THE EFFECTIVENESS MARKETING STRATEGY FOR RIDE-SHARING TRANSPORTATION: INTERSECTING SOCIAL MEDIA, TECHNOLOGY, AND INNOVATION

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Abstract. This paper will discuss the effectiveness of marketing on social media and motivation of users on social media account. Data shows that younger populations are heavily addicted to social media and fragmented in artificial communities on social media. This paper will use Krippendorf’s Content Analysis as a tool to analyze two Instagram accounts of the most extensive online transportation provider application in Southeast Asia, Grab. Ethnomethodology also used to analyze qualitative data from Grab users, creating meaning about exposure on Grab marketing on social media. Results of this research show how an intersection (or the common grounds) of social media, technology, and innovation became an effective strategy on marketing for Grab for becoming the leader of online transportation in Southeast Asia.

Keywords: grab; instagram; marketing; transportation; Indonesia; Singapore

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1. Introduction

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The Internet of Things and penetration of 4G network has changed transportation industry (Atzori, Iera, & Morabito, 2010; Weldon, Viswanathan, & Mullany, 2016; Prodani et al., 2019). Uber revolutionized the transformation of the ownership of cab from a transportation company to the private owner of a taxi so that everyone can efficiently act as transport owner and have their flexible work hour (Chevalier, Chen, Oehlsen, & Rossi, 2018). On March 2018, Uber and Grab agreed on the merger and, consequently, Uber withdraws from the competition in the Southeast Asian market (LOW, 2018). Since then, Grab became the one and the only online shared transportation platform in Malaysia and the Philippines, facing tight competition with their rival, Go-jek in Indonesia, Thailand, Singapore, and Vietnam (Chandra, Bhowmick, Chaabi, & Smith, 2018; Tuan & Mateo-Babiano, 2013).

Data on some previous researches show trends of the majority of ride-sharing application users are younger people with an average age of below 35 years old (Khan, 2014; Lin & Dula, 2016). Other researches show that younger customers are heavily addicted to social media and fragmented in artificial communities (Susilo & Putranto, 2018). They get more exposure by social media than other conventional media (Putriwi, 2018; Vogel, Rose, Roberts, & Eckles, 2014).

A significant test for policymakers and the vehicle business is the manner by these new urban portability arrangements. For example, ride-sourcing are represented not just regarding the strategy and activities of the neighborhood specialists. However, in a broader sense, managing forms where issues are distinguished, and intercessions are detailed and executed and expected to accomplish magnificent results and forestall undesirable ones.

Various types of shared portability have been around for quite a while. One of the genuine cases is Demand Responsive Transport (DRT), which gives an on-request transport administration that gets and drops off travelers depends on their needs. One structure type of DRT is regularly known as adaptable miniaturized scale travel (or flexible vehicle), which are by tremendous innovation, empowers and offers adaptable steering or potentially versatile booking of administrations by utilizing minibus vehicles. These sorts of administrations fit in somewhere close to taxi administration and open vehicle transport and expect to give the nearest to a way to entryway-type versatility administration, providing an alternate option in contrast to vehicle use. DRTs are likewise utilized now by vehicle administrators to improve 'social incorporation' in regions where there are holes that are hard to cover.

By open vehicle, however, such administrations endure numerous difficulties including operational, institutional, and financial blocks.

Ride-sourcing is a piece of the vaster wonders of the 'sharing economy' which makes individuals reconsider how they profit themselves of administrations from various divisions such as the transport and hotel enterprises. Where new players, for example, Uber and Airbnb, have emerged. In this specific situation, new kinds of on-request shared portability administrations (such as UberPOOL), which use propelled portable advances and Information and Communication Technologies (ICTs) are getting to be prevalent in urban areas such as London, San Francisco, Paris, and Singapore. These advancements have started banters among policymakers, transport organizers, and transport specialists about the job and effect of the new administrations.

Some research stated the benefit of ride-sharing transportation notwithstanding the cultural advantages of decreasing clog, reducing discharges, and saving vitality. Ridesharing additionally offers advantages to the members, including brought down movement (e.g., vehicle possession) cost, access to high inhabitance vehicle carpool lanes, and disposal of the quest for leaving (Furuhata et al., 2013). Be that as it may, because of the absence of appealing business sector instruments, there are challenges of course of action and coordinations and security concerns such as riding with strangers (Li, Krushinsky, Reijers, & Van Woensel, 2014),
Previous research conducted by Wang, Gu, Wang, & Wang (2019) shown with regards to web-based ride-sharing, the buyers' impression of significant worth remains the primary determinant of consumers' readiness to utilize ride-sharing notwithstanding the potential dangers. Utilitarian worth is the predominant segment of purchaser esteem impression of ride-sharing, which shows that the accommodation and financial advantages of a ride-sharing help are fascinating qualities for shoppers. Research from Wang is based on the Chinese market and conducted with three main ride-sharing transportation application in China, namely Uber, DiDi, and BlaBlaCar. In conclusion they mention about social-behavioral variable but no explanation. This work will fill the gap from the previous research.

Some evidence from Indonesia and Vietnam show how intersecting technology and transportation needed growing economic development in both countries (Lin & Dula, 2016; Tuan & Mateo-Babiano, 2013; Vasegar, 2017). Millions of unemployed Indonesians and Vietnamese are shifting into the driver of bike-sharing based transportation, food delivery, and car-sharing based transportation (Brophy, 2018; Fanggidae, Sagala, Ningrum, & Prakarsa, 2016; Tuan & Mateo-Babiano, 2013). Communicating innovation on business model always tends to became positive aspect on marketing effect (Baden-Fuller & Haefliger, 2013; Hauser, Tellis, & Griffin, 2006). Innovation and expansion to became Super-App tends to be an innovative aspect (Siew, 2019; Yuana, Sengers, Boon, & Raven, 2019).

Dominance of Grab on Southeast Asia ride-sharing transportation application (The economist, 2018; Yuana et al., 2019) also has a strong influence on social media. An extensive and massive penetration on social media was conducted by Grab through the enormous marketing campaigns on Twitter, Instagram, and Youtube. Data on 2017 states that Southeast Asians are frequent users on Twitter, Instagram, and Youtube (Hootsuite, 2017). Even when they face another tight competitor such as Indonesia’s Go-Jek, Grab still dominates the market, even in Indonesia itself (Yuana, 2019).

Some previous research conducted by Virtanen et al. and Susilo et al. shows that Instagram has a very effective impact on the younger population as a marketing target (Susilo, Prabowo, & Putranto, 2019; Virtanen, Björk, & Sjöström, 2017). Twitter also became an effective communication to initiate intimate relations between company and consumer (Faßmann & Moss, 2016).

This paper will be discussing the reason Grab become a dominant power in Southeast Asia. Even when they face other competitors such as Go-Jek (Indonesia, Thailand, Singapore, Vietnam) and Angkas in the Philippines, Grab still leads the competition on ride-sharing transportation application. This research is limited to comparing Indonesia and Singapore audience as both countries have the headquarters for the ride-sharing transportation application, with Go-Jek in Indonesia and Grab in Singapore. This article will be focusing on what Grab do on their official social media (Instagram) in Indonesia and Singapore, and complement it with what customer feel while using the Grab as part of their daily life transportation application.

2. Methodology

Design of Research

This paper designed to use content analysis by Krippendorf and Ethnomethodology for qualitative data. Measurement of the effectiveness will be based on number of percentage of Instagram’s “like” button on every posting (Dougherty, 2005; Susilo, Christantyawati, Prasetyo, & Juraman, 2019). Design of content analysis aims to describe the aspects and characteristics of a message (Neuendorf, Shalski, & Cajigas, 2017). For correspondence and conduct researchers, vital to the estimation of substance investigation is the suspicion that substance examination of content and discourse gives a replicable strategy to get the profound individual or aggregate structures such as values, goals, mentalities, and perceptions.

Qualitative data from ethnomethodology is applied as complementary data from every posting on Grab’s social
media account (Susilo, 2017). Researchers observe five subjects as informant and record user’s daily activity of accessing Grab’s social media and application during the period 1 January – 30 June 2019.

**Validity Test**  
Researchers using two coders to ensure objectivity on coding and data gathering. Researchers use Krippendorf Content Analysis Model to analyze Grab’s social media account. Reliability test is utilized to test the data accuracy as well as to determine the level of consistency of data measurement (Mao, 2017; Parker & Holsti, 2006). Reliability test performed by two coders among others. This research also uses Holsti formula to calculate data obtained from those two coders:

\[ PAo = \frac{2A}{N1+N2} \]

where PAo represents a percentage of agreement between two coders, A is the number of three coders’ consensus decisions, and N1 and N2 are numbers of decisions coders have made respectively (Lombard, Snyder-duch, & Bracken, 2002). In addition, the validity test from qualitative data was seek the confirmation competence subject (Maxwell, 2015). All subjects acknowledge the data finding and consent to the data publishing.

**Design on Ethnomethodology**  
Garfinkel explains ethnomethodology focusing on how people create meaning on their daily-life (Garfinkel, 2016; Susilo, 2017). Garfinkel saw how subjects create social order on their daily life (Garfinkel, 2012).

During his lifetime until his demise in 2011, Garfinkel has established his status as one of the unique thinkers on Sociology and Behavioral Studies. The distribution in 1967 of Garfinkel's milestone content, Studies in Ethnomethodology, partitioned scholastic supposition. It was met with intense analysis by 'standard' sociologists of the time. Indeed, even now, ethnomethodology holds to some degree as a tricky and irregular situation in its 'home' control of human science, and it is still a long way from standard in the business and the board field. From its beginning, ethnomethodology was never a bound-together field or single hypothesis. Ethnomethodology focusing on how conversational analysis can be analyzed on intersubjectivity (Garfinkel, 2016). It might be valuable to separate the term ethnomethodology into their segmented parts. "Ethno" alludes to a social or social gathering, either big or little. "Ethno" could be a small task group, an association, or an entire institution. "Strategy" alludes to the strategies or methodology that skillful individuals use to approach their public activity. Lastly, "ology" essentially signifies "the investigation of". Put necessarily at that point, ethnomethodology is the investigation of the down-to-earth strategies through which individuals from a specific social gathering achieve social request and association. Take a basic model like a hack. A hack can be just a physiological reaction to expecting to make a sound as if to speak. Yet, it can likewise be a common technique (an 'ethno-strategy') for such as flagging differences, showing suspicion about a record, interfering with somebody, or flagging that somebody is hindering your way. This research designed to analyze social order between users of Grab when they are accessing social media of Grab and take orders on Grab's application. Subject profiling can be referred to in table 1.

<table>
<thead>
<tr>
<th>Number</th>
<th>Code of Subject</th>
<th>Nationality</th>
<th>Background (Sex, Age, and Profession)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A</td>
<td>Indonesian</td>
<td>Male, 28 years old, Lecturer</td>
</tr>
<tr>
<td>2</td>
<td>B</td>
<td>Indonesian</td>
<td>Women, 21 years old, Student</td>
</tr>
<tr>
<td>3</td>
<td>C</td>
<td>Indonesian</td>
<td>Male, 22 years old, Student</td>
</tr>
<tr>
<td>4</td>
<td>D</td>
<td>Singaporean</td>
<td>Women, 22 years old, Banker</td>
</tr>
<tr>
<td>5</td>
<td>E</td>
<td>Singaporean</td>
<td>Women, 23 years old, Executive Assistant</td>
</tr>
<tr>
<td>6</td>
<td>F</td>
<td>Singaporean</td>
<td>Male, 24 years old, Student</td>
</tr>
</tbody>
</table>

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3. Results
The results of data analysis is the result of the utilisation of Krippendorff Content analysis (Krippendorff, 2003; Marwick & Lewis, 2017; Pacoma, 2019) and data from ethnomethodology are equipped as qualitative data. This research is focusing on two Instagram official accounts of Grab (Indonesia and Singapore). Indonesia (@Grabid) and Singapore (@Grab_sg) have a broad market on Southeast Asia's ride-sharing transportation business. (Brophy, 2018; LOW, 2018; Phillips & Kulkami, 2017; Vasegar, 2017).

Reliability Test
Researcher gathers 76 postings on Grab Indonesia Instagram account (@Grabid) and 69 postings on Grab Singapore Instagram account (@Grab_sg) during the period of 1 January – 30 June 2019. Before conducting data analysis, researcher uses Holsti formula for reliability testing. Coding output is presented in table 2 and table 3 below.

<table>
<thead>
<tr>
<th>Table 2. Coding Output (@Grabid)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Product Innovation</td>
</tr>
<tr>
<td>Engagement</td>
</tr>
<tr>
<td>Media Relations</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Source: Output of Coding

From the calculation results using the coder’s Holsti reliability formula, it shows that the reliability coefficient is 0.97 or 97%, so it has sufficient correlation, and it is acceptable because the reliability number exceeds the minimum tolerable coefficient of 70% or with the calculation above 0.7 (Parker & Holsti, 2006).

<table>
<thead>
<tr>
<th>Table 3. Coding Output (@Grab_sg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Product Innovation</td>
</tr>
<tr>
<td>Engagement</td>
</tr>
<tr>
<td>Media Relations</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Source: Output of Coding

From the calculation results using the coder’s Holsti reliability formula, it shows that the reliability coefficient is 0.95 or 95%, so it has sufficient correlation, and it is acceptable because the reliability number exceeds the minimum tolerable coefficient of 70% or with the calculation above 0.7 (Parker & Holsti, 2006).
Finding on Instagram Marketing
Researcher found the innovation variable dominance on both Instagram account of Grab Indonesia and Grab Singapore (@grabid and @grab_sg). In the Figure 1, innovation engagement and media relations variables have quite similar percentage. Engagement and media relations have strong influence from consumer’s needs. Consumer seeking information (Sugihartati, 2017) and actively commenting on engagement and media relations’ variable. Subject C and Subject D actively like and comment on Grab's Instagram official account. The researcher found Subject C and D actively response their experience using the Grab application and felt the engagement from Grab. Subject C sensed how Grab actively post about consumer satisfaction and easily reach intention on social media. Subject C and D thinks to Grab as part of their life. Subject C and D thinks the most reason they choose Grab than its rival is Grab's innovation. Subject C told she attracted with their innovation of promo fare. She knows this information from Grab's Instagram posting (Figure 1).

Subject D thinks innovation on Grab’s subscribers (frequent ride-sharing users of Grab) is suitable for her transportation needs. She knows the subscription program on Grab Official account and told the reason of following Grab official account is to update the latest information from Grab.

4. Discussion
Disruptive era: marketing challenge on digital marketing
Subject A and B use Grab for commuting needs. They told the reason of choosing Grab is their easiness, convenience, and affordability, compared to the public transportation. Subject A and B know Grab from their Instagram ad sense. Subject A and B were trying Grab for the first time after they got exposure from Grab’s official Instagram account. Researchers also found both of Subject A and B rarely accessing TV or read newspaper. Subject A and B told that primary sources of their information are by their smartphones. They open the Instagram application almost fifty times daily and more often during the weekend.

This is a challenge for the company when younger people get more exposure to the smartphone rather than conventional media. It is in line with the findings by Susilo and Putranto about shifting of younger people’s essential social preferences from conventional to become an artificial or digital community (Susilo & Putranto, 2018). Younger people are more excited to endorsement on social media and get more intention on product details after marketing has digitised (McCormick, 2016).
Subject A and B share their experience of using Grab enthusiastically. Both of them mentions about the promotion posted on Grab’s Instagram account as a trigger of their shifting from previous transportation choices to Grab.

**Combination on Marketing Strategy: Engagement on Consumer**

Another finding on subject E and F shows how they still use Grab rather than its new competitor, Go-Jek. Go-Jek has been massively entered the Singapore market since 2019. Subject E and F felt Grab’s GPS dropping point interface is more convenient than Go-Jek’s GPS interface. However, subject F often use Go-Jek when it is cheaper. Subject F thinks Grab is in the top of his mind when looking for transport mode to Changi airport because he follows Grab Instagram official account. Subject F forgot to compare Grab’s fare with Go-Jek’s fare when he is in a rush. Those findings show how Instagram penetration has been massively inserted on top mind’s people. Subject F chooses Grab as the first choice because he frequently saw Grab’s posting on his Instagram feed. Model of Instagram’s marketing penetration can be seen in Figure 2.

![Figure 2. Reconstruction of the Model](image)

This pre-eminence (intersecting of social media, innovations, and technology) makes Grab become the first choice of online sharing transportation than their rival. Subject A, B, C, E, and F acknowledge their dependency on Grab as an application for their daily life. They used various services on Grab and got the information from Instagram about the launch of Grab’s certain services. Subject A regularly loads his prepaid cellular mobile phone using Grab. He knows this service from Grab’s Instagram posting. He saw the photo on official Grab account post about reloading prepaid number. Innovation to become one-stop services application. Subject A felt convenient and think of Grab as a practical application. Compared with finding from Furuhatza et al. (2013), the researcher found the “convenience feeling” became an influential variable to engage the consumer in the era of the Internet of Things. Everyone can become a self transportation entrepreneur using Grab, but trust and convenient feeling from a consumer should be maintained by the application’s regulator. Becoming top of mind application when facing tight competition also requires regular customer engagement through social media. In the case of Subject F, even the Grab’s competitor offers the cheaper fare, he more trust into Grab service on his Changi airport journey. Subject F who’s a millennial who frequently accesses the Instagram feed is more familiar with Grab. Intense
enforcement and engagement on social media also impacted positively. Susilo, Prabowo, and Putranto (2019) stated that the sturdy and well-maintained social media is in linear with well-maintained consumer convenience feeling. The consumer became more active on social media and chose what familiar with their social media. If the research conducted by Wang (2019) found economic reason became the most variable of Uber success in China, this research found social media, innovations, and technology are the third variable who intersect each other to boost Grab as leader of ride-sharing transportation in Southeast Asia.

Intersecting of social media, innovations, and technology related with consumer' social need convey an effective marketing impact (Wilson & Consultant, 2005). Grab user got engagement from the triple combination and consumer’s retention. The researcher found Grab and Go-Jek competition in Indonesia and Singapore is very tight on people minds. Go-Jek, the Grab’s rival use tagline “Product of Nationhood” to implicitly emphasize Grab as a non-Indonesian application. The researcher also found different findings from Awaluddin and Hamid about domestic purchasing intention. The researcher found Subject A, B, and C ignoring Grab status as a non-Indonesian ride-sharing transportation platform (Awaluddin & Hamid, 2019). They prefer to use Grab because when they think about transportation need, they always think Grab on top of their mind.

Conclusions

Intersecting of Social Media, Technology, and Innovations increases engagement of Grab’s consumers and show the tendency on Grab as prospective leader market on ride-sharing transportation in Southeast Asia. Consumers are actively seeking information on Instagram feed and make intention on Grab’s Instagram account post. During the disruptive era, digital marketing which is intersecting social media, technology, and innovation are massively creating trustworthiness from consumer and penetrating on the top of the user’s mind.

This is a challenge for another startup application of ride-sharing application for seeking another innovation of marketing strategy. The dominance of Grab as a super application require extra attention to marketing practitioners to develop an extraordinary application.

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