Islamic University Faculty of Computer and Information Systems		**الجامعة الإسلامية كلية الحاسب الآلي ونظم المعلومات**

CPIS 4192 – Technology Entrepreneurship
STARTUP CASE STUDY
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Entrepreneurial Cases Study

By dissecting real Startup case studies, examining successes and failures in the context of the market, and observing the tactics used by today's most successful small business ventures, students can develop the skills that will give them a unique advantage in a hotly competitive environment. The students will work in groups of 2s or 3s to investigate IT Start-ups and produce a professional report containing the following sections:

1. Overview of the Start-up
2. Startup Goals and Challenges
3. Business Model of the Startup
4. Competitors Analysis
5. Applied Solution and Analysis of Progress
6. Factors of Success (If applicable)
7. Factors of Failure (If applicable)
8. Lessons Learned

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1. Overview of the Startup

Gojek is an app-based transportation startup made by Nadiem Makarim in 2009. The main service provided by the company is ride hailing services and logistic. The operation started in Indonesia, now it operates in other south east Asian countries including Singapore, Malaysia, Vietnam, and Thailand.

The main differentiation with other ride hailing services (e.g., Uber, Lyft) is that the main fleet is using motorcycle, although car hailing service is also provided.

Gojek is backed from various international investor holdings including Google, Facebook, Mitsubishi, Temasek Holding, Tencent, and others. On 2017, it became a Unicorn company as the valuation passed 1 billion USD mark. On 2019, it crossed 10 billion USD mark in valuation and became a decacorn company.

2. Startup Goals and Challenges

a. Startup Goals
The initial goal of the App is just providing transportation services. But now the company is targeting their app to be a super app, similar to the Chinese WeChat app.
Some of the currently available services are:

- **Go-Ride:** Motorcycle ride hailing services with more than 1 million fleets (2018).

- **Go-Car:** Car ride hailing service.

- **Go-Bluebird:** Similar to Go-Car, but it uses an existing conventional taxi service company, Blue Bird, as the partner for providing the fleets.

- **Go-Pay:** E-wallet and payment service by using QR code system.

- **Go-Food:** Food ordering service.

- **Go-Mart:** Convenience store purchasing service.

- **Go-Send:** courier service across the city/delivery zone.

App main home screen	App Services

Go-Food Service	Go-Pay Service
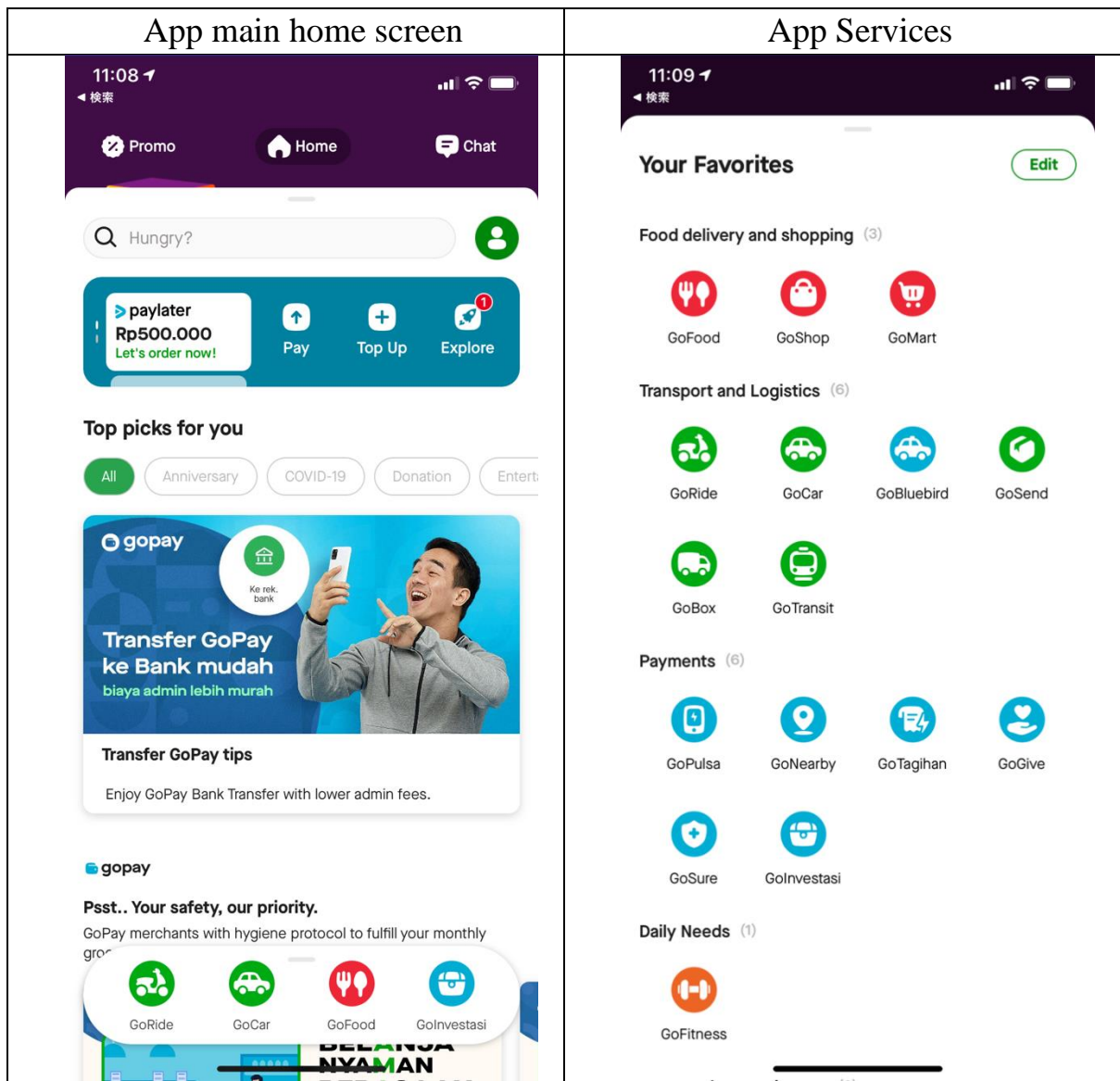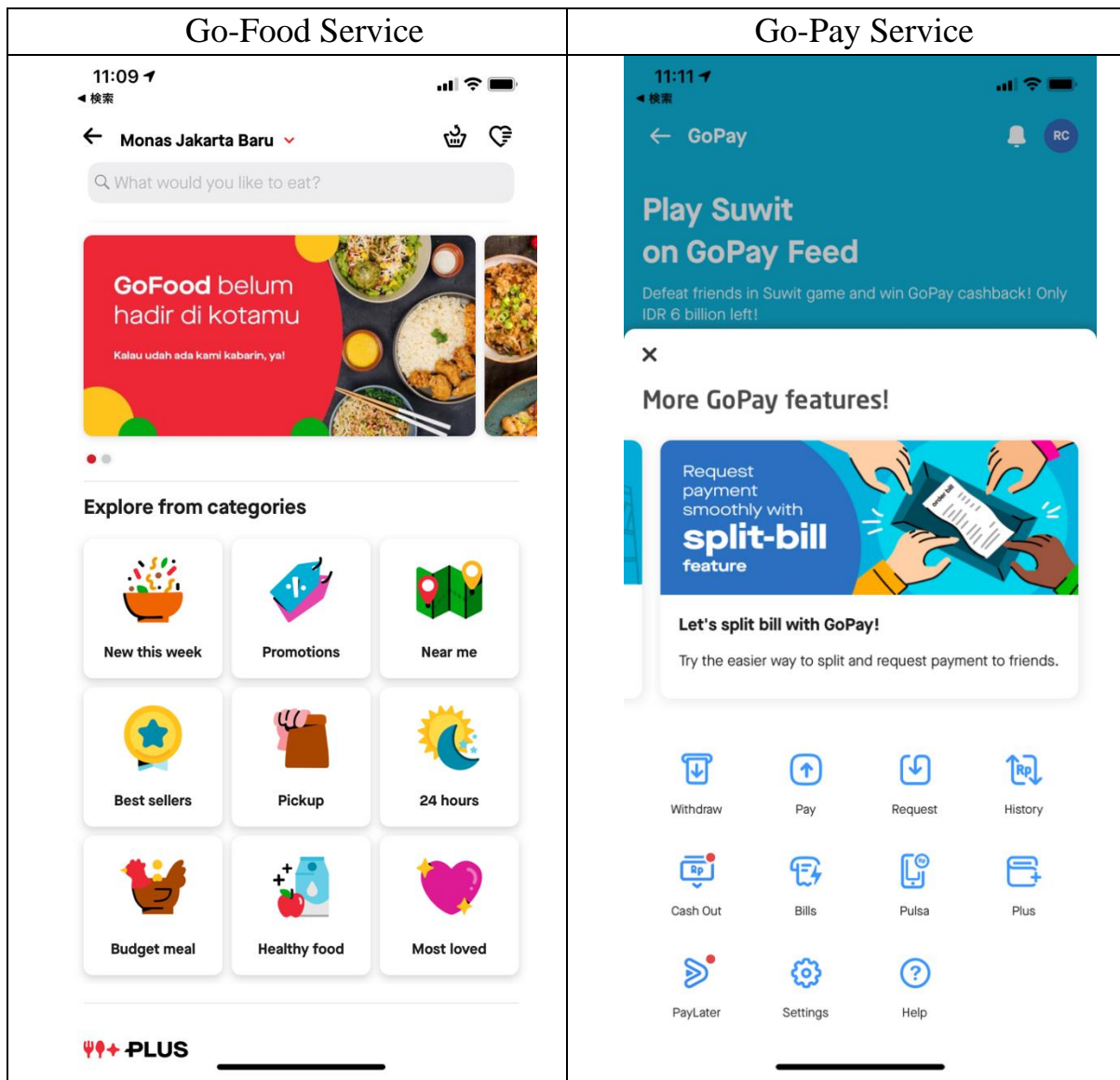
b. *The possible challenges as we observed are:*

- The law of public transportation is different from country to another country. Also, the law changes overtime. Therefore, the app has to keep up with the local regulation.
- As the app relies on partnership with many drivers and merchants, its service quality is not well standardized. Some service partners might not follow the standard operational procedure from the company well.

3. Business Model of the Startup

a. Partnership

The Gojek company builds partnership with various entities. And the entity is different between the services.

- **Go-Ride:** Partnership with motorcycle owners to be the driver and provide the fleet.
- **Go-Car:** Partnership with car owners to be the driver and provide the fleet.
- **Go-Bluebird:** Partnership with Blue Bird taxi company to provide drivers and fleets.
- **Go-Pay:** Partnership with various stores and merchants to accept payment through Go-Pay e-wallet.
- **Go-Food:** Partnership with restaurants to be the food sources.
- **Go-Mart:** Partnership with minimarkets to be the grocery sources.
- **Go-Send:** Partnership with motorcycle owners to be the courier.

As we can see on the list above, Gojek doesn't actually provide the services from their own. Instead, its business model is providing app service to the existing businesses or partners so they can get more customers and

b. Promotion

The company also provides a lot of coupons, discounted services, and cashbacks when we use their service. This strategy is used to conquer the market and gain more users to rely on the app.

4. Competitors Analysis

a. Main Competitors

The main competitor is Grab. Grab is a Singapore based company that provides similar set of services and similar business model.

There was also Uber in Indonesia, but it failed to compete with Gojek and Grab. It ceased to exist in 2018.

b. Sub Services Competitors

Other than the main competitors, there are also competitors that can be threat to some particular services. For example:

- **Go-Pay competitors:** Visa, MasterCard, Dana, etc.

- **Go-Car competitors:** Local taxi companies.

- **Go-Food competitors:** Food delivery services.

But these are not direct competitors, because those services don't provide the convenience of an all-in-one super app that Gojek provides.

5. Applied Solution and Analysis of Progress

Gojek is beating Grab on user numbers
Weekly active users in Indonesia (m)
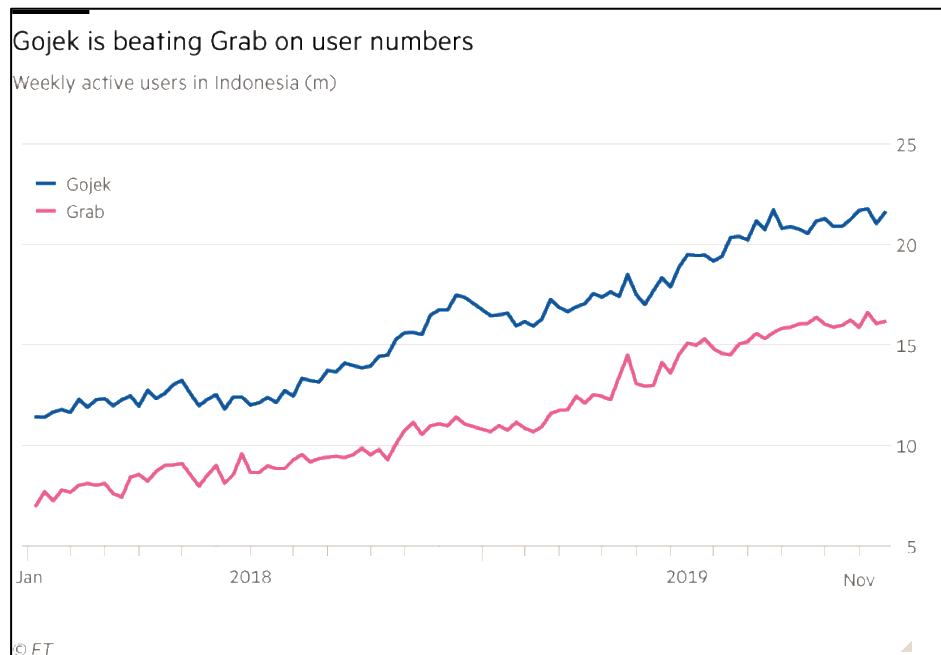
The solution provided by Gojek (super app for various services) and the existence of promotions have gained a lot of users in Indonesia. The trend of the number of its users can be seen growing. It reaches more than 20 million users by the end of 2019, beating the competitor, Grab, by a margin of around 5 million users.

6. Factors of Success (If applicable)

We observed that the possible factors of success are:

- The ability to convince investors for gaining funding from various series.
- By building partnerships instead of providing the products, it can grow fast. Partners are willing to join to get more exposure, and they also will indirectly advertise the Gojek brand.
- The convenience of super app, instead of separate app for each service has gained a lot of users.

7. Factors of Failure (If applicable)

The possible factors of failure in the future are:

- If the app does not innovate enough, its competitor (Grab) might gain more chunks of users.
- At this point, Gojek is still providing a lot of promotion to gain users. This is known as "burning cash" period. But we still yet to know, will the users keep using the App without the promotions?

8. Lessons Learned

The success of Gojek made us learned several things:

- The app success is combination of good service, good price, and good branding.
- Ability to convince investors is very important.
- If you do not innovate within your app, the competitors will do it.

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