

FINANCIAL INCENTIVE GAIN E-COMMERCE'S COSTUMER – A STUDY FOR SEREY TO ENTER INDONESIAN MARKET

Muhammad Ali Ridlo Nova Putra

Chhay Lin Lim¹

Surya Raharja²

Departemen Akuntansi Fakultas Ekonomika dan Bisnis Universitas Diponegoro

ABSTRACT

E-commerce is one of the platforms that is being intensively in Indonesia. Offering many promotions is one way to attract the attention of its customers and can increase the users of the platform. The most popular method in using incentive is providing free shipping unto giving cashback to customers. This research studies how the revenue design is formed from providing financial incentives from E-commerce to its customers. This research also provides information, opportunities, and challenges to other platforms by providing financial incentives by analyzing scientific journals and articles and give questioner to Indonesian customer who ever use Indonesian marketplace in this case Tokopedia. After doing this research, and it can be seen what the revenue design looks like, it can be applied to other platforms by providing incentives that will increase the number of e-commerce custom.

Keywords: Incentive Mechanism, Serey application, Blockchain, e-Commerce.

PENDAHULUAN

Looking at today's world nowadays it is easier to do many things, one of which is shopping. Using an online shopping platform has many conveniences and benefits because it uses advanced technology. The advancement of technology and information systems forces the emergence of digitalization processes such as e-commerce. E-commerce has grown in popularity in Indonesia since it offers several benefits and advantages for expanding the market and remaining competitive. Enhance, the benefit that e-commerce could give is an incentive. It can attract more customers who want to shop. Many companies have done things like this in Indonesia to attract more markets.

A company called "Tokopedia," based in Indonesia is the largest e-commerce company that has become a new unicorn company. In 2018, the transaction value of Tokopedia was US\$ 5.9 billion. The consumer-to-consumer platform is Tokopedia's mainstay business with a transaction value of US\$ 5.6 billion, while business to consumer is only US\$ 148 million. This company already has an extensive network and a comprehensive market by providing many offers for its customers through discounts, cashback, and incentives. Therefore, Tokopedia can be a company that many other companies can follow.

Incentivizing the customers can be an effective way to gain satisfaction and increase the company's revenue. By using marketing costs, the company distributes them directly to customers to increase trust and satisfaction. Incentives may provide more experiential consumption, enjoyment, enjoyment, and excitement. The most usual method of financial incentives is by using prices discount, free shipping, and bonuses.

In an e-commerce platform or e-business, giving incentives to the customers is very effective in increasing the number of users on the forum. This will undoubtedly be maintained, and for certain products and services, there will even be an increase in this

¹ Corresponding author

pressure. The change in the customers' lifestyle can be essential in keeping users using the e-commerce platform.

In this research, Serey will be the focal point of this research. Serey is a blockchain-based company that believes in neutral and agnostic ways of providing everyone equal access. Chhay Lin, one of Serey's two founders, feels that Serey fosters creativity, self-development, and autonomy. The platform aims to replace the old inefficient and unfair legacy companies such as Google and Facebook. In Serey, there are two platforms such as social blogging and marketplace or e-commerce. Both platforms can use coins that Serey created. The company combines to create Serey coin and Serey power to make the transaction on the platform by using blockchain technology.

Nowadays, in Indonesia, many e-commerce platform users have increased significantly. Therefore, blockchain integration has potential in this area, "While the technology may be relatively new, there is one big reason why blockchain e-commerce platforms are gaining traction: they benefit both merchants and consumers". In addition, e-commerce can provide incentives to the customers to gain the market. At the same time, Serey needs to expand its market reach by offering its existing platform that already relies on a blockchain base. However, Serey was able to enter the Indonesian market by introducing the marketplace they have by adapting to the online market in Indonesia. However, Serey's problem is that they do not know about the revenue design done by most online market platforms in Indonesia.

KERANGKA PEMIKIRAN TEORITIS DAN PERUMUSAN HIPOTESIS

Incentive mechanism

The main incentive systems employ various incentive methods, standardize and relatively fix them, and interact with the incentive object in structure style and the relationship and evolution in the organization system. Furthermore, incentives (or incentive mechanisms) are a tool for influencing and improving individual behavior in the desired direction, such as the production and maintenance of acceptable participatory behavior in online communities in the context of our work. Incentive mechanisms are currently used in various offline environments, including groups, communities, and organizations. Examples of incentives are the educational campaigns and home visits employed in urban slums for encouraging people to participate in solid waste handling. USA psychologist A H Maslow put forward that the demand of people is divided into five parts, namely the physiological demand, security requirements social demand, contacts, and esteem needs. Lyman Porter and Edward Lawler's explain how interaction will stimulate the process as an external stimulus, the internal state of the individual, their conduct, and the process' behavior motivation is a dynamic cycle process that includes reward goals, efforts, performance, reward and satisfaction, effort, individual goals, reward expectations, perceived fairness, and a variety of other aspects like power consumption ability.

Incentive Mechanism in Blockchain

Blockchain concepts and applications are currently in the process of disrupting the current technological advancement in many industries. Blockchain is a system of ledgers that use cryptographic techniques to enable the security of data. Blockchain consists of collections of data sets linked together by a chain of data packages (blocks), each containing multiple transactions. According to this argument, a blockchain is made up of complicated transactions that make transactions safe and transparent. Several sections of economics are concerned with how system design affects behavior. Three vital areas are contract theory (which includes the study of pay-for-performance), market design, and the economics of information. The design of incentives is an essential aspect of the overall

economic design of successful blockchain networks. The component builds on the value proposition and constructs the system for which the platform's token will be built. It is the system's core from an economic standpoint.

In the incentive mechanism, there are several options to share incentives using blockchain technology, a Centralized Platform based on user reputation, quality evaluation, distributed platform incentive framework, and realization.

Serey Application

They established a platform based on the blockchain system divided into different uses in the Serey application. Serey has established a Serey wallet and a Serey marketplace to connect in this scenario, which can be utilized as e-commerce, especially in Indonesia. People may use the Serey Wallet to make payments and store their bitcoins, which are vital for adoption. This is a lot more user-friendly, especially for people unaware of cryptocurrency. Users can also access a wide range of different decentralized application (dApp). People who want to play games or go to the Serey Marketplace can do it with a single click from their Wallet. The Serey Marketplace is the first decentralized market platform that includes a vote and rating system based on blockchain technology. On the Serey Marketplace, Serey coins are utilized as a utility token. Users can vote on product offers, reviews, comments, and ratings using the token. Because Serey coins are scarce with a market value, obtaining them for manipulation comes with a cost.

One of Serey's gems is the marketplace. It is one of the essential platforms for bringing Serey into the public, and many cryptocurrencies do not have any use for their coins at present. The maker may provide them with a customized version of the Serey Marketplace to meet their specific requirements. Thanks to a modified Serey Wallet, they have a fully functional marketplace that incorporates their cryptocurrency. People can still purchase and sell in another cryptocurrency. Serey coin is one of the company's new cryptocurrencies. Using this coin on the Serey platform's ecosystem will be easier if the customers use it. The utility token of the Serey ecosystem is used to moderate and vote on postings. The user controls the platform when the user has Serey coins in their possession. Furthermore, similar to Bitcoin, this coin can be used as a store of wealth and a medium of exchange. Serey can offer incentives to users via the SRY Token, which is also linked to the Serey Coin and can be used as a transaction tool in its application, which already uses blockchain technology. In the Serey application, SRY Tokens come from the new block produced. Every 3 seconds, a new block is produced, which coincides with the issuance of new SRY tokens

Indonesian E-commerce

E-commerce, as information technology is applied to commercial domains, is thought to lower unit transaction costs by substituting computer data processing and internet connections for labor services in transaction output. Online marketplace websites are one e-commerce form with a marketplace model. The seller is not the site provider but a member registering to sell their products on the marketplace website. The marketplace is considered an online service provider. However, the seller is not the site provider but a member registering to sell their products on the marketplace website. The high number of vendors and consumers who joined the e-commerce website determines the success of e-commerce with this marketplace model. For instance, famous Indonesian e-commerce is Tokopedia, an e-commerce website or a place to open an online store for free and do online shopping. In its promotional activities, Tokopedia claims to be the largest online mall in Indonesia and is a gathering place for trusted online shops in Indonesia with the best prices. On its official website, Tokopedia states that Tokopedia is an internet company that allows every individual and business owner in Indonesia to develop and manage a

business. Tokopedia, which has also carried out promotions in many industries, is one of the online services increasingly rising in today's diverse media providers to carry out promotional activities. One example is offering discounts or incentives in bonuses to its clients.

People nowadays have the money to spend on goods at any time and from any location. In recent years, internet shopping has become more prevalent in Indonesia. The rise of online shopping in Indonesia has also expanded. One of the reasons internet shopping has become a global phenomenon is that it provides convenience, flexibility, and time efficiency for both vendors and consumers. In practice, consumers who trade on a platform or marketplace, or what we commonly refer to as e-commerce in Indonesia, have various options for attracting customers. Most individuals will buy or use profitable platforms, such as e-commerce, which provides free shipping on all purchases above a certain level. Then there is a platform that gives its clients a bonus or incentive, which will appeal to many customers because it creates the image of being less expensive and guarantees that they always get a discount. Coupled with the epidemic of recent years, this has resulted in more customers in Indonesia, as they cannot leave the house to purchase the items they desire. According to a survey conducted by Rakuten Insight, 55 percent of the respondents stated they purchased more online during the COVID-19 pandemic in Indonesia as of May 2020.

METODE PENELITIAN

This research is qualitative because this research is about market research on the Indonesian market. To better understand the population, this research will be conducting a survey method using questioner that measures the analysis of customer behavior and the interest of consumers in the existing platform in Indonesia. In this case, the author will measure the Indonesian e-commerce platform, namely Tokopedia. Data collection for this research will use both primary and secondary data. Primary data can be collected using the survey method and secondary data can be obtained by gathering information, data, or related expertise from various sources

HASIL PENELITIAN DAN PEMBAHASAN

Tokopedia has succeeded in becoming one of the fastest growing Indonesian internet companies. By carrying out the online marketplace and mall business model, Tokopedia allows every individual, small store and brand to open and manage an online store. Since its launch until the end of 2015, Tokopedia's basic services can be used by everyone for free. In the Serey platform, the way to give incentives is to use the Serey power provided by every customer who uploads something to their social media, such as writing something or sharing photos or videos. By sharing this, customers will gain Serey power from the number of likes they receive. The number of likes will be automatically converted to Serey Power, which can then be exchanged for Serey Wallet and Serey Coin, the platform's cryptocurrency. This SRY Token can be spent on the Serey platform and exchanged for cash for other tokens

Serey may optimize the incentives given previously, which were previously exclusively given to social bloggers but can now be adapted to the marketplace platform they have, by employing the same way as what already exists. Serey can change the giving of likes, which could provide incentives to those who upload on the Serey social media platform. The Serey marketplace can provide the same thing by buying from the platform, and the customer gets Serey power, which can be used as a Serey coin. Then it can be

converted into cryptocurrency, which has value and can be cashed or exchanged for other currencies

e-Commerce is a process of buying and selling products electronically by consumers and from company to company with computers as intermediaries for business transactions. It is useful in reducing administrative costs and business process cycle times and improving relationships with both business partners and customers. Financial incentives are defined as extra income in the form of money provided by the corporation as a motivator for passionate work. This goal can be achieved by enlisting the participation of every employee in the program. One company, for example, gave both employees who assist initiative owners and the initiative owners themselves a small piece of the transformation-incentives pool. The temporary price reduction motivates customers to make their purchases quickly before the price returns to normal. This can help a company meet sales goals for a specific period.

Indonesia has the highest transaction value in Southeast Asia with an economic value up to \$44 billion in 2020 and is also predicted to reach \$124 billion by 2025 (Tempo, 2021). In addition, Indonesia is one of the world's leading contributors to internet use. Furthermore, Indonesia has the most extensive online commerce market in Southeast Asia, generating \$ 2.5 billion in revenue. Jakarta accounts for 55% of online commerce spending. Tokopedia can gain many customers by leveraging very high consumer enthusiasm with discounts and cashback promotions. When combined with Tokopedia, the platform is user-friendly and straightforward for all customers. Tokopedia uses various methods to attract customers who want to shop online.

In terms of marketing, Tokopedia has done many things to attract users to use its services as a marketplace that provides for the needs of the Indonesian people. The strategy taken by Tokopedia in promoting their products is through clans which are very attractive to customers with various promotions provided such as free shipping, significant discounts, and others. The purpose of the promotion strategy is to increase the trust of sellers and buyers to create trans loyalty (mutual trust). The next goal is to create economic equality in Indonesia, where Tokopedia is one of the e-commerce that has changed the economic order in buying and selling.

KESIMPULAN

Blockchain is an essential part of cryptocurrency. Its function is to the processor the data and the marketing value. Financial technology needs these blockchains as the incentive of popular rewards nowadays. It is not only for the miners, or the user involved in the crypto technology, but it is also the sponsor of the platforms. Furthermore, it can also provide financial assistance to the marketplace that Serey is building. Doing the same with their social blogging and adapting it to the e-commerce section will be very helpful in terms of promotion and will also increase the number of users of the Serey platform.

The online platforms or the online shop on nowadays are having the differentiation. The differences are the given of bonuses such as coin on their account after buying the stuff. It is caution of Serey app as the processor of the account or integration wallet, which are it given the innovation for the platform's users. Serey should add a financial incentive feature in their marketplace so that users can get more benefits from the application. Likewise, this method can add customers as well as one of the marketing methods that Serey itself can do.

As a developing platform, Serey can offer additional services to keep clients, such as cooperating with shipping firms or shipping companies that can assist customers who buy at a lesser price with delivery. Then, with this service, you may improve the security of items traded by Serey platform users

REFERENSI

- Barrera, C., PhD. (2018, December 20). Blockchain Incentive Structures: What they are and why they matter. Medium. <https://medium.com/prysmeconomics/blockchain-incentives-101-what-they-are-and-why-they-matter-5127afb56aeb>
- Bonnie, E. (2021, July 1). Blockchain Simplified: Benefits of Blockchain in Ecommerce. CleverTap. <https://clevertap.com/blog/blockchain-in-ecommerce/>
- Casey, M., Crane, J., Gensler, G., Johnson, S., & Narula, N. (2018). The Impact of Blockchain on Finance: A Catalyst for Change. *International Center for Monetary and Banking Studies*, 1-106.
- Chen, S., Li, B., Rui, L., Wang, J., & Chen, X. (2022). A blockchain-based creditable and distributed incentive mechanism for participant mobile crowdsensing in edge computing. *Mathematical Biosciences and Engineering*, 19(4), 3285–3312. <https://doi.org/10.3934/mbe.2022152>
- Enhancing Community Motivation and Participation in Solid Waste Management (No. 1–6). (1999). Zurbrügg, C., Ahmed, R.
- Huhn, J. (2021, June 27). The Top 5 Benefits of Running Customer Incentive Programs. Referral Rock Blog. Retrieved March 2022, from <https://referralrock.com/blog/customer-incentive-program/>
- Irawan, A., & Raya, U. S. (n.d.). Jenis-jenis E-commerce.
- Ismanto, L., Ar, H. S., Fajar, A. N., Sfenrianto, & Bachtiar, S. (2019). Blockchain as E-Commerce Platform in Indonesia. *Journal of Physics: Conference Series*, 1179, 012114. <https://doi.org/10.1088/1742-6596/1179/1/012114>
- Jayani, D. H. (2019). Tokopedia, E-Commerce dengan Nilai Transaksi Terbesar. Databoks. <https://databoks.katadata.co.id/datapublish/2019/10/15/2014-2023-nilai-transaksi-tokopedia-terbesar-dibandingkan-e-commerce-lainnya>
- Nofer, M., Gomber, P., Hinz, O., & Schiereck, D. (2017). Blockchain.
- Pradana, M. (2015). KLASIFIKASI BISNIS E-COMMERCE DI INDONESIA. *Modus*, 27(2), 163–174.
- Serey, (2020). White Paper.
- Statista. (2021, October 19). Online purchase behavior during COVID-19 pandemic Indonesia 2020. <https://www.statista.com/statistics/1127876/indonesia-impact-on-online-purchase-behavior-covid-19/#:%7E:text=Online%20purchase%20behavior%20during%20COVID%2D19%20pandemic%20Indonesia%202020&text=According%20to%20a%20survey%20conducted,did%20not%20make%20online%20purchases.>
- Tempo. (2021, May 25). Tokopedia's Strategy in Becoming the Indonesian Marketplace Leader. Tempo. <https://en.tempo.co/read/1465549/tokopedias-strategy-in-becoming-the-indonesian-marketplace-leader>
- Vafainia, S., Breugelmans, E., & Bijmolt, T. (2019). Calling Customers to Take Action: The Impact of Incentive and Customer Characteristics on Direct Mailing Effectiveness. *Journal of Interactive Marketing*, 45, 62–80. <https://doi.org/10.1016/j.intmar.2018.11.003>