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## **Jurnal InterAct**





## ANALYSIS OF CORPORATE REPUTATION BUILDING THROUGH CORPORATE STORY STRATEGY

## (CASE STUDY ON GO-JEK ONLINE-BASED TRANSPORTATION SERVICE)

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### ABSTRACT

Reputation is important to strengthen the attractiveness of a company. Company with a positive reputation can more easily attract the target market by showing the uniqueness of the company as a competitive advantage. Nowadays, more and more companies are trying to build a positive reputation in order to maintain its success for long term. The purpose of this study is to analyze how the reputation building at Gojek as one of the technology-based companies through corporate story strategy that followed. This study uses qualitative research method by conducting content analysis techniques and in-depth interviews to many customers as their stakeholders. Content analysis was carried out on the content of www.go-jek.com site and the results showed that activity is a key element and is most strongly represented the corporate story in their official website. By implementing this corporate story strategy, Gojek can build a reputation platform by presenting elements of "mission", "morality" and "behavior" that can guide stakeholder belief and perception to a good reputation.

#### INTRODUCTION

In today's business competition, the sustainability of a company is not only seen from the superiority of the product or produces. This service it digitalization brings a change in which competition is measured by making the innovation. Companies are required to move quickly in order to catch the opportunities in the future. It certainly cannot be separated from the support of internal and external parties in order to create competitive advantage of the company so that it can be different from its competitors. That support can be achieved long-term through communication strategy to create a link between the company and its stakeholders that will help the company to build a good reputation.

## THEORY & METHODOLOGY

Reputation has an important role to the success and survival of a company. According to Van Riel and Fombrun (2007), reputation is "a conclusion or final assessment of the public against a company after their interaction in the long term. Reputations are overall assessments of organizations by their stakeholders. aggregate perceptions They are stakeholders of an organization's ability to fulfil their expectations, whether these stakeholders are interested in buying the company's products, working for the company, or investing in the company's shares". Reputation is also regarded as a valuable non-physical asset that may affect the value and profitability of the company in the future. Thus, managing reputation is considered much more complicated than selling products or services to consumers. A good reputation will have a good impact on the company, otherwise a bad reputation can have an impact on the collapse of company.

Reputation is dynamic that can change rapidly. It requires companies to be able for creating a strategy that will be implemented effectively in improving the competitive ability to fulfill the expectations of stakeholders that will develop a good reputation. To obtain a good reputation can be built through many ways, one of which is through the implementation corporate of strategies. Corporate story is a description that explains the essence of the company all stakeholders. For creating corporate story, companies need the unique elements accompany of company to be communicated to the public with an interesting way.

PT. Gojek Indonesia is one of the built companies that is through technological developments. Gojek is a technology-based transportation services in the form of a mobile application that offers all the convenience of driving quickly and efficiently. In addition, Gojek also offers solutions in the delivery of goods, ordering food, purchasing credit, shopping and many features of the service in the application. Gojek presence in Indonesia is a picture of rapid advances in technology. Focused on innovation. services of Gojek was able to make the differentiation for its competitors and customers.

For companies that are growing rapidly as Gojek, it is necessary to tell the story about itself that its name be kept in mind of their stakeholders and its main essence can be captured by internal and external audiences. A strong and consistent corporate story may also build company's reputation platform, emphasizing the differentiation from its competitors. This research discusses six steps a company should take to arrive at a sustainable corporate story: 1) positioning the company, (2) linking the corporate story to the company's identity, (3) linking the corporate story to the company's reputation, (4) plotting the story, (5) implementing the corporate story, and (6) monitoring the story's effectiveness.

#### RESULTS AND DISCUSSION

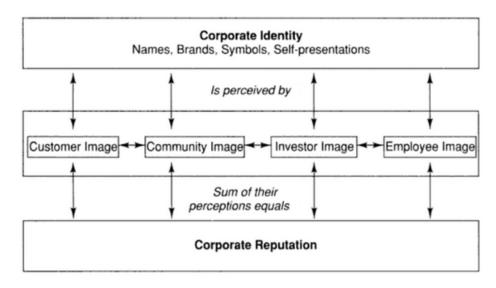
Dowling (1986) defines reputation as "the set of meanings by which a company is known and through which people describe, remember and relate to it. It is the net result of the interaction of a person's beliefs, ideas, feelings and impressions about the company. company will not have an reputation people hold reputations of the company". Van Riel and Fombrun (2007) add that reputations are "overall assessments of organizations by their stakeholders. They are aggregate perceptions by stakeholders of an organization's ability to fulfil their expectations, whether these stakeholders are interested in buying the company's products, working for the company, or investing in the company's shares".

Reputation is certainly important element for the company. Reputation is often regarded as one of the most valuable non-physical assets for a company, which requires maintenance to be valuable and stable. Argenti (2002) proposed three factors to build the corporate reputation: (1) Corporate identity; (2) Overall people's perceived image; (3) Aligning the organization's identity with the image held by its constituents.

Cornelissen (2008) explained that "the concept of corporate identity grew out of a preoccupation in the design and communication communities with the ways in which organizations present themselves to external audiences. Initially, the term was restricted to logos and other elements of visual design, but it gradually encompass all forms cameto communication (corporate advertising, sponsorship, etc) and all forms of outwardfacing behaviour in the marketplace".

Identity is always related with corporate reputation. Company with stronger identities will has more positive reputation. Strong identity will be used as differentiation in order to be understood by stakeholders in according with company's objective. Therefore, companies need to manage the identity they project to all stakeholders to build a positive reputation. According to Dowling (1986), "an image is the set of meanings by which an object is known and through which people describe, remember and relate to it. That is it is the net result of the interaction of a person's beliefs, ideas, feelings and impressions about an object."

When the company can build a unique identity and communicate their



Source: Argenti 2002

**Graphic 1: Corporate Reputation Model** 

consistent image to the public, their identity and image will be aligned to build a good reputation in the minds of all stakeholders. So that, companies must have the ability to utilize communication strategies to sustain their good reputation. There are many ways to communicate impressive messages to all stakeholders, one of them is by developing a corporate story that contains the meaning and understanding of the company.

## **Corporate Story**

The corporate story strategy can be one of valuable communications for a company to create engagement with its stakeholders. The objective is to guide interpretation and communicate essence of the company in many kinds of media. Corporate story can also be useful to develop an understanding of the values of the company, helps products or services of a company to be accepted by consumers, and increases the revenue of the company. According to Van Riel and Fombrun (2007) a corporate story is "a textual description structured communicates the essence of the company to all stakeholders, helps strengthen the bonds that bind employees to company, and successfully positions the company against rivals".

A corporate story presentation should be able to persuade audiences to view, read, and interact directly with the company. corporate The storv implementation can be found in ad impressions, tagline, appearance in social media, visual outlet display, until the official company's website. The company can also build reputation platform through their corporate story, so that the audience may get to know the company based on that platform. A reputation platform describes the root positioning that a company adopts when it presents itself to internal and external audiences.

Three themes seem to characterize the reputation platforms of some of the world's most visible companies (Van Riel dan Fombrun, 2007): Activity theme: some companies try to build reputation around the key activities they are involved in.

Benefit theme: others emphasize the results or benefits of company's activities. Emotional theme: companies differ in their reliance on an emotional theme to inspire support.

Gojek used activity theme to tell their corporate stories. In official website of Gojek (www.go-jek.com) seen that emphasizes Gojek to provide the information about their activities, either already implemented or activities plan for the future. Gojek carried the tagline "one application for all your needs", where it is currently Gojek has been operating in 50 cities in Indonesia with 18 services that from transportation starting logistic service, payment service, food delivery service, and various other services. Gojek divided them to three main services are: Go-jek, Go-life and Go-pay.

Van Riel and Fombrun (2007) suggest that to build a corporate story needs to identify unique elements of the company, creating a plot that weaves them together, and presenting them in an appealing fashion:

## **Unique elements**

The corporate story must be able to identify the unique aspects of the company. Gojek describes themselves as a carrier of the revolution in transportation services. By the development technology, Gojek brought innovation to the mobile application with some useful services for Indonesian society. various benefits and conveniences offered by Gojek can make the Indonesian people to leave the conventional ways on using public transport. Since the main service of Gojek considered very important for the city with heavy traffic levels such as Jakarta and other cities in Indonesia.

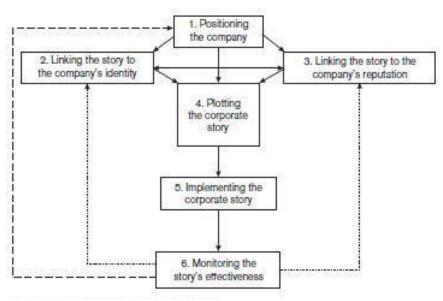
## **Unique plots**

The unique aspect of company has to be connected through a plot. To develop

a unique plot can be implemented by having a storyline. Gojek told their story in the epic form, where they find themselves confronting enemies or obstacles. The emergence of Gojek for the first time brought unexpected controversy with conventional motorcycle taxis (ojek) that makes the safety and performance of Gojek's drivers disturbed. Moreover,

## Unique presentation

Unique presentation style in telling a corporate story demonstrated by how companies present themselves to be able improving a great effect on their reputation. In their corporate story Gojek also discussed the concerns of their several stakeholders. By the advances of



Gojek had ever been hindered by regulation when they not allowed to operate by ORGANDA since according to the Indonesian traffic law No 22, 2009 states that motorcycle is not included into public transport modes.

Source: Van Riel and Fombrun (2007)

Graphic 2: Steps in Developing a Corporate Story

Then Pudji Hartanto, as director general of land transportation at the Transportation Ministry, explained that his institution has continued to hold focus group discussions (FGD) in relation to the proposal to include motorcycles as a public transportation mode. Pudji views that there is an urgency to include motorcycles as a public transportation mode due to the growth of app-based motorcycle taxis (*ojek*). It's because ojek have become necessities. The public definitely wants online ojek to be classified as public transportation mode (https://en.tempo.co).

technology, Gojek would like to give social impact to the drivers who join with them. Gojek with their social mission will improve the better life for its drivers by increasing their income.

Corporate stories can be developed in many ways. Van Riel dan Vombrun (2007) suggests six steps a company should take to arrive at a sustainable corporate story.

## Positioning the company

To build a corporate story must therefore begin by assessing the company's relative position both rivals and stakeholders. Gojek positions itself as one of the technology companies, grows to become an on-demand mobile platform and leading application that provides various services as transportation modes. Gojek using innovation and technology as the basis of its strategic position, which imitated by competitors in similar industries.

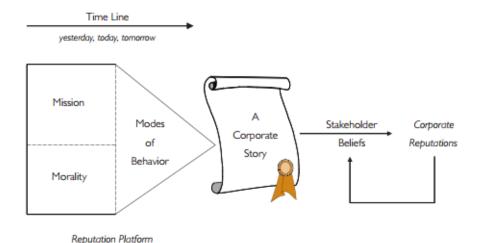
## Competition

Positioning the company in the market place by using competitive advantage. Gojek considers themselves as a revolution creator in the transportation services, which is the first technology-based transportation service company in Indonesia. In order to produce competitive advantage, Gojek has been cooperating with several parties to improve their services. Such as Go-food works with several restaurants, Go-send has synergy with Tokopedia, and Go-pay embraces some of the leading banks in Indonesia.

adding chat features as implemented by Gojek competitors (Grab Bike and Uber).

# Linking the corporate story to the company's identity

A good corporate story must reflect the company's identity. Identity elements become a starting point for developing a sustainable corporate story. introduced themselves through corporate story, with three main values are: Speed, Innovation, and Social Impact. Those main values are going to be keyword will be trusted by their stakeholders. Based on their main values, Gojek describes of their missions are (1) Serve quickly, by still learning to grow from their experiences; (2) Continuously offer new technology to make customer's life easier; (3) Provide a positive social impact as much as possible



Source: Van Riel and Fombrun (2007) Graphic 3: Corporate Story Impact

### **Stakeholders**

Positioning elements for the corporate story should be developed from close inspection of the company's stakeholder. The stakeholder should be interviewed to identify the key concerns they have about the company. In-depth interview with some customers found that the main problem is about maintenance of the application, it should be improved by

for Indonesian people. Gojek explained

that their core activities aim to improve the welfare of workers in various informal sectors in Indonesia.

# Linking the corporate story to the company's reputation

Persuasion by telling the story can change someone's mind and perception. Thus, the corporate story is considered a great communication tactic to bring emotion and belief of stakeholder to the company. Corporate story is able to become media for delivering the goodness

and aspirations of the company to both internal and external audiences.

Dowling (2001) identified the other major elements of a reputation story. The company's mission, morality, and modes of behavior form a "reputation platform," while the current beliefs and expectations of stakeholder form the "court of public opinion" in which the story will be judged. If the corporate story resonates with the values, intuition, and self-interest of key stakeholders, they will reaffirm and update their beliefs.

Well-respected companies identify themselves with a clear mission that appeals to emotion of their stakeholders. According to Dowling (2001), Gojek as *Discovery Companies* that exist primarily to explore, challenge, understand, be creative, and build something new. Gojek communicates their mission to generate social impact for all stakeholders. The mission of Gojek is expected to touch the emotions of stakeholders so that it can build the platform for their reputation.

This process is enhanced through the company's proclamations of its business morality. Gojek expresses a strong morale through a story to increase social value in the long term. Their corporate story expected to emerge the stakeholder's belief by this moral. Gojek proclaimed their story with moral theme about "business for the social good". Morality becomes compass as corporate

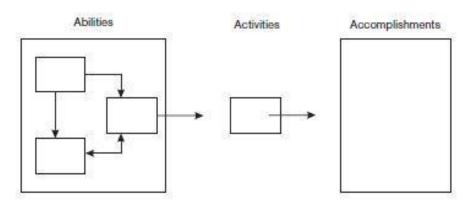
The third critical element of the reputation platform is the mode of behavior of the company. It is reflected on how corporate create values to handle stakeholders' expectation. information on corporate behavior is likely to build an evaluation of the company. Therefore, the thing needs to be concerned is monitoring the stakeholder expectations as the indicator of the authenticity of the corporate story will be assessed. A good corporate story will connect between missions, morals, and behavior of the company. Thus, the company needs to practice what it was proclaimed in the corporate story so that its behavior may give expression to the company's mission.

## Plotting the story

Van Riel and Fombrun (2007) proposed the AAA model below to determine the plot in building a corporate story: Abilities, Activities and Accomplishments

## **Abilities**

A corporate story needs to describe the abilities are identified by exploring how the organization is operating. Gojek has operated in 50 cities in Indonesia with their many services. Gojek offers benefits to their customers by providing core service, which is transportation service in cities with high-level traffic.



guidance to do a good thing. Source: Van Riel and Fombrun (2007) **Graphic 2: Corporate Story AAA Model** 

#### **Activities**

Core activities are identified by explaining the main businesses of the organization. Gojek started out with a call center in 2010. Currently, Gojek has been operating with using the application in 50 cities in Indonesia with three main services are Go-jek, Go-life, and Go-pay.

## Accomplishment

Accomplishments of Gojek are examining identified by customer satisfaction score. Gojek has implemented the rating of the customer to the driver each time the order is completed. GO-JEK has been downloaded more than 44 million times as of July 2017. GO-JEK received award at Global Entrepreneur Program was held in Bali on July 2011. In addition, Gojek also became The Most Innovative Apps at the Golden Ring Awards in 2015.

## **Implementing the corporate story**

Corporate communicate its corporate story with stakeholders through some media. Gojek is already implementing it through their official website (www.go-jek.com) that identified in "About Us" feature. There is an explanation about company's vision, mission, and values.

## Monitoring the story's effectiveness

A corporate story is dynamic, it should be monitored based on the fact and reality. The gap between what the company describes and what is perceived by external audiences can give an assessment to the company's reputation. When the gap is significant, then the company's reputation will be damaged.

Corporate websites are becoming popular media for facilitating dialogue between the company and their stakeholder. The feedback should be analyzed for reactions to elements of the corporate story. Traditionally, the effectiveness of a corporate story can be monitored by conducting dialogue sessions with stakeholders in order to know what stakeholders perceive of corporate story,

and what should be improved in the company.

#### **CONCLUSION**

The purpose of this study is to analyze the content of Gojek corporate story and how their story may be used to build their corporate reputation. One of the most widely used communication media to tell the corporate story is company's official website.

Analysis content was conducted at website www.go-jek.com to identify the elements exist in their corporate story. And the result showed that activity is a key element and is most strongly represents in the website. Then, the activity theme composed by elements of "mission", "morality" and "behavior" of the company. Those elements strongly considered to build the corporate reputation.

However, the story can only be effective when the gaps between the company's claims and the company's actions are minimal. Thus, effectiveness of the corporate story should be monitored by analyzing the feedback from the stakeholder. The results of indepth interviews to some customers found that Gojek services are good enough. The main problem is a distraction when the driver does not know about the direction or destination place. In addition, some of the customers suggest the improvement by adding a chat feature in Gojek application to communicate quickly with the drivers.

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