at 13.5% in 2019 and is estimated to grow to 20% in 2023. The average revenue per user (ARPU) currently amounts to US\$184.28 (Statista, 2019b). 56% of ride-hailing app users prefer Gojek. Grab using 33% and Uber 8% (Ariffin, 2018).

2.5. The Opportunity

Gojek was able to take advantage of the market situation by realizing that lowering prices for one complement lead to increasing demand for others and with this taking advantage of the economics of complementary goods whenever possible (McAfee & Brynjolfsson, 2017). This can be applied to Gojek's case on taking advantage when complements related to its core product become cheaper or even free. For instance, when mobile phones become cheaper, there will be an increase number of smartphone users. Another example could be GPS that comes as a complementary good in most smartphones nowadays. When many of these complementary

goods become cheaper or even free, the demand of Gojek's platform is pushed as well.

Ojek was the original solution to the congested traffic in Jakarta. However, this solution contained several issues that caused problems to riders and passengers. Gojek was able to create opportunities out of these problems.

One can identify how Gojek grasped the opportunities and the way in which they delivered value by using the C-P-S fit framework (Customer, Problem, Solution). There are four steps in the C-P-S framework: perspectives, fieldwork, JTBD & outcome expectation, and early adopter & minimum viable product. Nadiem Makarim, the founder of Gojek, had his perspectives on the problems within the ojek industry because he was a rider himself in the congested road of Indonesia; therefore, he was very aware about the problems that the riders had to face. He did fieldwork by talking to the riders and see what their point of views were. As a result, he was able to identify problems in the ride-hailing industry for both riders and passengers and turn them into opportunities.

One of the problems was matching of the supply and demand because passengers often did not know where riders idly parked and also because riders had little information about where the highest demands were. Hence, riders and passengers wasted lots of time on getting a ride and transporting a passenger. Second, there was high idle time for the riders because most of the time that they spent was on waiting with many other fellow ojek riders to take turns on transporting passengers. Lastly, many customers expressed little trust on the riders due to "bait and switch" pricing that the riders had practiced. As a result, there was low rider credibility in terms of price fairness and as well as general safety.

By understanding the problems and the needs of the industry, Gojek could then define, what

were the jobs that needed to be done (JTBD) to solve these issues and the outcome expectations of riders and passengers. A ride-sharing mobile application can deliver values for both parties. For the riders, their outcome expectations are lower price, able to avoid wasting time on looking for ojek, and to enhance general safety. For the riders, their outcome expectations are to reduce their idle time by knowing where exactly is the highest demand. In other words, Gojek's purpose is to become the intermediary or matchmaker between the two parties and implement some fundamental changes to create value for them.

2.6. The Value Proposition

The main value delivered by Gojek, according to the company's website, is using technology to make life for Indonesians more convenient. The platform provided on the market will convince customers that the product and service will add value to their lives and solve their problems. For riders, it reduces their idle time by using the heat map, a complementary feature in the application. This feature can tell the riders at which location the demand is the highest. In addition, once the riders are riding for Gojek, they can enjoy increased revenue streams from other services that Gojek provides in the app. Once they complete an order, they do not have to go back to the original location and wait in line for the next customers. Instead, the application finds a new order around their location. After riding for Gojek, their average monthly earnings increased from IDR3.3 million to IDR4.2 million (Urs, 2018).

On the other hand, passengers will be able to avoid "bait and switch" situations, as they will know the exact charging price for each ride. The other value that is given to the passengers is general safety, as criminal background check will be done on all riders and ratings of the riders done by other customers will show on the app. The best example to validate the improvement of general safety is the increase in women passengers taking ojek after the app launched.

Women used to show concerns of motorcycle taxis due to price issues and rider behavior. However, Gojek was able to enhance the trust issue between riders and passengers in a more legitimized way (Digital Initiative, 2016).

2.7. The Product and Services

Gojek transformed its call center operation (started in Oct 2010) and introduced a mobile app that offered transportation, courier and shopping services in Jakarta and satellite cities, supported by a fleet of 800 riders. It has also been collaborating with about 90 corporations while the call center was morphing into a mobile-first company (Lukman, 2015).

The original three services, transports, courier and shopping, evolved into: Go-Ride and Go-Car (motorcycle/car sharing services), Go-Send (instant courier services), and Go-Food (food delivery), Go Mart (delivery of groceries).

Gojek realized the opportunity to become an app for not only transportation and food delivery, but has the potential to evolve to a super app that supposed to make lives of Indonesians easier and many aspects. In 2015, 2016 they introduced a variety of new on-demand services like Go-Massage (massage service), Go-Clean (cleaning service), Go-Tix (ticketing service), and Go-Glam (beauty service). Followed by a taxi hailing service (Go-Car), a car maintenance (Go-Auto), drug pick-up service (Go-Med), a top-up service for prepaid card phone (Go-Pulsa) and a few more.

A payment service (Go-Pay) was introduced, similar to Apple-Pay and Google-Pay, where users can not only pay for their rides and other Services of Gojek, but it serves as digital wallet, where one can pay bills and in general be part of the digital economy, without the requirement of having a bank account or credit card.

Beyond satisfying a basic need for transportation, Gojek's services also contribute to improving work productivity. Gojek is not anymore about getting consumers from A to B, furthermore, Gojek is about consumers become more productive by getting stuff done wherever and whenever they are. Moreover, Gojek was an application that unlocked the informal economy. They have become a pervasive platform that bridged socio-economic classes to offer a range of on-demand services. On the supply side, there are a huge numbers of partners (riders, deliverymen, masseuses, make-up artists, and cleaners) at the bottom of pyramid ready to provide services. People can work whenever they want in order to earn as much as they want to. On the demand side, there are millions of Indonesians middle and upper class consumers with considerable buying power whose needs were unmet due to dreadful traffic and inefficient information flow (Raharso & Sia, 2017).

Latest addition and venture is a content streaming service Go-Play, which is supported by Gojek's own production house Go-Studio.

Mid 2019 Gojek changed its branding. All services and the company name itself are written in lower case letters and without dash.

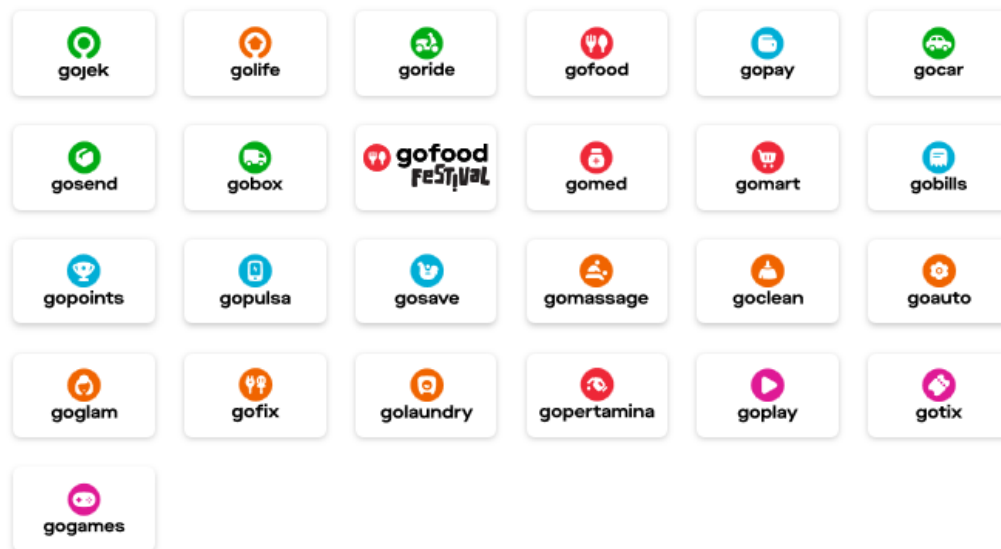


Figure 2: Gojek's Product and Branding²

Table 1: Gojek's Services

Transport & Logistics		Daily needs	
	goride		golife
	gocar		gomassage
	gosend		goclean
	gobox		goauto
Food & FMCG			goglam
	gofood		gofix
	gomed		golaundry
	gomart	News & Entertainment	
Payments			goplay
	gopay		gotix
	gobills	Business	
	gopoints		gobiz
	paylater		
	gopulsa		

2.8. The Route to Market

To scale quickly and get a foothold in the market, Gojek followed a critical strategy concerning the supply and demand side.

2.8.1. On the Supply Side

Gojek focused on the supplier's side first, which are the micro-entrepreneurs, and ensured their availability to the customer side. They began recruiting micro-entrepreneurs (ojek riders) aggressively. Gojek provided better chances for the potential target of micro-entrepreneurs than other alternatives. Gojek held a mass recruitment event and hired 16,000 riders as a result. Despite being recruited by Gojek, these riders were not referred to as employees; instead, Gojek called them partners to emphasize equality, unlike a traditional employer and employee relationship. The agreement between the company and the partner could be terminated mutually, and all transactions were based on mutual understanding and agreement. Gojek riders used their own motorcycles and the profit sharing mechanism gives 80% of the tariff to the riders and 20% to Gojek as transaction fee. They would also use standard mobile phones provided by Gojek through an installment scheme to ensure conformity to the app interface, and received healthcare and automotive insurance from Allianz through the company. During the early days of mass recruitment and market penetration in 2015 and 2016, Gojek expanded rapidly from 80 to 1,600 employees and from 500 to 200,000 riders in 2016. As of May 2018, it is reported that Gojek has more than 1,000,000 registered riders (Venkatesan, 2018).

2.8.2. On the Demand Side

It is crucial to build up trust between passengers and ojek riders. Before commencing on the journey, passengers would be handed a free helmet and a facemask. For women who were uncomfortable with riding with a male rider, Gojek offered the "Lady-Jek" option, which is an

ojek ridden by a female rider. Unlike Uber, which only accepted credit card at first, Gojek allowed its customers to pay their fares in cash or Gojek accounts, which link to bank accounts or credit cards. Customers rating and feedback were actively monitored to ensure quality services for enhancing or improving the professionalism of these individual service providers. Beyond traditional advertisements, Gojek introduced a referral program where customers are incentivized with fare discounts and credit points to refer their friends. The referral program leveraged heavily on technology and had been effective in growing its customer base. As the CMO, Piotr Jakubowski noted, “We need to have a close connection the consumers and push things creatively and through product innovation...” (CampaignAsia, 2018). In order to keep low prices to penetrate the market, Gojek provided huge subsidies to the customer side that brought an enormous number of users. Consequently, it increased not only the number but also the origin of suppliers. Beside conventional motorcycle-taxi riders, also people with background joined, such as restaurant waiters, security personnel, and even fresh graduate students from university. Hence, the number of customers went up (the market) and expanded the base of suppliers, which became a positive self-reinforcing loop.

2.9. The Execution Plan

Gojek is in the growing phase of the common business life cycle. Their daily business operations must focus on meticulous execution allowing the company to grow as fast as possible, keep innovating and improve existing services to stay attractive to their customers and suppliers. Due to the immense pressure of competition, at this point, Gojek cannot afford to fall behind.

Their operations approach is and must be data driven. With the help of all the information collected from the overall platform economy, they will be able to measure the current bottlenecks and demands, can react accordingly and plan ahead. Only with real time

information, the company will be able to apply an iterative learning approach, which allows them to adjust fast enough to mitigate risk of falling behind.

“Data is in the DNA of Gojek. We are very data driven. We capture all of the data across the platform, across services. It is on a real time basis. We have lots of tools that we use to monitor the performance of everything. On Go-Food, on Go-Ride, on Go-Car, on everything. The entire management makes decisions based on data. How is it doing today? How was it doing yesterday? Were there enough drivers? Why is this going down? Data science (group) need to use the data, Engineering (group) needs it Product Managers need it, Marketing needs it. Everybody has a dashboard that he or she will look at every morning.” Madhu Iyer, Gojek Chief Data Scientist (Raharso & Sia, 2017)

Meticulous execution requires an entrepreneurial leadership and management approach, with open communication, trust and transparency, focusing on daily progress and the capability to adjust in the same fast pace. To be able to adjust in a fast pace without bureaucratic obstacles, Gojek's follows a flat hierarchy that is typical for a tech-start-up.

“Gojek is a giant play house. We see ourselves as a bunch of scientist who are experimenting on a very very massive scale, trying to fix real-world problems. That is the fundamental premise of what our engineering and product teams do. They are based in small teams and they have a very very flat hierarchical structure in which they are given a lot of autonomy to decide things on their own. So, Gojek is not so much of a pyramid hierarchy but it's more like a living organism with small autonomous cells, innovating, experimenting and failing at a very rapid rate.” Nadiem Makarim, CEO, Gojek (Life at Gojek, 2017)

Part of the operations is not only to recruit riders and other service suppliers for growth, but also to enable them in a structured and efficient way. On the supplier side, most are skilled individuals in what they do, but they have not been trained in a professional way or do not know how to deal with customers in the best possible way. The chosen approach not only improves Gojek's service quality, but also supports the individuals for their personal growth, by providing government-official certifications for their job skills. This will support the overall economy of the country, by increasing the value of the human capital workforce.

2.10. The Management Team

Three Indonesians founded Gojek: Nadiem Makarim (CEO), Kevin Aluwi (CFO) and Michaelangelo Moran (Brand Director). Apart from the founders, among others, Piotr Jakubowski was hired as CMO and Ajey Gore as CTO.

Nadiem and Piotr are the most public figures of the management team and can be seen on public events, promoting the venture in interviews or take part of panel discussions. In the available interviews, one can feel Nadiem's entrepreneurial aspiration in his public appearances.

Nadiem was born and educated first in Indonesia and moved to Singapore during high school. The maternal grandfather was a known pioneer in the Indonesian independence movement and the parents are both prominent activists. Makarim majored in International Relations at Brown University, USA. Later he earned his MBA at Harvard Business School. After a management consultant role at McKinsey, he had first entrepreneurial success with establishing Zalora Indonesia. Before finally focusing on developing Gojek, he served as CIO at Kartuku, which was acquired by Gojek in 2017 to service payment processes (Kristo, 2019).

In interviews, he appears very down to earth, humble, with a big urge for innovation, and drive

for the cause of improving the lives of Indonesians. In the author's opinion, his character and way of entrepreneurial leadership is one of the key factors of success of Gojek. Chapter 3.9 will elaborate more on that.

Surprisingly to many, in October 2019, it was announced that Gojek's founder Nadiem Makarim was sworn in by Indonesia's president Joko Widodo as new Minister of Education and Culture. With his innovative, creative and collaborative character, as well as with his international exposure Makarim has the opportunity to refurbish the fourth largest education system in the world that trails on the lowest ranks at the PISA report in terms of quality of education (Istanto, 2019).

2.11. The Financial Plan

At this point of time (end of 2019), Gojek is still in the funding stage. Detailed financial data is not publicly available. Gojek announced the desire to go for an IPO very soon. A confirmed timing has not provided (Reuters, 2018).

Gojek went through a series of funding since 2014, most of the time the actual amount is not declared and some of the investors are unknown. The following tables shall give an overview of the available funding and investor information. The current market value is estimated to be between US\$8 billion and US\$10 billion (Salna, 2019).

Table 2: Funding Rounds

Date	Series	\$USD (mio)
7/7/2019	Series F	not public
7/8/2019	Series F	not public
3/4/2019	Series F	100
10/31/2018	Series F	920
02/12/18	Series E	1500
08/04/16	Series D	550
08/01/16	Series D	not public
04/01/16	Series C	not public
10/15/15	Venture Round	not public
mid 2014	Seed Funding	not public

(Crunchbase, 2019)

Table 3: Known Investors

Allianz X	Mitsubishi (several entities)
Astra International	Northstar Group
Blibli	Openspace Ventures
Capital Group	PT Astra International
DST Global	Rakuten
Farallon Capital Management	Rakuten Ventures
Formation Group	Sequoia Capital
Google	Temasek Holdings
Hera Capital	Tencent Holdings
JD.com	Via ID
KKR & Co.	Visa
Meituan-Dianping	Warburg Pincus

(Crunchbase, 2019)

Gojek is also aggressively investing in other companies to gain technology advantage, especially for payment systems and application development. Another target are companies doing a similar business in different countries. Potential reason is either financially or future

control/take over. Following tables shall give an overview of available information related to Gojek's acquisitions and investments.

Table 4: Acquisitions

Company	Date	Description of service/product
AirCTO	6/12/2019	AI-powered recruitment (India)
Coins.ph	1/18/2019	Digital financial service provider (Philippines)
Midtrans	12/15/17	e-commerce
PT RUMA	12/15/17	reseller for mobile minutes to low income client
Kartuku	11/15/17	payment solutions
LOKET	08/08/17	ticket selling platform
Leftshift Technologies	11/08/16	Creative App maker
MVCommerce	10/24/16	Mobile payment / banking
Pianta	09/27/16	Supplier to Consumer platform (health care)
C42 Engineering	02/19/16	Software solutions

(Crunchbase, 2019)

Table 5: Investments

Date	Company	Description of service/product
7/31/2019	Rebel Foods	Indian food delivery platform
5/7/2019	SafeBoda	African community based transport platform
10/31/2018	escapex	Platform company (US)
8/10/2018	PasarPolis	Insurance Tech (Indonesia)
04/27/18	Pathao	Bangladesh Platform similar to GoJek
11/28/17	Pathao	Bangladesh Platform similar to GoJek
09/09/16	Halodoc	Indonesian Doctors platform
08/31/16	Oway	Myanmar Travel Platform

(Crunchbase, 2019)

3. Findings and Recommendations

Following the fundamental analysis of the Gojek's business model in chapter 2, and the gained knowledge of the referenced literature, as well as the knowledge received in the classes of "Venture Capital and Entrepreneurship", "Global Entrepreneurial Leadership", and "Strategy & Business Modelling", the author of this paper comes to the below stated findings and recommendations. It shall lead to the identification of the key factors of success of a multi-sided platform with the example of the analyzed company Gojek.

3.1. Business Model Canvas

The business model canvas shall not only help the entrepreneur to find the value proposition of their own venture, but also helps the business analyst to get an idea what the company is fundamentally doing and how it is supposed to make money. The Business Model Canvases can change over time, as the business will changes its strategy according to the given circumstances. Gojek's BM canvas is shown next. The relevant elements are discussed in chapter 2.

Key Partners - motorcycle riders - micro-entrepreneurs - hardware and cloud providers - apparel suppliers	Key Activities - automated match making - R&D - onboarding - data analytics	Value Proposition - location based matching of ojek riders with passengers - fixed price depending on destination - rider rating - increased safety - digital payment option - additional services courier and convenience services based on motorcycles	Customer Relationships - through app - instant service review	Customer Segments - students - commuters - office workers
	Key Resources - engineers - mobile internet		Channels - through app - online ads - public ads	
Cost Structure - payment to riders and micro-entrepreneurs - branding and supplies for riders - hardware/cloud operations			Revenue Streams - commission from rides and services - fees from digital wallet operations	

Figure 3: Gojek Business Model Canvas

3.2. SWOT Analysis

Based on the previous analysis of the business plan and model, the company's current situation can be summarized in a SWOT analysis. It helps to create a strategic plan for capitalization on the company's strengths and minimization of the effects of weaknesses due to internal factors. Furthermore, making most of the existing opportunities and reduction of impacts due to current threats according external factors. After the list-down follows a detailed explanation.

Table 6: SWOT - internal factors

Strengths	Weaknesses
<ul style="list-style-type: none"> • Pioneers (early entry) • Strong market presence • Entrepreneurial Leadership • Understanding multi-sided platform economics • Large amount of riders • Localization (needs & culture) • Large variety of services • Social factor (jobs) 	<ul style="list-style-type: none"> • Not much differentiation from competitor anymore • Loyalty of consumers • Heavy dependency of riders

Table 7: SWOT - external factors

Opportunities	Threats
<ul style="list-style-type: none"> • Internationalization • Horizontal expansion • Fintech • e-bicycles, e-scooters • Greta effect (climate discussion) 	<ul style="list-style-type: none"> • Competition (Duopoly) • Government regulations for transport, climate & fintech • Cost vs. profit (recent: WeWork) • Loss of CEO's focus (becomes Minister)

3.2.1. Strengths

Gojek is a pioneer in the area of ride hailing on motorcycles as well as app-based food delivery and courier services. They made an early entry and have a large base of riders and customers

and with that a strong market presence. As mentioned in chapter 2.10 and further elaboration in chapter 3.9 the entrepreneurial leadership of Nadiem Makarim is a key factor of Gojek's success, as well as the company's understanding and taking advantage of multi-sided platform economics. Compared to the competition, Gojek is local. The leaders understand the local culture, needs and pain points of the consumers. There is a social factor to it, which Gojek understands to point out, since they improve the livelihood of hundreds of thousands of people (the riders and service providers, micro entrepreneurs) in Indonesia.

3.2.2. Weaknesses

The market developed to a duopoly. Competitor Grab and Gojek copy each other's services; even the green color scheme appears similar. For the consumers, they have become a convenient alternative and keeping them loyal is a challenge. The riders and service providers are a major dependency. If all of them go on strike, as seen in more developed countries, Gojek has no room for alternative income.

3.2.3. Opportunities

Internationalization and horizontal expansion are opportunities. Details and risks will be discussed in chapters 3.10.1 and 3.10.3. Further, Gojek is investing in financial technology (Fintech) and already introduced services like Go-Pay and Pay-Later. This area is huge and can help Gojek to become more independent from the traditional ride hailing services.

Gojek can hop on the Greta-Effect. End of 2019, the entire world is discussing the effects of climate change and politicians are putting this on top of their agendas. Gojek has huge potential expanding to greener alternatives, like electric scooters, motorcycles and bicycles.

3.2.4. Threats

The competition is fierce due to the de-facto duopoly with Grab. Services are copied and prices kept low. Making profit is difficult, but becomes more and more important, due to the recent attention of investors to the WeWork disaster. Venture capitalists demand proper plans and a path to profitability (Economic Times, 2019).

At present, the government regulations in Indonesia are in a gray zone and the administration permits Gojek and others to proceed with this model to benefit of the consumers, economy and innovation. Once matured regulations kick in, it may become a threat to Gojek due to restrictions and obligations to their business, which causes higher expenses. Another threat in regards to future regulations comes with the climate discussions and fintech.

The founder was recently appointed to Minister of Education by the president of Indonesia. As with most changes at the top level of a company, the future of Gojek without Nadiem is uncertain, since he contributed most to the success of this venture with his entrepreneurial leadership.

3.3. The Economics of the Venture

Once the founders decided to bring this service to a mobile environment, they must have understood the power of platform economics. Although the concepts, studies and knowledge at that time must been limited or didn't even exist, they must have had a natural sense to be able to exploit this mechanism and applied all methods that are now known as success factors in the so called Online2Offline (O2O) platform economy business. Every platform that is used online, that triggers transactions in the real offline world, would be called O2O. Usually this involves an at least two-sided network, the service suppliers and the service users. If well managed, it

can have a tremendous self-reinforcing effect.

One important aspect of a successful two-sided network platform is that it must have many service suppliers to be attractive for the service users. The amount of users will grow accordingly. Once it has a substantial amount of users, the platform will become more attractive to the service suppliers, which increases the demand on the supplier side.

In the beginning of the venture, Gojek already had a pool of trustworthy riders. Moreover, the founders understood, that they must recruit riders as fast as possible, to make their future platform attractive and successful, and this is exactly what they did. For the riders, there is no risk. They could just sign up. If they are lucky, more passengers will come, increasing their income. If not, life goes on with the normal day-to-day passenger load.

Gojek provided incentives and made it as easy as possible for the riders to sign-up as well as to use the application. They provided branding (helmet, vest), which made them look more professional and the smartphone, which they might not be able to afford to be able to take part in this business. Once Gojek had recruited enough riders for little costs, they could approach the user side with smart marketing and incentives as well. As soon as this cycle is kicked off, it is self-reinforcing.

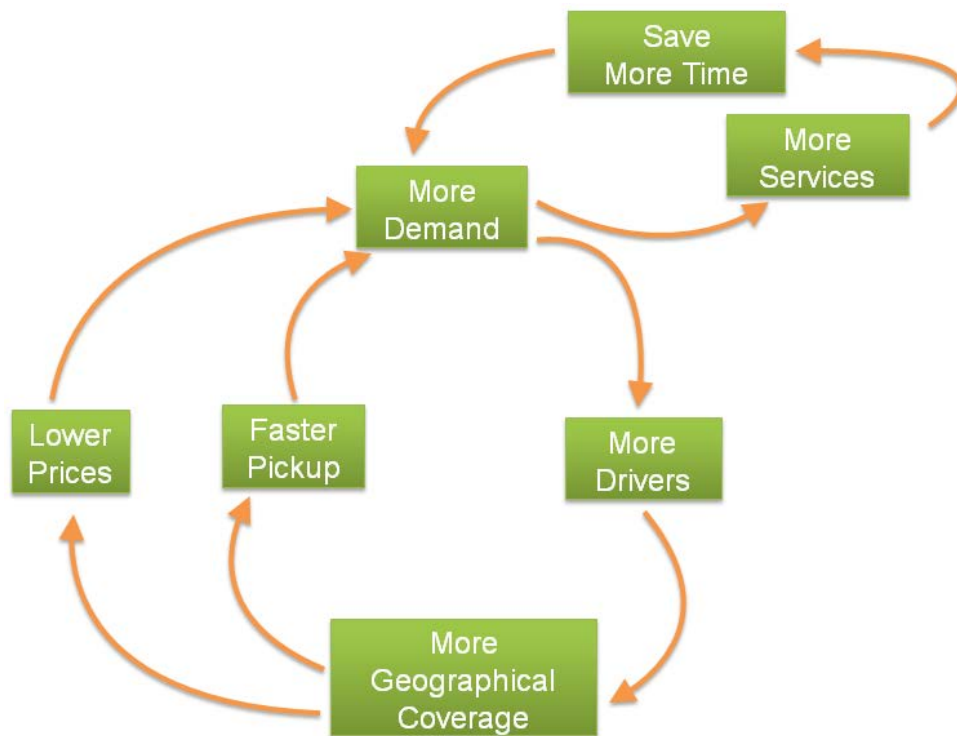


Figure 4: Self-Reinforcing Loop of a Multi-Sided Network

The next steps would be to keep users "locked in", which means, make it difficult to switch to other service providers, for example by awarding loyalty points, and take advantage of the cross-elasticity effects of the two sided network, by smart pricing policies. The demand curve is actually curved in this case, and it makes sense to lower down prices to maximize revenue, since consumers are less price-elastic compared to suppliers (McAfee & Brynjolfsson, 2017).

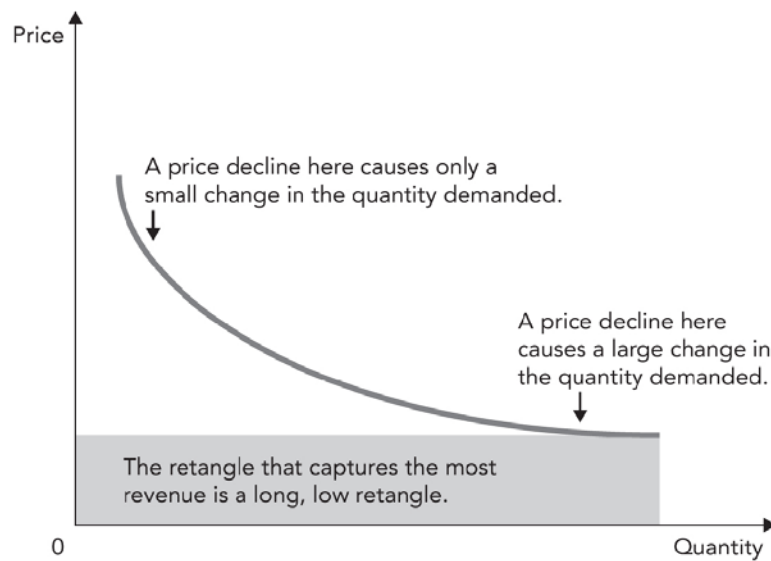


Figure 5: Maximizing Revenue³

3.4. Entry and Growth Strategy

Chapter 2.2 states how Gojek began as a call center with 20 riders in 2010 where customers can order an ojek by phone in Jakarta. By 2015, as Uber and Grab had already entered the ride-hailing market with 4-wheeled cars in Indonesia, Nadiem Makarim was inspired by the idea and launched the mobile app but offering services solely with motorcycles. Its business began to grow after launching a smartphone app and offering three services: transportation, courier, and shopping services. In the first 6 months of its launch, it had 4 million downloads and about 25 million downloads as of November 2016 (ASEAN UP, 2018).

However, when looking at Gojek's success of its application launch, one should not overlook the strategy of managing a Minimum Viable Product (MVP). Eric Ries, author of *The Lean Startup*, defines an MVP as a version of a new product, which allows a team to collect the maximum amount of validated learning about customers with the least effort (Merrick, 2016).

When defining an MVP, a business should first focus on its core value proposition and then design the product around this value with minimal features, but just enough to solve the

problems. When looking at Uber, its beta version was a simple mobile interface that was firstly used by the founders themselves and their friends in San Francisco. This approach enabled them to refine and improve the product based on their feedback (Merrick, 2016).

As for Gojek, it can be implied that it had a similar approach to Uber based on an interview of the founder back in 2015. In the interview, the founder said that there were around 500 to 600 users and some customers who regularly used their services. In addition, when asked about the development of the application, the existing riders and customers were the first ones to test the application and then provided feedbacks for improvements before the final product (Tempo.co, 2015). Base on this, Gojek's early customers and riders were the innovators in the Innovation Adoption Cycle. They were the ones who were willing to support Gojek on creating an innovative solution to their problems by testing the beta version of the application.

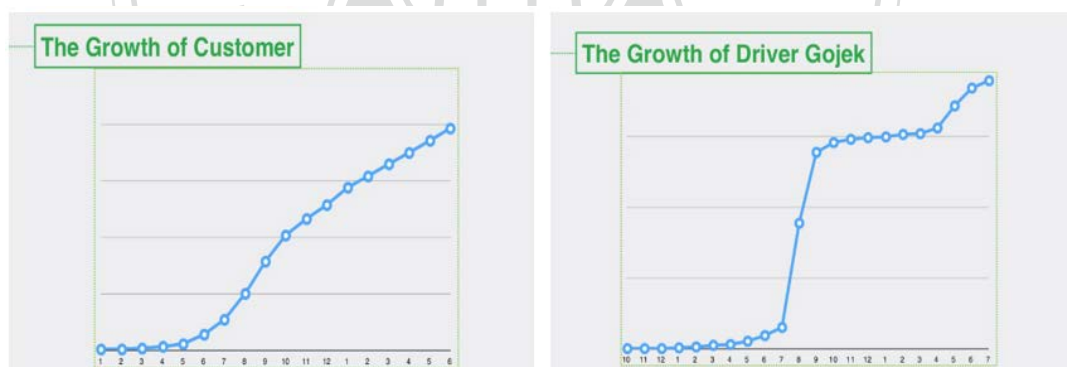


Figure 6: Passenger and Rider Growth from October 2014 to July 2016⁴

The above graphs shows the amount of passengers and especially riders increased steeply after six months of the app launch. Although the business concept was inspired by the success of Grab and Uber, Gojek had a different approach regarding its entry and growth strategy that ultimately caused the steep growth of riders and passengers. Because Gojek had a better understanding of the local market they used and motorcycles instead of cars. By providing

motorcycles first, it turned out to be the ideal tool that fit the local market conditions and allowed Gojek to gain two key advantages.

First, Gojek understood the fact that in emerging countries, motorcycles are more affordable than cars, which will eventually leads to the growth of riders (Lotulung, 2016). Nadiem Makarim realized that motorcycles are the backbone of Gojek's whole business model. In the context of a multi-sided platform, Gojek will be able to scale faster when motorcycles riders get onto the supply side of the platform.

Second, motorcycles offer a better mobility solution in congested traffic situations than cars. Makarim predicted that by offering a vast amount of ojek, it would lead the market to deviate from the standard demand-dictates-supply business model (Davis, 2018). When the number of ojek increases, the waiting time of customers will decrease, hence making the service more efficient. In this case, the vast amount of ojek create demand as it becomes more efficient. As a result, when Uber was focusing more on promotions and price cut, Gojek was focusing on recruiting riders to make the service more practical (Davis, 2018).

To further increase the demand, Gojek offered courier and shopping services besides transportation when the app launched. The services Gojek provided during the early stage were formed and adapted around the local needs and environment.

Another important factor that contributed to Gojek's growth is the Indonesians' proud perspective to a national brand.

3.5. Key factors of a Successful Platform

There are four habits and key factors of a successful platform (McAfee & Brynjolfsson, 2017).

All of them are evident in Gojek's case and shall be elaborated in the next four chapters.

3.5.1. Early to Space

It is essential to be an early player in the digital platform industry when potential competitors have not yet produced any network effects on their platforms. Network effect means that the value of products and services increase for all users in the ecosystem when there are more users. It is also a multi-sided value creation as values are created for all sides of the network. In digital platforms, network effect is one of the most crucial aspects as it creates customer lock-in and increase switching costs. Hence, creating a high entry barrier for other potential competitors.

In the case of Gojek, it was the first ones in the digital platform economy to provide motorcycles in Indonesia, which allowed them to create strong network effects. To create network effects, Gojek made sure that there are enough users and suppliers (riders) on the platform. That is where values are created. Values such as efficiency and increased revenue. In addition, the wider variety of services let consumers gain value from the abundance of suppliers. It makes the services more efficient, once more available riders are in the same area. This multi-sided value creation model allowed Gojek to become a digital platform that disrupted the original ojek industry and become successful.

3.5.2. The Economics of Complementary Goods

The second factor is to take advantage of economics of complementary goods. A price decrease in a complementary good will cause increase of demand for another good. For instance, the apps provided in Apple's app store are a complement to the iPhone. When many apps are available in the store and when many of them are free, more people would want to buy an iPhone, just so they can enjoy using those apps. In Gojek's case, its complementary goods could

be internet, smartphones and motorcycles. When the prices decrease in the above-mentioned complementary goods, both consumers and suppliers will increase the demand for Gojek's application.

3.5.3. Opening Up for Contributors

As for the third factor, Gojek opens up its platform by forming strategic alliances with “micro-entrepreneurs” to expand the sharing economy of the platform. These micro-entrepreneurs main contributions are offering their resources, sometimes underutilized, to the demand side of the platform. These contributors could simply be a person who is unemployed and owns a motorcycle or a restaurant who wants to offer their foods. Sharing economy happens when people share their resources for others' use. When sharing economy exist in a platform, the owner of the platform gains two benefits: near-zero marginal cost and increase of demands. For example, Gojek makes a certain portion of the money with each order that the ojek made. However, there is no fixed cost when completing this order. Gojek does not own the motorcycle nor has it to pay for gasoline. Gojek can add another ojek to its fleet at no cost. Another example is in the Go-Food business. Gojek does not need to be responsible for the above-mentioned costs nor has it to pay for the food production. In this case, the only costs for Gojek are the overhead administrative costs.

3.5.4. Curate Content and Focus on Customer Experience

The fourth factor is about Gojek's ability to ensure positive interactions and experiences between the two parties without any unpleasant surprises. For instance, in the traditional ojek market, general safety was one of the major concerns when hailing a ride on the streets. As this market was digitalized and legitimized, safety became less of a concern. One of the approaches was by adding rating system and doing criminal background check when recruiting riders.

3.6. Solving People's Problems

Gojek's ability to identify what Indonesians problems are and then attack these problems is another reason why they are successful in this industry. They are focusing on solving real and relevant problems of Indonesians and overcoming the infrastructural deficits of the country. In addition, they do not focus on the product, but on customer experience. In many ways, Gojek has already changed the lifestyle of many Indonesians.

As chapter 3.4 depicts, Gojek firstly entered the market with motorcycles that allowed them to scale since the beginning. Uber and Grab, who entered the market with 4-wheeled cars, did not make a significant impact, as they did not have a solution to the congested traffic of Jakarta. After transportation, the vertical expansion started to grow "organically". Services that were included into its verticals were all provided to solve people's needs. Due to the analysis of customer experience and behavior, they realized that many orders that were done in the early version of the Go-Shop service were foods. That led to the start of Go-Food three months later. Consequently, the vertical expansions happened organically by listening and observing the needs of the Indonesian people.

In many services that Gojek provide, they eliminated the "from A to B"-model. In fact, with Gojek, many people can get things done at point A without having to travel to point B, compared to the past. Gojek is actually merging point B with point A, solving other people's needs at point A and allowing the people to avoid the congested traffic of Indonesia. For instance, people would normally need to go to a massage parlor for a massage. However, with Go-Massage, Gojek is bringing a service to the customer's place.

3.7. The Stickiness Factor

Gojek had 12 services in its app after its launch. Gojek's mission was to make its app into a one-stop-shop where users can do anything with it. One benefit that they can achieve from multiple services is the stickiness factor. People will stick to the app on a daily basis and become dependent.

Gojek's strategy to add services to its app at a rapid pace allowed them to gain another competitive advantage which is the ability to scale quickly. Since services provided on the app were designed to solve Indonesians problems, many people became attracted to these services and eventually created demands. It is also another reason why other major competitors cannot outcompete them. Taking Uber as an example, it simply implemented a business model that worked in other regions of the world into a place where local conditions were different. When competing with Gojek, it turned out that Uber was not simply competing in the transportation industry with Gojek. In order to compete with Gojek, The competitor would need to create other business units as well. Another example is Foodpanda. They entered the food delivery industry earlier than Gojek; however, when Gojek entered the market, Foodpanda was forced to pull out of Indonesia as customers switched to Gojek for all the other services that Gojek offers, including food delivery.

Nadiem Makarim made a smart move at the beginning by including three services. He reasoned that ride-hailing services alone would not generate sufficient network effect to achieve scale because outside of rush hour, businesses for his riders will slow down. Having multiple services in one app, allowed Gojek to keep its riders busy all day and increase its demand at the same time.

3.8. Right Product at the Right Time

One could say there is a lot of luck involved, but the appearance of luck must be accommodated with preparation and aspiration to take advantage of an opportunity. Nadiem, the founder, had the aspiration, the entrepreneurial skills, drive and humbleness to prepare for what he thinks is necessary to do. Once an event occurred that favored his preparation, he readily grabbed the opportunity and focused on execution of his vision.

Bringing the motorcycle taxis (ojeks) to the passengers was the vision. Doing it mobile with an app was the opportunity. Gojek did not invent the technology, but successfully imitated and improved the concept of the pioneers in that field. In such cases, “Imitation” has a positive tone. The wheel does not have to be reinvented. The wheel can be improved to come closer to one’s vision.

Once successfully started, Gojek needed to continue and let the business grow rapidly. Iteratively they needed to innovate and grab opportunities when the time was right. The time was right to see that people actually not only need to go from A to B, but the main factor is to save people’s time to do something else, that is more important and generates value.

Seventy percent of Indonesians have no bank account. Services like Go-Pay give them access to the digital economy. Another example of the right timing to utilize recent technology in the right way to improve people's lifestyle.

3.9. Founder and Company Leadership

The character of the founder, Nadiem Makarim, and his way of entrepreneurial leadership is one of the key factors of success for Gojek.

Nadiem is very charismatic and down to earth, driven to solve fundamental problems and needs of people. He is applying the best practices of entrepreneurial leadership that is suitable for his cause. He is focusing on the solution, but also ready to adjust his vision according to newest circumstances and developments (pivot). He is constantly innovating and keeping up with recent technology. He understands how to take advantage of the economics of multi-sided platforms and how to grow.

His way of leadership and attitude is directly transferred to his people. They are trained to take entrepreneurial ownership and to experiment, fail and learn in an iterative way. They apply a flat hierarchy, high autonomy leadership model which let them grow so rapidly, because less bureaucratic obstacles need to be climb. The escalation and approval chain is much shorter.

“The bigger we grow, the looser our control is. We allow different teams and leaders to run their teams their own way. The team leaders are free to develop their own management approach, so long as they can achieve their targets.” Nadiem Makarim, CEO, Gojek (Life at Gojek, 2017)

3.10. Outlook, Risks and Opportunities

After above discussion about Gojek’s success factors and analysis of their business plan, what follows are an attempt of recommendations for future opportunities to ensure Gojek’s growth and success, as well as looking at the risks.

3.10.1. The Risks of Internationalization

In May 2018 Gojek announced to expand to other regions in Southeast Asia. It is imperative to avoid the mistakes that other digital platforms had made when entering Indonesia. What works in Indonesia might not work in other places. This is one mistake that Uber made when entering

Indonesia. Uber implemented something that worked in United States into Indonesia that resulted in poor response from the public. When going abroad, Gojek should continue with one important practice: localization. As every region has different problems, Gojek should not replicate the same services provided in Indonesia.

One approach that they can take is to collaborate with local companies. When entering this partnership, Gojek can allow these local companies to identify the needs and problems at the present market and then allow them to create the solutions to it. In addition, the local companies that choose to enter a partnership should share a common vision and culture. The role that Gojek should take in this scenario is an advisor, giving past experiences in operations and developments to allow them to have a better understanding of Gojek's spirit.

Foodpanda's experience in Indonesia is also something that Gojek can benefit from. Although Foodpanda hired local Indonesians to run its business, the corporate structured model likely slowed down the flow of knowledge and communication between Indonesia team leaders and Germany's headquarters. Therefore, Gojek should avoid this mistake by giving enough power to the business unit to make decisions.

As of December 2019, Gojek has started operating in Vietnam, India, Singapore, and Thailand, while, so far, they have failed to open a subsidiary in the Philippines, due to strict foreign ownership regulations. Motorcycles are heavily used in Thailand and Vietnam, where Gojek's business model seem to be more successful, compared to Singapore, where they only launched Go-Car, due to a different infrastructural environment. Also food delivery becomes more difficult, which shows, that Gojek cannot apply their business model directly, but need to adapt to the local circumstances, e.g. using e-bikes in Singapore.

3.10.2. Adapt Features of Successful Platforms

Learning from successful platform giants might still be beneficial for Gojek. For example, open up to third-party contributors. Similar to platforms like WeChat, Line, Android and iOS, Gojek can become an open platform and let third-parties come up with new business ideas and adapt the user interface and business logic via API calls depending on to the business case.

On the other hand, it shall not be too open, as experience shows. Gojek still should be involved to make sure third-party developers adhere to their UI standards. The end-user shall be able to rely on certain quality standards and behavior of the UI for a consistent and pleasant user experience. Otherwise, the brand image might suffer.

Letting third-parties contribute might increase the stickiness and locked-in factor. The more useful services are on the platform, the more difficult it will become to switch to other applications of competitors, due to rewards and ease of payment via Go-Pay.

3.10.3. Horizontal Expansion through the Informal Sector

Besides global expansions, there are still opportunities available in Gojek's home country. They have the ability to add profitable services in its app without incurring high costs, as this is the nature of a digital platform. In Indonesia, there are still many suppliers in the informal service sector. One of the possibility for Gojek is to be able to iterate the same success that they had with the ojek sector on other informal service sector.

The Go-Life sector can be expanded into all directions with the help of third-party contributors as mentioned in chapter 3.10.2. Any business case that helps individuals to save time, and connect them to other skilled people, who will create value for the requestor, will work. Go-Party, as an example, if in need of creative people who will entertain guests during the next

party. Go-Talent, if one seeks educational services from the skilled community who is able to teach at the requestors own home (of course using Go-Ride to reach there and using Go-Pay for compensation).

In Gojek's home country, there is still a lot of opportunity to grow in the fintech sector, as there are still the majority of Indonesians who do not use the banking system. Gojek should continue to focus on attracting more customers into this area by giving price cuts and discounts. At the same time, marketing efforts should educate the people of the convenience of using Go-Pay.

3.10.4.Go Green

As pointed out in chapter 3.2.3, Gojek has huge potential expanding to greener alternatives, like electric scooters, motorcycles and bicycles. Recently, most of the world is discussing the effects of climate change (Greta-Effect) and politicians are putting it on top of their agendas.

4. Conclusion

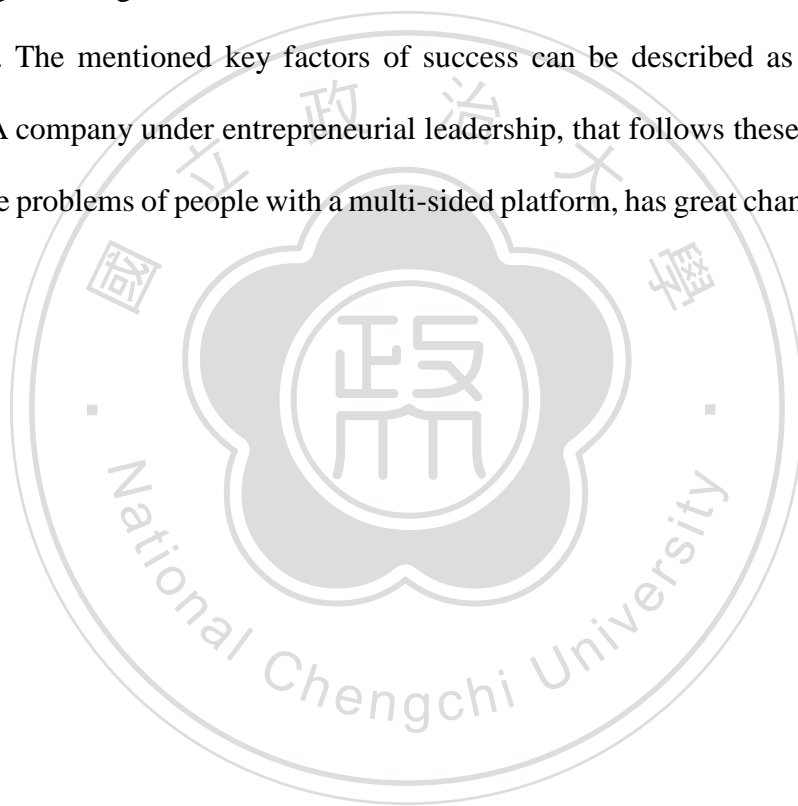
Gojek's key success factors can be categorized in two areas. The entrepreneurial leadership skills of the founder Nadiem Makarim, and with this, the deep understanding of taking advantage of the economics of a multi-sided platform.

The founder is driven to solve fundamental problems and satisfy the needs of people, focusing on the solution, but is also ready to pivot, if necessary. He was prepared to grab an opportunity and developed the right solution at the right time. He is constantly innovating and transfers his attitude of experimenting and iterative fast failing and learning directly to his employees. Gojek was able to grow rapidly also because of a leadership model, that provides high autonomy.

Being successful in the multi-sided platform economy means to be a pioneer in the field, while having a competitive advantage of broad presence, and requires a specialized entry and growth strategy, that allows the company to exploit the economics of complementary goods and have awareness for cross-elasticity effects. Operating and maintaining an open, but well curated platform, focusing on user experience, as well as providing complementary services that increases the stickiness factor, makes it easier for the user to stay on the same platform and not to switch to the competitor.

As forward looking recommendations, the risk of the ongoing internationalization efforts have been pointed out, as well as to open up the platform to third-party contributors, that could use the platform for their own innovative business ideas, while Gojek curates and maintains the design, process and technology. Following the concept of Apple and Google, as they opened up their smart phone operating system for other developers, will further make good use of the economics of complementary goods.

This paper aimed to analyze and find key success factors of Indonesia's first unicorn and motorcycle-based digital ride hailing company, with the help of methods learned and knowledge gained during the International MBA program, as well as from selected literature. The author used a hendecagonal approach to assess the business plan of this venture, depicting the fundamental doings in a Business Model Canvas and conducting a SWOT analysis, leading to the strategic findings and recommendations that can be used as reference for entrepreneurs in this field. The mentioned key factors of success can be described as habits, as they are repeatable. A company under entrepreneurial leadership, that follows these habits and seeks to solve real life problems of people with a multi-sided platform, has great chances to be successful.



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Endnotes



¹ Source: www.jakchat.com, 2019

² Source: www.gojek.com, 2019

³ Source: McAfee/Brynjolfsson, 2017

⁴ Source: Indonesia Network Operators Group, 2016