

ANALYSIS BUSINESS DEVELOPMENT STRATEGY AT PT. GOJEK TOKEPEDIA TBK FOR LONG-TERM GROWTH POST IPO

Irada Sinta¹, Irhamah², Ade Ratna Dewi³, Delvia Andriani⁴, Annisa Karim Sinaga⁵

¹Faculty of Agriculture, Universitas Malikussaleh

^{2,3,4,5}Faculty of Economics and Business, Universitas Malikussaleh

Corresponding Email: irada@unimal.ac.id

Abstract

Startups that are growing quickly have an impact on the Indonesian economy. Due to its high degree of excitement, Indonesia is one of the five nations with the most startups. One of them is PT. Please visit Gojek Tokopedia (GOTO). Leading an IPO on the Indonesia Stock Exchange (IDX) is one of the decisions made by GoTo to collect funding or operational capital for the firm. The capital cycle, clearly, cannot be detached from the systems chosen by the organization. Internal and external environment analyses are the two components of corporate growth plans. This study employed the descriptive qualitative approach, and the methodology of data collection entailed reading evaluations of scientific literature.

Keywords: *Business; Startup*

1.INTRODUCTION

The technology business is constantly striving to keep up with tougher competition and maintain its position in an ever-changing market in an era driven by technical advancements. As a consequence of the merger of two Indonesian internet companies, Gojek and Tokopedia, PT GoTo has become a significant participant in the e-commerce and transportation services sectors. According to study findings from 2021, Indonesia has 202.2 million internet users. When internet connectivity is widely available throughout Indonesia, various activities related to internet use will follow, including economic activities. Technology-based business operations are referred to as "e-commerce." (2012) Kotler & Armstrong. In addition, the study will assist businesses in making cutting-edge plans to combat the increasingly fierce competition in technology and e-commerce. In an effort to improve its business ecology and generate more synergies, PT GoTo. This was followed by the company's initial public offering (IPO), which attracted investors' attention and inspired it to adopt a long-term corporate development strategy. PT GoTo experienced difficulties and new opportunities after the IPO. To ensure long-term growth and meet shareholder expectations, businesses should consider appropriate corporate development plans. Business development strategy analysis is an important stage in this situation to outline PT GoTo's next actions.

1.1.PROBLEM STATEMENT

- A. What is the business development strategy of PT. GOTO Gojek Tokopedia Tbk For long-term growth after IPO?
- B. How is the plan and strategy of PT. GOTO Gojek Tokopedia Tbk to increase competitiveness with other sectors?

1.2.PURPOSE OF WRITING

- A. To find out how the business development strategy at PT. GOTO Gojek Tokopedia Tbk for long-term growth after IPO.
- B. To find out how the plan and strategy of PT. GOTO Gojek Tokopedia Tbk to increase competitiveness with other sectors.

2.LITERATURE REVIEW

2.1.E-Commerce

Consumers use e-commerce to obtain information, while company owners use it to conduct their operations. E-commerce is an internet channel that can be accessed by anyone with a computer. Laudon & Laudon (2019) describe e-commerce as the process by which customers buy and sell goods online while using computers as intermediaries in business-to-business transactions.

2.2.The Cost of New Product Development and Increased Speed to Market

Business acquisitions can lower the cost of manufacturing new products and improve a company's ability to enter the market faster. This is because buying an established company with a wide range of products has a lower cost as the risk is also lower than starting a new company. (Octaviani, I)

2.3.Lower Risk Compared to Developing New Products

An acquiring company is considered less risky than a company creating a new product because the acquiring company can operate the business profitably, which is influenced by the combination of resources owned by the merging company, increasing the company's productivity rather than creating new products. (Nareswari, 2021)

2.4.Increased Diversification

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2.5.Reshaping the Company's Competitive Scope

The purpose of the acquisition is to strengthen the company's long-term competitive advantage, which will increase the value of the company or maximize the welfare of shareholders, investors, and business owners (Dianah, 2017). The company's purchase was made to increase its capabilities and accelerate its growth, which would result in more effective manufacturing methods (Nareswari, 2021).

3.RESEARCH METHODS

Following the merger of Gojek and Tokopedia in 2022, GoTo grew into the largest digital ecosystem in Indonesia. GoTo offers various services that can be accessed through the Gojek, Tokopedia, and GoTo Financial platforms, including e-commerce, food and grocery delivery, logistics and fulfillment, on-demand transportation services, and financial and payment services (gotocompany .com, 2022). GoTo has initiated an Initial Public Offering (IPO) on the Indonesia Stock Exchange (IDX) as a means to raise money or working capital. The long-term growth of a

company after an IPO (Initial Public Offering) depends on the progress of its business. Companies can use a variety of tactics to achieve sustainable growth. Here are some typical company growth tactics:

1. Product Diversification

Product diversification entails expanding the choice of a company's goods or services to new market niches. This can be achieved by creating new products that are connected to existing products or by switching industries entirely. Corporations can achieve long-term success by lowering the risk of dependence on one particular product or market and generating alternative revenue streams through product diversity.

2. Market Development

Market expansion plans require expanding into untapped market segments or new geographic areas. Businesses can increase the distribution of their products or services to regional, national, or new world markets. As a result, businesses can access a larger consumer base and increase long-term revenue. An increase in market size can also help overcome the risk of dependence on a limited market.

3. Product or Service Innovation

Innovation in a product or service is an important tactic for sustainable growth. Companies can meet the changing desires of clients and remain relevant in a cutthroat market by consistently creating new goods or services. Innovation may require creating new items, providing improvements to existing goods, or adding new features or services. Successful innovation can give businesses a competitive advantage, help maintain and grow market share, and increase profitability.

The company must continue to make a corporate development plan after completing the IPO to maintain long-term growth. The right corporate development plan can help organizations in growing their clients, increasing profits, and lowering risk. Businesses can choose a business growth plan based on the state of the market and their specific demands.

Business improvement approaches can often be divided into two categories: internal environment analysis and external environment analysis (Sukarno, B. R. 2021).

1. Internal Environmental Analysis

The study of the internal environment can introduce and identify human resources, management development, teamwork, and other corporate issues. The approach to business functions that aim to examine a company's internal factors—its strengths and weaknesses—is known as this analysis. Administration, advertising, finance, production, and operations are typical positions that internal environment analysis carries out (Dewi 2022). Variables that are usually beyond the direct control of top management make up the internal environment. Resources, culture, and organizational structure are examples of these variables. (Wheelen, T.L., Famine 1996).

2. External Environment Analysis

One approach to assessing opportunities and threats originating from outside the organization is the analysis of the external environment. The five categories of external factors are economic, social, cultural, environmental, political, technological, and industrial competition. The external environment is divided into two components: the working environment and the social climate. There are aspects of the workplace that directly or indirectly affect the main operations of the organization. The social environment, by contrast, consists of broad forces that often impact long-term choices even though they are not directly related to short-term authoritative action.

Since it may have an impact on the company's future success, partners inside and outside the company have significant demands for the company's development. Since industry competition has a significant influence on the success of a company, businesses must make important financial decisions, especially about finances. Companies that reinvest their earnings

will thrive, but those that hold their earnings for investment will not do so (Keown, 2008). Since sales growth translates into market share gain, which indicates a company's ability to maintain a competitive advantage, sales volume is a solid measure of a company's success. Other growth indicators are increased job growth; Takahashi and Yamada's research shows that the greater the employment growth rate.

The business development plan carried out by PT GOTO Gojek Tokopedia for long-term growth after the Initial Public Offering (IPO) is described in the qualitative descriptive analysis of this study using tables and graphs. Qualitative research is an approach applied in a real-world context. 2019 (Sugiyono). This approach emphasizes careful observation. In addition, the main emphasis of qualitative research is business problems. Comparative or correlational data are not included in descriptive research; Instead, the focus is on presenting a summary of the findings. The techniques used to collect research data are literature reviews, trusted digital news, and scientific publications.

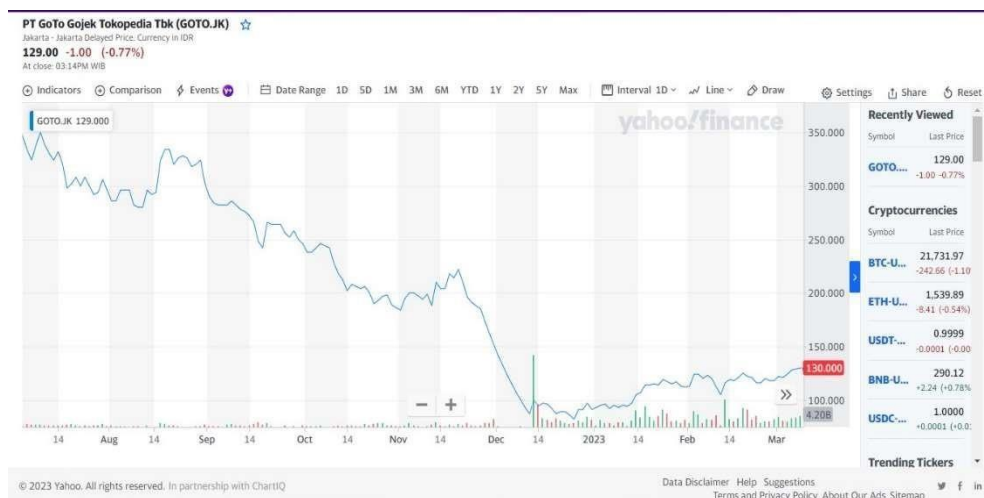
4.RESULTS AND DISCUSSION

Gojek and Tokopedia are officially committed to working together to make Go To the largest technology business in Indonesia by offering a reliable ecosystem as a way to improve everyday life. The creation of the GoTo Gathering is the largest collaborative effort to date in Asia between two online administration and media groups (Dwinarko 2022). GoTo leverages the assets of two digital businesses to integrate e-commerce, food and product delivery, transportation, and financial services to produce unique and complementary solutions on a worldwide scale. Gojek's choice to serve as GoTo's Group CEO throughout this transaction. With the creation of GoTo Group, Gojek, Tokopedia, and GoTo Financial started a new chapter of expansion.

Tokopedia has various challenges in starting and running an online business, especially competition from other online companies. The news of the merger of Gojek and Tokopedia companies was framed as part of the company's marketing plan to increase a good perception of the Go To company. 202 (Dwinarko). After completing an IPO, many businesses saw tremendous long-term growth. The company first sold its shares to investors and the general public through an initial public offering (IPO). After an IPO (Initial Public Offering), a company's long-term development can vary based on a number of variables, including its performance, market conditions, and management practices. After an IPO, organizations often experience long-term growth for a number of reasons. First, IPOs give businesses access to capital markets and more financial resources, allowing them to invest in the creation of new products, the growth of their operations, and the purchase of rival businesses. An IPO increases a company's visibility in the public, which may be useful for luring consumers, business partners, and new employees.

But while an IPO can be very profitable for a business, there are risks to consider. Companies must adhere to strict reporting and disclosure requirements. There is no indication that the company will succeed or fail from the perspective of the IPO process. However, with a precise business strategy and competent management, several companies managed to experience long-term turmoil after initial public offerings. E-commerce is a form of online buying and business that utilizes the internet and incorporates applications or websites that provide shipping and delivery. The development of information technology today is increasingly rapid and affects everyday life. E-commerce refers to the digital exchange between companies and customers through computer networks. An internet-based trading center famous for computerized financial processes in Indonesia is one type of web-based company. There are several online marketplaces established in Indonesia today, including Tokopedia, Shopee, and Lazada. Tokopedia is one of the latest online marketplaces born in Indonesia and is very popular with the Indonesian people (Sasmita, 2021).

Goto Gojek PT A holding company engaged in digital services, Tokopedia Tbk (GOTO) has 16 subsidiaries in Indonesia and several other countries. This business provides financial services (GoTo Financial), on-demand transportation services (Gojek), and e-commerce (Tokopedia). PT Aplikasi Karya Anak Bangsa, the company's original name when it was launched on December 15, 2015, was purchased by PT Tokopedia in 2021, and the two companies merged to form GoTo. 55 million users currently use GoTo services. Floors 6-7 Jl., Gedung Pasaraya Blok M. Iskandarsyah II No. 2, Jakarta, is the main office. GoTo launched its initial public offering (IPO) on April 11, 2022 at a price per share of IDR 338. Currently, the share price is only Rp 130, implying GoTo has lost its initial investment of around 62% since its IPO until now which can be seen in the following chart:



Picture 1 GoTo Share Price March 9, 2023

Companies must take into account various aspects when conducting strategic analysis, including the state of the economy, market competitiveness, industry trends, and internal strengths of the company. Companies should also evaluate their long-term goals and think about how their current strategy will affect how well they function in the future. Companies can use the results of these strategy studies to create effective action plans that will help them meet long-term goals, increase revenue, and strengthen their market position. By analyzing the internal and external elements that have an impact on the company, analysis of strategies for business growth can be carried out. An efficient company growth plan requires key insights, which can be obtained by analysis of the internal and external environment of the organization. While external environment research can help discover the possibilities and problems faced by organizations in the marketplace, internal environment analysis can help companies understand their internal strengths and weaknesses. This research attempts to identify opportunities that can be exploited and hazards that businesses should accept in the market environment and the larger environment. Combining these two assessments will help businesses make better strategic decisions, maximize resource allocation, and maintain their market advantage. Consequently, internal and internal reviews of the company and external company are important steps in planning a successful corporate development strategy.

The study identifies various operational analytics techniques to conduct internal and external environmental assessments that PT GoTo can use, including improving supply chain management and production efficiency. For many customers and driver-partners participating in the GoTo ecosystem, there will be increased utilization of profitable services thanks to product development and service synergies. Then, Human Resource (HR) analysis can be completed by evaluating and improving working conditions in the workplace to enable workers to do their jobs more effectively. To improve employee engagement and performance, businesses should also

focus on creating a healthy company culture. Companies must conduct external environment analysis in addition to internal environment analysis, such as examination of industry competitors of similar nature, such as digital companies. With the creation of a dedicated ecosystem for each entity, the features of most digital companies will truly undergo a transition into super applications. Because it is known that digital business offers a lot of room for mobility. Companies can use tactics including improving the quality of products or services, creating new items, effective marketing, providing competitive prices, and differentiating their goods or services from competitors to overcome industry competition. To be competitive, businesses must also pay attention to changing customer demands and trends as well as the level of competition around the world.

The following achievements show how well positioned GoTo is to grow through increased cooperation and increased scale of its ecosystem business:

1. Proforma gross transaction value (GTV) 3 for a 12-month period beginning at 30

September 2021 was IDR 414.2 trillion (USD 28.8 billion). The pro forma gross payment for the fiscal year ended September 30, 2021 was IDR 15.1 trillion (\$1 billion). Proforma orders were more than \$2 billion for the fiscal year ended September 30, 2021.

2. As of September 30, 2021, there were more than 55 million users of annual transactions, or ATUs, on a pro forma basis.

3. As of September 30, 2021, there are more than 2.5 million registered driver-partners.

4. There are more as of September 30, 2021.

Companies can create successful action plans to achieve long-term corporate goals after conducting a strategy analysis. This strategy should combine a financial plan, product development strategy, operational strategy, and marketing strategy that can assist the business in achieving its goals. To assess the effectiveness of the action plan, the organization must also select appropriate measures and performance indicators.

5.CONCLUSION

Based on the discussion above, PT. Goto Gojek Tokopedia's business strategy is very good. Post IPO, the company continues to develop synergies of new products and services within the GoTo ecosystem to increase the number of customers, driver-partners, and merchants who benefit from the GoTo ecosystem. The argument suggests that even though these two companies operate in the same market, GoTo should not feel happy with its business approach because other companies using the same business model have also gone public and provided their own advantages and opportunities. Every company has to face threats and weaknesses, therefore it is important to develop the best plan based on the examination of internal and external elements.

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