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To cite this article: E S Soegoto and M S F Rafi 2018 *IOP Conf. Ser.: Mater. Sci. Eng.* **407** 012059

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Internet role in improving business transaction

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Abstract. The purpose of this study is to determine the role of internet media in effort to improve business transactions and improve the economy. This study uses descriptive analysis method to analyze the level of sales and purchases in online business. Data collection techniques used in this study is observation and interview methods. The results of this study indicate that the internet proved to increase the effectiveness of business transactions. The results of this study are expected to contribute to support research previous research on the use of the internet in the business world.

1. The first section in your paper

Marketing is one of the vital tools in a business, a good marketing system is a supporter of the life cycle of a product (product lifecycle). Marketing is not just a good product development, attractive pricing, and availability for target consumer. a companies also need to communicate with consumers. Constraints faced by the media on the efficiency of the budget for marketing communications. Especially information technology is affecting the world of internet marketing, even the use of internet for marketing is considered as a trend setter [1]. The Internet can be considered as the beginning of the new media era because the Internet is very different from the previous media. At the beginning, the application on the Internet only Website and e-mail but now all fields require the internet media to expand marketing [2]. Internet use makes marketing affordable to everyone [3].

Other researchers who discussed same topic was Jacob Kiang, M. Y, he stated that a review of marketing channel choice literature reveals a set of factors and channel choice functions that are considered important in making channel decisions. Using this as a basis, four major channel functions, namely, product customization, availability, logistics, and transaction complexity are considered relevant in understanding the implications for Internet marketing. By building upon previous research in the area of channel selection, we provide a means of classifying Internet marketing initiatives based on product characteristics. The classification scheme based on product characteristics can help analyze the significance of each factor on the success of a firm's online marketing approach. Further, the classification scheme is used to discuss decision support implications [4].

Jauhari explained the development of small and medium enterprises. Small and medium enterprises (SME) is one of the contributing factors in promoting economic growth in Indonesia. This is because the absorptive capacity of SMEs to employment is very large and close to poor people. But SMEs in Indonesia still face various problems such as issues of promotion, marketing and sales of products produced. Along with the development of information and communication technology, it has also been used for marketing and sales of products through the virtual world that is often called E-commerce.



Sales and marketing of products through cyberspace has many advantages, such as a wide range, not knowing space and time, can be done anytime and anywhere. Therefore, E-commerce is worth trying to help develop SMEs in Indonesia [5].

Yuliana, O explained that the uses of internet in business are for information exchange, product catalog, promotion media, electronic mail, bulletin boards, electronic questioner, and mailing list. Internet can also be used for dialog, discussion, and consultation with customer online, therefore consumer can be proactively and interactively involved in designing, developing, marketing, and selling products. There are 2 methods for marketing products via internet, which are push and pull marketing. The advantages of internet in business strategy are global and interactive communication, information supply; consumer-based service; increased cooperation; possibility to open new marketplace, product or services; and integrated the activity on-line. There are 2 applications in electronic commerce, which are business-to-business and business-to-consumer commerce. Electronic commerce payment transaction is arranged by Electronic Funds Transfer system, whereas the data security is governed by Secure Socket Layer, which then be developed to Secure Electronic Transaction [6].

From the above reference there is no information of the increasing scale of business transactions, so we cannot calculate the presented data. We use the description method to analyze how the influence of the internet in making it easy for customers to go shopping. For that, running the business must be designed carefully to increase sales [7-10]. This research uses descriptive analysis method to analyze the level of sales and purchases in online business. Data collection techniques used in this research is observation and interview methods. The results of this study indicate that the internet proved to increase the effectiveness of business transactions. The results of this study are expected to contribute to support research previous research on the use of the internet in business world.

2. Method

This research used descriptive analysis method and use case study at one of online application that is Kudo. In addition, interview and observation methods conducted to support existing data. Kudo is an online application that acts as a sales and purchase medium. Unlike other e-commerce applications Kudo also opens an agent facility for its users. The principle of this application is online go to Offline which allows agents to be a place of purchase for people who cannot access the application directly. And also, this application can be used as a case study for this research.

3. Results and Discussion

3.1. KUDO (*Kios Untuk Dagang Online*)

There are many online shops in Indonesia; Bukalapak, Tokopedia, OLX, and KUDO. The number of internet users and mobile internet in Indonesia makes many Indonesian people make startup as business opportunity and not only business opportunity, they also build a startup to facilitate various activities or user work.

KUDO (Kiosk for Online Commerce). KUDO was established in July 2014. They developed practical solutions marketplace and payment ecosystem in Indonesia. The forms of e-Commerce from KUDO are B2B and B2C. (See Figure 1).



Figure 1. KUDO's logo.

Kudo has many services which can be used that is household appliances, electronics, fashion, cosmetics, credit transaction, game voucher, insurance, bill payment and ticket booking (See Figure 2).

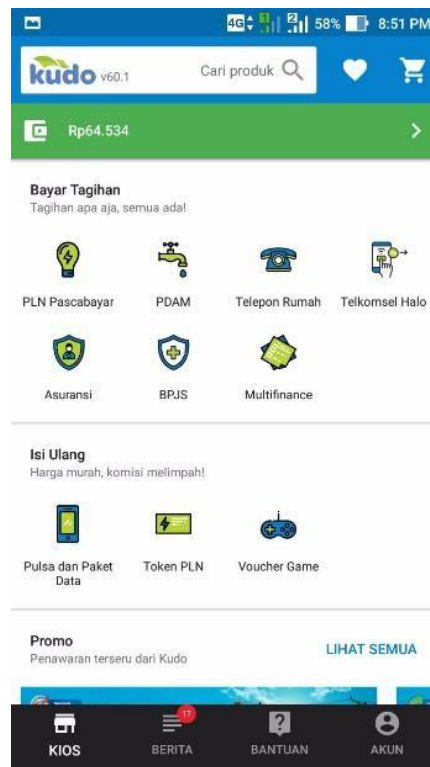


Figure 2. Homepage.

3.2. B2C relationship

Kudo markets its products through people who open businesses using services provided by kudo. The requirement to use the service is the agent is required to register and perform the verification in the form of photo of ID and photo of self to guarantee security and comfort of transaction.

Agents, or e-agents within the Internet, function as independent representations of various companies. They work on commission, usually about 5% of net sales. Agents have extensive knowledge of goods and services. They are an extension of the producers who do not have their own seller. (See Figure 3).



Figure 3. Second part of KUDO service.

Kudo agent cannot directly use the service mentioned earlier, because the agent is required to fill the balance of the deposit in advance with a minimum charge of Rp50.000, - and the balance will be reduced in accordance with the amount of balances issued on kudo services. Kudo will give bonuses or commissions to Kudo agents in the form of balance and can be used to use the services kudo

3.3. B2B relationship

Groove on System Design This online sales information starts from a customer that connects to both e-commerce service servers and applications via a computer network connection (Internet or intranet) and uses an intermediate application, such as a web browser. Then the buyer login to the system and do the registration first. The system in e-commerce will store data registration and registration verification (including login verification into the system).

The b2b relationship is seen in kudo cooperation with startup in the Grab transport field with the type of cooperation on the trade. Grab provides driver recruitment facility through kudo with kudo agent. Agent will get paid or commission in the form of deposit balance when registering driver grab through kudo application.

Kudo not only cooperates with grab in trading form. Kudo also cooperates with startup bukalapak and tokopedia in providing household goods, electronics, fashion and others. As an intermediary, Kudo does not provide the goods directly. Bukalapak and Tokopedia are the goods provider. (See Figure 4).



Figure 4. Third part of KUDO service.

3.4. Flowchart

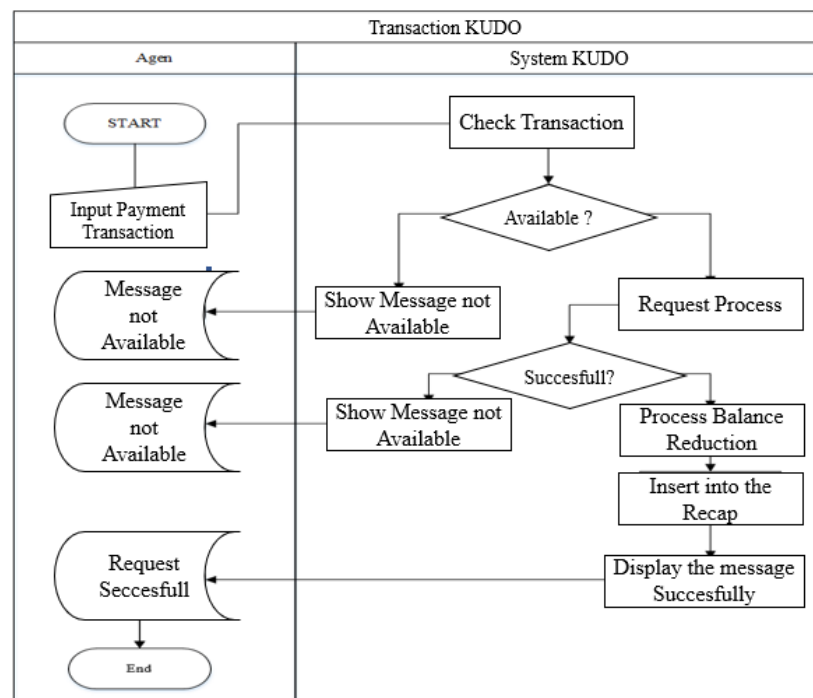


Figure 5. Flowchart transaksi Kudo.

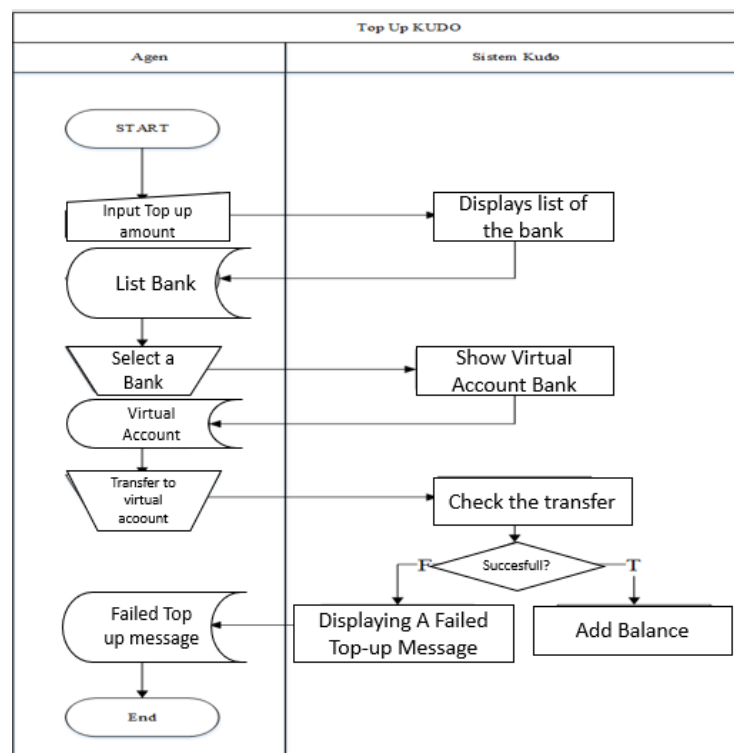


Figure 6. Flowchart Balance Transaction KUDO.

3.5. Data processing

The availability of the bookkeeping process in the application makes the number of transactions increasing. If using 1 all operator chip for credit transactions and PPOB was done separately so slow transaction cause a transaction to be reduced. This is different from KUDO where all services use one server so the transaction is fairly fast and due to the varied services then the transaction increases.

The use of the Internet in the field of business can improve business transactions clearly. As in kudo application, where kudo implements the internet as a means of transaction between kudo with its agent to enjoy the services that exist on kudo and kudo cooperation with kudo add service that can also be used by agent to register kudo driver. With the form of kudo application that is easy to learn, understood and understood it affects the user performance, simplify the work and very useful for user's kudo with such a transaction then it can be increased from not using online market by using internet service.

4. Conclusion

We have analyzed whether Internet-based applications can improve business transactions. For example, one store wants to expand its sales. Therefore, the store will try to improve the good service for consumers, one of them by making it easy and accessible whenever and wherever, without having consumers come to the store. With the online application that provides various options then the consumer is facilitated in its use. The Internet is becoming the dominating medium of sales compared to the traditional way.

This research expects the company to use information technology with internet support for every business process. So that transactions can increase and profit will increase by not neglecting business to business and business to consumer relationship.

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