



Continuing Education Program

Center for Computing and Information  
Technology

Faculty of Engineering

University of Indonesia

## **ISAS ( Information Search and Analysis Skill)**

### **“Utilization Of Social Media As Online Business”**

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## **Preface**

First, Let us give praise to Allah S.W.T who give guidance to us untill we can complete our ISAS entitled “The Utilization Of Social Media As Online Business”. As we write this article, we get a lot of support from various parties. Among others are :

1. Our parents, who always help in the form of spirit and material.
2. Dr. Aries Subiantoro, M.Sc as director of CCIT Faculty of Engineering, University of Indonesia.
3. Indah Ayu Yuliani, S.T., M.M as our faculty who have provided guidance and support and referrals to us so that we can finish ISAS.
4. Our friends who always give the information that they know, exchange ideas and give encouragement to us in writing this article.

Author know that the results of this article is far from perfect and there are still many shortcomings, author hope readers will give comments and suggestions in building this article in order to become better. We hope this article can be useful for those who read or hear, especially for CCIT students of the Faculty of Engineering UI.

Our ISAS titled “Easiness of E-Business” is business method which used by most of people to get easiness in business. We choose E-Business because Online Business is being trending activity in the whole world nowadays. We hope with this ISAS people will understand why E-Business make us easy to Business.

Depok, Maret 2016

Author

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# **CHAPTER 1**

## **INTRODUCTION**

### **I.1 Background**

Technology developments in contemporary times have a large impact on human needs. Increasingly sophisticated technology today, make a lot of people got easiness in find their needs. Maybe in the old days people still read the newspaper in paper form to get the latest news, but today the news we want to read we were able to search and find via the internet. This simplicity makes people become increasingly easy to access a variety of information of a General nature.

In the 1990s, many companies and businesses that rely on print media, television and radio to market their products. But in this modern era, since the advent of the web site and the number of people who use social media. People began to leave the print media, television and radio and began to switch to using the web and social networking sites to market their products.

With the increase of Internet users, it makes business people and companies think to introduce their products in a way that is easy, efficient, fast, and at a low cost. Today many businesses that intentionally create a website, blog, or create an account on Facebook and twitter to market their products. Progress is considered very useful to be used as a business marketing strategy.

Everyone knew in 2013 users of social media such as Facebook and twitter has reached millions even billions of users worldwide. This is what causes businesses or companies to take advantage of it to open a business or marketing the products they sell through cyberspace. In the virtual world has a lot of web sites that sell products for example, zalora.com. In fact, not only through the web site businesses to market their products, social networking also become an easy target for them to market their products, because they could see lucrative opportunities when their products are marketed through cyberspace.

With the increasingly of social media user, people start to change their media from paper to be digital to promote their product. Our Purpose is to help people who want to choose social media as a media to promote and show their product.

## **1.2 Writing Objective**

The purpose of this ISAS are we hope people understand about what is definition of E-Business, and people will know the history of E-Business which begin of online business today, and what is Business to Consumer and Consumer to Consumer model in Social Media.

## **1.3 Problem Domain**

Accordance with the title of ISAS "The Utilization Of Social Media on Online Business" We will discuss about :

1. Comparison Among Social Media Which The Best For Online Business
2. Advantages and Disadvantages Of Online Business in Social Media
3. Company Progress and Growth With Online Business in Social Media

## **1.4 Writing Methodology**

The method which used in this ISAS is the method of browsing from internet, read someone review article, and make a survey in problem domain.

## **1.5 Writing Framework**

The paper was written by systematic as follows :

### **CHAPTER I : INTRODUCTION**

#### **1.1 Background**

Discusses the history of Business and the reason why E-Business come.

#### **1.2 Writing Objective**

The purpose of this article is to understand all about E-Business.

#### **1.3 Problem Domain**

Mention several points about the problem of online business on social media, there are comparison of the best social media for business, advantages and disadvantages using social media as business media and The Company progress and growth with online business in social media.

#### **1.4 Methodology Writing**

To get data which needed, Author use the method of observing or direct observation techniques, and information ask people to get the information, ask people opinion in the problem case. Not only that, Author also browsing for the material and sources from electronic mass media which reaching internasional, that is internet.

## **1.5 Writing Framework**

Author Writing Framework consists of four Chapter, the first chapter is introduction which tells the background, writing objective, several problem domain, methodology writing and writing framework of this paper.

### **Chapter II Basic of Theory**

In chapter II, Author write several sub chapter. The first sub chapter is to tell about briefly description about business which make people understand little description and purpose of business. The second sub chapter is to tell about definition of E-Business, so people will understand what the meaning of E-Business. The third sub chapter is to tell about history of E-Business which begin of online business era. The fourth sub chapter is to tell about Business to Consumer and Consumer to Consumer modeling which used in Social Media Online Business.

### **Chapter III Problem Analysis**

Analyzing and solve the problem that contained in problem domain.

### **Chapter IV Conclusion and Suggestion**

Conclude and suggest related to this paper.

## **CHAPTER II**

### **BASIC OF THEORY**

#### **II.1 Business : Briefly Description**

L.R.Dicksee said that the business understanding is a form of activity that is primarily intended to benefit those who seek or having an interest in the occurrence of these events.

Business purposes are :

- Profit
- Procurement of goods or services
- Welfare for owners of the factors of production and society
- Full employment
- The existence of the company in the long term (a long time)
- Progress and growth
- The prestige and achievement.

#### **II.2 Definition of E-Business**

E-Business is transaction, buying and selling, business which do automatically through electronic/internet activity, and also company can directly related with their customer, business partner and suppliers. E-Business can be the form of advertisement, invite someone to buy our product. One of its functions of E-Business is to support part of Marketing, Production, Accounting, Finance, and Human Resource Management.

More precisely companies use information and communication technologies by organizations, individuals, or parties related to running and managing key business processes so that it can provide benefits.

#### **II.3 History of E-Business**

In 1993, The concept of e-business background is crisis which happened by IBM and eventually change their CEO.

Fast internet growth at the mid-1990's, many parties think internet as a golden opportunity to make the company more superior, but many have not been able to take advantage of the situation.



In the middle of the development of the network which increasingly chaotic and disorderly, the development of intranets, servers, websites, browsers, and search engines, which indicates the need for the development of a new platform that is broad and strong enough to accommodate the entire business, both large and small, so not only can used to sell products and promote the brand.

See the Condition that can change the way companies work, finally in 1995 Louis Gerstner, CEO of IBM when it managed to overcome the financial crisis experienced by IBM and agenda how to make the Internet can be a business tool to be successful business, with took Dennie Welsh as Head of Integrated Systems Services Corporation (a subsidiary of IBM) at the time, and Marketing Executive John Patrick who has the same perception with him.

To handle the large plan, Gerstner eventually formed Internet Division under the command of Irving Wladawsky-Berger, with the task of formulating and launching the company's internet strategy across all business units.

So in the fall of 1997, Louis Gerstner through IBM's marketing make a creative campaign to encourage and provide services that each company is able to implement e-business and use the Internet as a business value.

## **II.4 Business to Consumer and Consumer to Consumer Model in Social Media Online Business**

Business to Consumer and Consumer to Consumer model business in Social media utilize broadcast and mentioning to the consumer to show our product. This model business also will grow fast because it doesn't need big fund to make a shop. With this business model it will make people easy to make online business. An example is when a Shirt company wants to make the company well-known names, they just need to make broadcast and introduce their products to other users through a mention or broadcast. Users who see the ad are expected to buy the products he sold. Social media can make business easy with mentioning or broadcasting. All of social media which has broadcast or mentioning feature like BBM, Line, Twitter, and Facebook will be social media that people will sell their product there.

## **CHAPTER III**

### **PROBLEM ANALYSIS**

#### **III.1 Comparison Among Social Media Which The Best For Online Business**

Social Media is the best media for online business. As we know, alot of social media out there can be a media to promote reader business. Lot of people utililize social media to show their product via their account that created in the social media. If reader register at a social media that have a lot of user, the businesss will growth faster. Especially if reader company always broadcasting your business via a famous account or mentioning other user that has a similar interest with the product.

There are a comparison among Social Media which the best for online Business :

##### **1. Twitter**

Twitter is a microblog social media, reader can post something shortly. In 2010 – 2013 Twitter is a famous Social Media. Using twitter as media to promote the product is good at that years. But now people move from twitter, the reason is people want a social media that have a lot of feature. Twitter only has 140 characters to post and its very short, that's the reason why people start to move on from twitter now.

##### **2. Facebook**

Facebook is a social media which famous at 2009 – now. People choose facebook because facebook has a lot of feature. With Facebook reader can make a group or community, fanpages or official page for reader company, and also facebook has a advertisement at right side if reader want to show the product or the company page there. Nowadays, Facebook is still trend in Indonesia and alot of people still using Facebook rather than twitter. The reason is Facebook has many feature than Twitter.

##### **3. Instagram**

Instagram is a social media to posting a picture. Nowadays people in Indonesia using intagram for endorsing (promote product), and show their account company product. As we can see, alot of our public figure like our Famous Actor, Public Figure and Famous Teenagers using instagram to business. Rather than show their activity or moment, they also business with other company in endorsing (promote product).

#### **4. Line**

Line is a social media like a BBM. Line is operate in Android OS. Line is choosen by alot of company because in Indonesia, there are alot of Line user. Line is good for social media business because they have a fanpages or official account pages like a facebook. Line also operate in Smartphone and people nowadays prefer playing Smartphone rather than PC (Personal Computer). The reason is smartphone is more flexible and simple rather than personal computer. Line Official Account or Fanpages also have a feature to broadcast their adders (user who add their Official Account). With powerful and alot of feature, Line is choosen by many people to promote their product, Especially for Consumer-to-Consumer method.

#### **5. Kaskus**

Kaskus is indonesian famous forum. In that forum we can do many things such as posting a technology thread, chat with other user on a group, or even sell our product there on sub forum called “Forum Jual Beli” (FJB). Kaskus is very suitable for online business because kaskus has a feature to make a thread and inside your thread you can post all of your product picture. So the customer can see the product that you sale inside your thread. Your product also will be put in a certain category. Example if a company sell MicroSd, Flashdisk, Computer, Laptop then the thread will be put in inside the technology and electronic category. This division category make the product will be easily found because people who buy and search the product certainly are the people who understand and need items in technology or electronic.

### **III.2 Advantages and Disadvantages of Business Online in Social Media**

#### **A. Advantages**

##### **1. Less Fund**

Using Social Media as a media of business can make company fund only spend less. That is because you don't need to search a place to make the shop, reader doesn't need rent a place to build the shop, and also reader doesn't need fund if reader are a reseller of one product company such as wardah cosmetic company.

## **2. Effective Marketing and Promotions**

This can happen because the companies or business use the social media to do marketing and promotion. For example there are a feature in Line@ (Official Account or Fanpages) called Broadcast, if a official account has many adders (line user who add that official account) they can tell anything or everything they want and the message will be recieved by their adders. Reader can show the product via advertisement on their broadcast and your product will known-well.

## **3. No Matter The Distance**

No matter if reader are in Jakarta and the customer in Malang. Reader can still do a transaction because the product can be package and send via Freight Forwarding Service such as Tiki, Pos Indonesia, and JNE. The customer can transfer their money via bank and show the transfer evidence to reader.

## **4. The Costs can be Reduced**

E-business can be used for those who want to reduce costs. Store operating costs, electricity costs, and salaries can be reduced because reader can do it by yourself. If reader are consumer to consumer business type, reader only need internet and the business will goes well.

# **B. Disadvantages**

## **1. Costumer Confidence**

If reader new with the online business via social media, reader need a long time to make a confidence to the costumer. Costumer rather choose the old seller rather than new shop without alot of testimonial. If reader sell product to the costumer and the costumer didn't feel satisfied with the product, the product will be bad because they will tell your shop is bad to the other costumer.

## **2. Many Competitors**

Don't think there are only one company who sell Shirt or Phone in the Social Media. There are a lot of your competitors who sell the same product. To make the Business keep growth, you must use a unique tricks and promotion to make the customer keep choose your product. The quality of product also should be keep or increased if you want your customer keep chose your shop.

### 3. Slow Respond

This is happened if reader are a consumer to consumer business types. If the reader have online business, the reader will do it everything by yourself. Tell product to the consumer, send the package, check the transfer bank, check email, etc. Reader time will be divided to service between one customer to other customer. Sometimes there are a customer which didn't patience, they want reader to fast respond to buy the product. If reader make a slow respond, surely that customer will runaway from reader shop and choose the other shop which has fast respond reply.

## III.3 Company Progress and Growth With Online Business

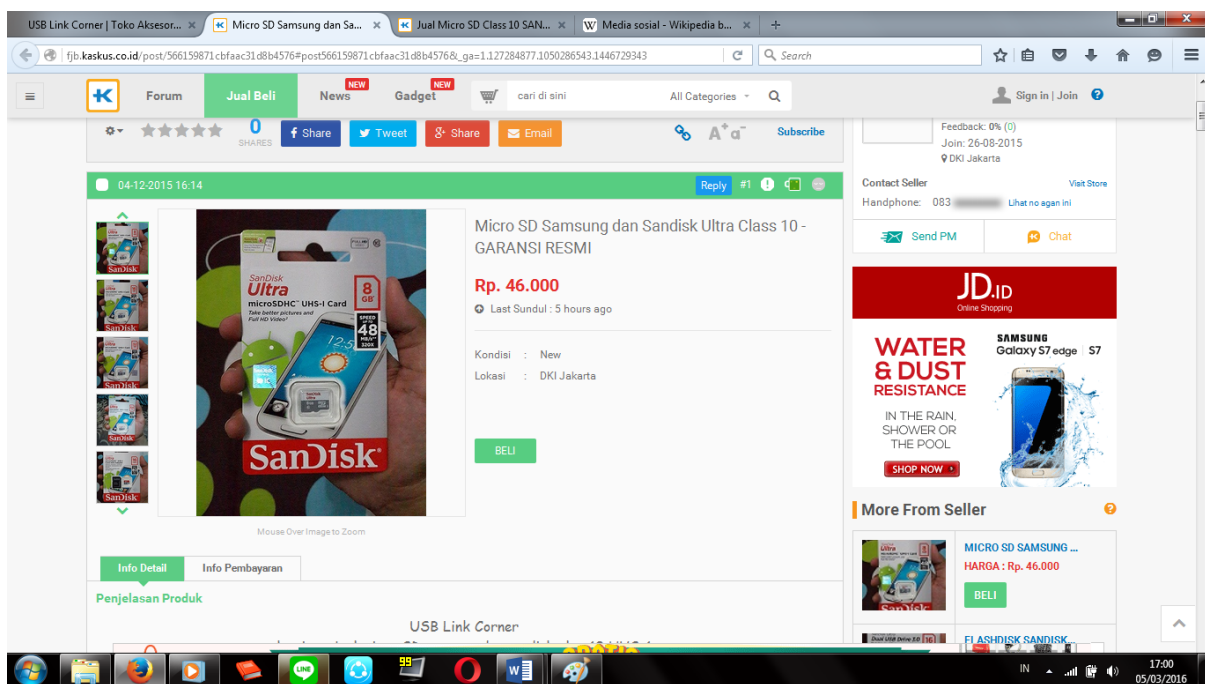


Figure 3.1 USB LinkCorner Flashdisk and MicroSD Seller on Kaskus

Ref : [www.fjb.kaskus.co.id](http://www.fjb.kaskus.co.id)

Online Business make a person easily show their product to the customer. As example we make a interview with the owner of thread MicroSD seller which sell their product on Kaskus. His name is Bagus Yudo Hadiyanto and he is 23 years old. Bagus is a owner of MicoSD Seller thread on Kaskus. Bagus explain, that he is only a reseller and he doesn't have a store outside there. Bagus only have a online shop. Bagus also didn't work and focus only to his business. "At the start of business and little of fund, online shop is the best business because it more efficient and today average of people busy with their work and they don't have a time

to buy directly to shop” said Bagus. He said his business slowly increasing with the social media.

To make his business keep growth and increase Bagus always make a unique promotion from his online business. Bagus also tell us to make the customer confidence and satisfied with his service, he always try to reply and service the customer with fast respond in order to make customer feel satisfied with his service.

## **CHAPTER IV**

### **CONCLUSION AND SUGGESTUION**

#### **IV.1 Conclusion**

Social media is a place where people always do interaction with other user. There are a lot of activity inside social media, such as playing a games, chatting, cheat, transaction, etc. In this paper we tell the utilization of social media as business online. This paper will be suitable to reader who want to know all about business online at social media, the best social media which suitable for online business, and the advantages and disadvantages of business inside social media

#### **IV.2 Suggestion**

1. Choose Social Media that reader like who use it everyday.
2. Make your online shop always up to date with a new brand.
3. Control the online shop with everyday to make sure there are a new customer who want to buy the product
4. Make the respond fast so the customer won't wait it too long.

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