



#J.W.

Volume 1, Issue 1, 2024

ANALYSIS OF INNOVATION AND COMPETITIVE ADVANTAGE IN GOJEK COMPANY TO IMPROVE BRAND IMAGE

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Abstract

Innovation and competitive advantage are the two main pillars of technology-based companies in building brand images amidst increasingly fierce competition in the digital industry. Gojek is a technology company from Indonesia that operates in transportation, ondemand services, and digital payments. Intense competition in the transportation and digital services industry forces Gojek to continue to innovate to maintain its position as a market leader and strengthen its brand image. This research analyzes Gojek's innovation and competitive advantage in improving the company's brand image. The research method used is descriptive qualitative with a literature study approach. The research results show that Gojek's integrated ecosystem, strategic partnerships, and sustainable innovation positively impact customer satisfaction and loyalty, thereby strengthening the company's brand image. This research provides valuable insights for other companies looking to improve their brand image through innovation and competitive advantage.

Keywords: Innovation, Competitive advantage, Brand Image

INTRODUCTION

In the rapidly developing digital era, innovation is one of the key factors for companies to survive and grow. Rapid technological advances and dynamic market changes require companies always to adapt and innovate. The transportation and digital services industry in Indonesia is experiencing rapid development with the presence of various technology-based companies. Gojek, as one of the pioneers in online and on-demand transportation services, has succeeded in changing the way Indonesian people access various daily services. However, in recent years, competition in this sector has become increasingly fierce, especially with the presence of strong competitors such as Grab and several local startups offering similar services. This competition means Gojek needs to maintain its position in the market by continuing to innovate and strengthen its competitive advantage (Fauzi, 2023).

Changes in consumer behavior, which increasingly rely on digital technology and the desire to get fast, easy, and efficient services, mean that Gojek must continue to develop its services. Consumers no longer just want transportation, but also food delivery services, goods delivery, digital payments, and various other services that can be easily accessed through applications. Therefore, innovation is the key for Gojek to meet these increasingly diverse needs and maintain its relevance in the eyes of consumers. Gojek must have a clear competitive advantage to integrate various services on one platform to provide significant added value for its users, which can ultimately increase consumer satisfaction and loyalty.

Innovation and competitive advantage are not only needed to win the competition but also to build and improve the brand image (Ocilia & Bintari, 2021). In this digital era, a strong brand image is one of the determining factors for a company's success. Consumers tend to choose services that are considered innovative, trustworthy, and provide more value. Thus, through service diversification, effective marketing strategies, and improving service quality, Gojek can strengthen its brand image as a technology company that is not only innovative but also cares about customer needs. Like other companies, Gojek also faces various challenges, including intense competition from local and international competitors, regulatory changes, and operational challenges.

This research aims to analyze how innovation and competitive advantage are carried out by Gojek to improve the company's brand image. This research will examine various aspects

of Gojek's innovation and competitive advantage that contribute to improving the company's brand image.

LITERATURE REVIEW

Innovation

Business innovation is an important factor that can increase a company's competitive advantage. Research shows that innovation has a significant relationship to competitive advantage, which in turn has a significant effect on business performance (Rumengan, 2017). Innovation can be carried out in various ways, such as developing new products, improving product quality, and using new technology (Aprillia et al., 2023).

Competitive Advantage

Competitive advantage is a company's ability to achieve superiority compared to its competitors. Research shows that business transformation, as carried out by Gojek, can maintain the company's competitive advantage in economic development (Fauzi, 2023). Competitive advantage can also be achieved through innovation in marketing management, such as the use of digital technology to increase efficiency and reach a wider target market (Sudiantini et al., 2023). To provide a competitive advantage, each company must have innovation and uniqueness compared to other companies (Rahmawati, 2021).

Brand Image

Brand image is the consumer's perception of a product or service brand. Research shows that brand image has a positive and significant influence on consumer buying interest (Ocilia & Bintari, 2021). A good brand image can increase consumer trust and increase consumer loyalty to the brand. Apart from that, brand image can also influence consumer purchasing decisions, as shown in research on the influence of brand image on purchasing decisions for Tupperware products (Anisa et al., 2023). Previous research (Efendi & Logawali, 2016) shows that service innovation and brand image have a significant influence on consumer decisions in using Gojek services. For example, a study conducted in Makassar City shows that both service innovation and brand image together have a significant influence on consumers'

decisions to use Gojek. In addition, other research by (Husen & Setiawan, 2022) also shows that service innovation and competitive advantage can increase customer satisfaction, which in turn strengthens the company's brand image.

RESEARCH METHODOLOGY

This research uses a qualitative descriptive method with a literature study approach. Data is collected from various sources such as scientific journals, articles, and relevant research reports that apply inductive reasoning to formulate analytical models based on existing empirical conditions. The data obtained was analyzed to understand the relationship between innovation, competitive advantage, and Gojek's brand image. Data was collected from various secondary sources including scientific literature, news articles, industry reports, and official publications from Gojek. These sources were selected because of their credibility and relevance in providing in-depth information about Gojek's innovation, competitive advantage, and brand image. Literature searches were carried out through academic databases such as Google Scholar, JSTOR, Semantic Scholar, and ScienceDirect, as well as through the official Gojek website and related industry publications. Inclusion criteria for literature selection include topic relevance, source credibility, and year of publication, with a focus on literature published in the last ten years to ensure the data obtained is current and relevant. The subject of this research is PT Gojek. The material studied is the innovation carried out and the competitive advantages they have.

RESULT AND DISCUSSION

1. Innovation in Gojek Services

Gojek has carried out various innovations in its services which include:

a. Diversification of Services

Gojek started its journey as an online motorcycle taxi service but quickly transformed into a super-app that offers various services. This diversification includes transportation services (GoRide and GoCar), food delivery (GoFood), goods delivery

(GoSend), digital payments (GoPay), as well as various other services such as GoMed and GoClean. This diversification not only provides convenience for users by providing various needs in one application but also increases customer loyalty because they can access various services easily and efficiently (Situmorang, 2024).

b. Innovation in Digital Payments

One of the important innovations introduced by Gojek is GoPay, a digital payment service that facilitates users to carry out cashless transactions easily and safely. GoPay has become a popular payment method in Indonesia, especially during the Covid-19 pandemic, where non-cash transactions have become preferred to reduce physical contact. Research indicates that the convenience, benefits, security, and innovation factors provided by GoPay have a significant impact on consumers' decisions in choosing to use this service (Mahmuda et al., 2024).

c. Rebranding Strategy

In 2019, Gojek rebranded by changing the logo and introducing a new, more modern, and dynamic image. This move not only aims to refresh the brand's appearance but also to reflect Gojek's transformation into a super-app that offers a variety of services. This rebranding succeeded in improving Gojek's brand image and strengthening its position in the market as an innovative and reliable technology company (Situmorang, 2024).

d. Collaboration and Strategic Partnerships

Gojek has also formed various strategic partnerships with other companies to expand the scope of its services and add value to its users. For example, partnerships with restaurants and food providers for GoFood services, as well as collaboration with banks and financial institutions for GoPay services. This partnership not only helps Gojek provide more diverse services but also strengthens the integrated Gojek ecosystem.

e. Health Services Development

Gojek has also introduced health services through GoMed, which allows users to order medicine and medical consultations online. This innovation is very relevant, especially during the Covid-19 pandemic, where access to health services is very important. GoMed makes it easy for users to get health services without having to leave the house, which in turn increases customer satisfaction and loyalty.

f. Innovation in User Experience

Gojek continues to innovate in improving the user experience by introducing new features that make it easier to use the application. For example, the "Chat" feature allows users to communicate directly with the driver, as well as the "Order Tracking" feature which provides real-time information about order status. This innovation helps increase user comfort and satisfaction, which ultimately contributes to improving Gojek's brand image (Dirnaeni et al., 2024).

2. Gojek's Competitive Advantage

Gojek's competitive advantage can be seen from several aspects that have helped this company maintain and strengthen its position in the market. The following are some of the main aspects of Gojek's competitive advantage:

a. Integrated Business Model

Gojek has succeeded in integrating various services on one platform, making it more attractive to users looking for an all-in-one solution. By providing transportation services, food delivery, digital payments, and various other services in one application, Gojek offers convenience and comfort that many of its competitors do not have. This integration allows users to fulfill their various needs without having to switch to other applications, which in turn increases customer loyalty and frequency of use of the Gojek application (Fauzi et al., Value Chain

Gojek adopts value chain principles to create added value for customers, which in turn increases customer satisfaction and loyalty. Gojek's value chain includes various activities from product development, operations, and marketing, to after-sales service. By optimizing every activity in the value chain, Gojek is able to provide more efficient and high-quality services to customers. Research shows that value chains have a positive impact on competitive advantage and consumer satisfaction. (Munawar & Widiyanesti, 2021).

b. Use of Artificial Intelligence

Gojek utilizes advanced technologies such as artificial intelligence (AI) and data analysis to improve operational efficiency and user experience. Al technology is used to optimize driver routes, estimate arrival times, and provide personalized recommendations to users. In addition, data analysis helps Gojek understand user

behavior and identify market trends, so that the company can develop more relevant and innovative services (Ratnawati & Maulana, 2024).

c. Integrated Ecosystem

Gojek has succeeded in building an ecosystem that includes various services and business partners, creating added value for consumers and partners. This ecosystem not only increases customer loyalty but also strengthens Gojek's position in the market. By offering various services in one application, Gojek provides convenience and comfort for users, which in turn increases customer satisfaction and loyalty. In addition, collaboration with business partners, including restaurants, banks, and technology companies, allows Gojek to expand the reach of its services and increase added value for consumers.

d. Market Adaptation and Response

Gojek shows an extraordinary ability to adapt and respond to market changes. For example, during the Covid-19 pandemic, Gojek quickly adapted its services to meet changing consumer needs, such as increased demand for food delivery services and digital payments. This adaptation not only helps Gojek to remain relevant amidst challenging situations but also strengthens its brand image as a responsive and innovative company.

e. Operational Excellence

Gojek also has significant operational advantages, which enable the company to provide fast, efficient, and reliable services. This operational excellence is achieved through the use of advanced technology, good training for drivers and efficient management systems. This operational excellence not only increases customer satisfaction but also helps Gojek to reduce operational costs and increase profitability.

3. The Influence of Innovation and Competitive Advantage on Brand Image

The innovation and competitive advantage carried out by Gojek influence the company's brand image. A strong and positive brand image is very important in a competitive industry such as online transportation because it can influence consumer decisions in choosing services. Here are some ways in which gojek's innovation and competitive advantage contribute to its brand image:

a. Increased Customer Satisfaction and Loyalty

Service innovations carried out by Gojek, such as service diversification and the use of advanced technology, have increased customer satisfaction. This satisfaction, in turn, contributes to higher customer loyalty. Research shows that service quality and brand image have a significant influence on Gojek application brand loyalty (Purba et al., 2022). By providing a consistent and satisfying experience, Gojek has succeeded in building a loyal customer base, which is an important asset in strengthening its brand image.

b. Strengthening Brand Image through Product Innovation

Product innovation carried out by Gojek, such as developing new services and improving application features, contributes to improving marketing performance and strengthening brand image. Research shows that market orientation and product innovation have a significant effect on Gojek's marketing performance, which ultimately improves brand image (Tejawulan, 2022). By continuing to innovate, Gojek can maintain its relevance and appeal in the eyes of consumers, which is important for building a strong brand image.

c. Brand Image as an Innovative and Responsive Company

Gojek's ability to adapt quickly to market changes and consumer needs strengthens its brand image as an innovative and responsive company. For example, during the Covid-19 pandemic, Gojek quickly adapted its services to meet increasing demand for digital delivery and payment services. This quick response not only helps Gojek stay relevant but also strengthens its brand image as a company that cares and is responsive to consumer needs.

d. Influence of Advertising and Sponsorship

Apart from innovation in services, Gojek also utilizes marketing strategies such as advertising and sponsorship to strengthen its brand image. Research shows that the advertising function has a significant effect on Gojek's customer loyalty, which in turn influences brand image (Kevin et al., 2019). Apart from that, sponsorship of major events also contributes to increasing Gojek's brand image (Azman & Hakim, 2022). This strategy helps Gojek to be more easily recognized and remembered by consumers, which is important in building a strong brand image.

e. Competitive Advantage and Brand Image

Gojek's competitive advantages, such as an integrated business model and a strong ecosystem, also contribute to improving its brand image. By offering various services in one application and establishing strategic partnerships with various business partners, Gojek creates significant added value for users. Studies show that brand image and service quality have a positive influence on purchasing decisions for online transportation services, including Gojek (Dariyanto et al., 2023). This competitive advantage helps Gojek to maintain and expand its market share, which in turn strengthens its brand image.

CONCLUSION

The results of the research carried out can be concluded:

- 1. Gojek has succeeded in utilizing innovation and competitive advantage to improve the company's brand image. Diversification of services, use of advanced technology, and effective marketing strategies are some of the innovative steps that Gojek has taken to maintain and strengthen its position in the market. Diversification of services allows Gojek to meet various consumer needs on one platform, while the adoption of advanced technologies such as artificial intelligence and data analysis helps improve operational efficiency and user experience. Effective marketing strategies, including rebranding and creative marketing campaigns, have helped Gojek build a strong and positive brand image in the eyes of consumers.
- 2. Gojek's competitive advantage cannot be separated from the role of its integrated ecosystem and strategic partnerships with various business partners. This ecosystem not only increases customer loyalty but also strengthens Gojek's position in the market. By offering various services in one application, Gojek provides convenience and comfort for users, which in turn increases customer satisfaction and loyalty. This research shows that service innovation and competitive advantage have a significant influence on consumers' decisions to use Gojek services, which in turn improves the company's brand image. By continuing to innovate and maintain a competitive advantage, Gojek can continue to strengthen its position in the market and build a positive brand image in the eyes of consumers.

3. For further research, it is recommended that researchers use primary data through surveys or interviews with Gojek users and management to provide deeper insights. Competitive analysis by comparing Gojek and other companies such as Grab or Maxim can also enrich research results. Researchers can also examine the impact of the Gojek-Tokopedia merger on innovation and the company's brand image. Finally, exploring technology-based innovation, such as the use of artificial intelligence (AI) and big data at Gojek, will provide a more comprehensive view of the impact of technology on the company's competitive advantage.

ACKNOWLEDGEMENT

The authors would like to thank the Rector of Akprind University for funding this research and DP2M for organizing internal research grants at Akprind University.

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