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Utilization of Communication Technology for Business

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ABSTRACTS

Advances in technology, computers, and telecommunications support the development of internet technology. Currently, the IT function in society has begun to change. Initially, the IT function as a means of exchanging electronic information to an application that is used to implement corporate business strategies such as marketing, sales, and customer service activities. The purpose of this study is to get empirical evidence of the benefits of using communication technology for business people. This research used a descriptive method by conducting a survey in the form of a questionnaire and conducting several further interviews. The results showed that using communication technology such as the Digital Platform can make it easier for sellers to market products and make it easier to interact with buyers. This research discusses that using communication technology such as the Digital Platform is one of the best business strategies. The conclusion obtained in this study is that the Digital Platform is the best solution to expand business networks and make it easier for sellers and buyers to make transactions. The benefit of doing this research is to find out the meaning and purpose of developing business communication by involving digital technology in marketing products or services.

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1. INTRODUCTION

Currently, advances in technology, computers, and telecommunications are growing and changing rapidly. Almost every second, there is always a new invention to improve or perfect previous technology results. With the maturity of technology, various technology types have emerged, one of which is communication technology where all users can connect. However, business people change communication technology's function from a tool for electronic information exchange to a tool for business strategy applications such as marketing, sales, and customer service (Soegoto, E. S., & Huda, M. N. 2019). In addition, communication technology is currently being used for individual needs. For business actors, communication technology can be used to achieve a competitive advantage. Meanwhile, for individual needs, communication technology is used for personal interests such as looking for something needed, such as looking for products, job vacancies, etc. Nowadays, businesses without utilizing technology will not be able to progress and are threatened with bankruptcy. Many business people use technology to support business progress and get the desired benefits. Utilizing technology, one of which is communication technology in the business sector, has a big positive impact on the business nets that we build (Soegoto, E. S., & Wardhani, A. N. K. 2018).

Previous research by Muller explained that the digital platform is one of the results of communication technology. The research shows that the digital platform's main potential is to reduce transaction costs, combine company

strengths, and realize economies of scale and coverage. Digital platforms present challenges such as lack of trust, competitive thinking, high coordination efforts, and classified information loss (Müller, J M. 2019).

This study aims to get empirical evidence of the benefits of use communication technology for business. The data in the study were collected by conducting interviews with business people in the city of Bandung. This research refers to previous research conducted by (Hagi, A., & Wright, J. 2015; Arnold, *et al.*, 2016), (Gawer, A., & Cusumano MA. 2014; Müller, *et al.*, 2018; Koskinen, *et al.*, 2019; Soegoto, E. S., & Akbar, R. 2018), and (Ruggieri, *et al.*, 2018), succeeded in providing empirical evidence that the use of digital platforms has a role in increasing business prospects for various types of businesses.

2. METHOD

This study used a descriptive method with a quantitative approach, in which a survey was conducted through a questionnaire with 17 respondents and conducted further interviews with several respondents. All respondents are Universitas Komputer Indonesia students who have a business, which utilizes communication technology, namely the Digital Platform, to apply business strategies. The period for filling out the questionnaire and interviewing was conducted for 2 days, from 19 to 20 January 2021.

3. RESULTS AND DISCUSSION

3.1. Definition of Digital Platform

Digital Platform is one result of the development of communication technology today. The digital platform is

a technology that enables companies to uniform, edit and distribute data on an unprecedented scale (Yoo, Henfridsson, & Lyytinen, 2010). Companies use the digital platform as a prayer of one way to build a competitive advantage (Parker, Van Alstyne, & Choudary, 2016). By collecting, managing, and analyzing data, a unified platform, for example, partners, customers, and suppliers on one platform that serves the interests of multiple users (Kiel, et al., 2017; Hagi, A., & Wright, J. 2015; Arnold, et al., 2016). It can open up new perspectives and new forms of interaction and relationships. They provide the basis to create new business models (Xie, et al., 2016). In the study, digital platforms are understood as "products, services, and technology that are arranged in a common structure. Where companies can create derivative products, services, and technology" (Gawer, A., & Cusumano MA. 2014); in this respect, digital platforms are different from traditional technology platforms. Such technology is usually characterized by providing several products and services by the platform provider to its customers (Müller, J M. 2019). The combination of several customer groups can also serve partly as a provider; for example, data for other customers and their interconnection in real-time is not visible on the platform's traditional technology (Hagi, A., & Wright, J. 2015; Gawer, A., & Cusumano MA. 2014; Müller, et al., 2018). There are three types of digital platforms as follow (Koskinen et al., 2019):

3.1.1 Transaction Platform Type

The transaction platform is a digital platform concentrated on transactions or commonly called a multi-sided market (exchange platform). This type of platform's main purpose is to facilitate transactions between different

organizations, entities, and individuals, such as connecting sellers and buyers, drivers and passengers, and others. This type of platform will be very useful in reducing transaction costs, where this platform can allow groups of users to search until they can find each other easily, and overall can reduce some problems in the transaction process (Soegoto, E. S., & Akbar, R. 2018).

3.1.2 Innovation Platform

Innovation platforms provide a technology platform, often covering a common set of standards, by which an ecosystem of third parties can develop complementary products and services for resale to consumers and other businesses (Soegoto, E. S., & Akbar, R. 2018). The Innovation Platform provides third-party developer tools and resources that developers combine and use legacy methods to enable new applications for commercial or other types of use.

3.1.3 Platform Integration

The integration platform combines aspects of two types of platforms: transaction and innovation platforms (Soegoto, E. S., & Akbar, R. 2018). The transaction and innovation platform's key points also apply to the integration platform and are therefore not discussed again.

3.2. How the Digital Platform Works

As previously explained, the digital platform collects, manages, and analyzes data. It is shown in Fig. 1.

It is shown that the digital platform collects data from customers, producers, and providers. It can be in the form of product data, services, and personal information. After all the data is obtained, the digital platform will manage and analyze the data until the

digital platform can unite and connect all users by simply searching to easily connect, such as connecting sellers with buyers and others.

3.3 Uses of the Digital Platform

Based on the questionnaires that have been distributed and in-depth interviews, there are uses for the digital platform that respondents felt by respondents, namely business actors, which is shown in Table 1.

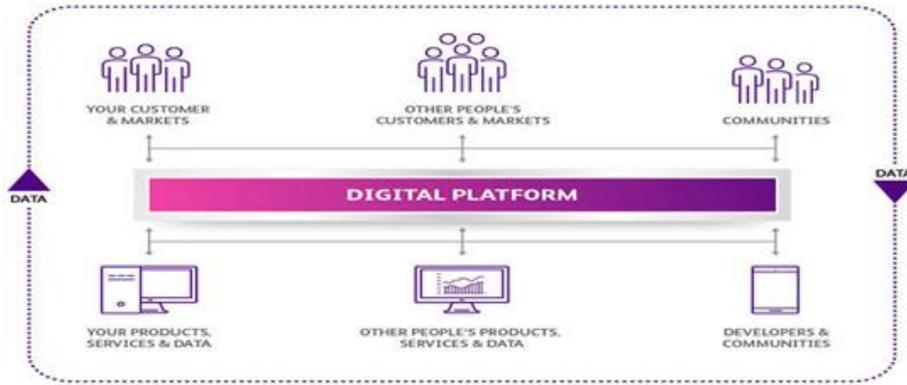


Fig. 1. How the Digital Platform Works (www.bearingpoint.com)

Table 1. The use of the Digital Platform, according to the respondents

Usability	Description	Example
Facilitate communication between sellers and buyers	By using Digital Platforms, we can communicate more quickly with our customers	Doing Direct Messages like on Instagram, Twitter, and others
Product marketing reach is wider	Can make products and services that the respondents have can be spread more widely	Respondent A is domiciled in a city in Indonesia; using the Digital Platform. He can market his products throughout Indonesia and even globally
Efficiency	Digital Platform can automatically make efficient, both in terms of marketing and manufacturing	By utilizing the features provided, business people can optimize their business strategy
Increase Innovation	With the increasing number of Digital Platforms users, the more types of products and services needed by users will lead to new business models	Masks, at this time, there are various types of masks that customers can choose according to their respective interests and needs

Based on Table 1, we can see the various uses that business people feel by using the Digital Platform as a medium for applying business strategies.

3.4. Reasons for Using the Digital Platform

Using the Digital Platform is currently an obligation for businesses and customers. According to the interviews conducted for business actors, the reason they use the Digital Platform is that most of them do not have their shops / offline stores. Meanwhile, if they use the digital platform, they do not have to own offline stores to market products or services. Besides, the customers prefer the digital platform because they can easily find products or something they need.

3.5. Digital Platform used and the Features Provided

Based on the results of questionnaires, it shows several digital platforms that business people use for their business interests. It is shown in Fig. 2

Based on Fig. 2, it is known that 70.6 % of users used digital platforms in Instagram. In addition, there are 0% on Twitter, 5.9% on Youtube, 47.1% on WhatsApp, and 23.5% on Facebook. From these digital platforms, we compare the features available on the top three platforms selected as a consideration for which platforms provide features that make it easier for business actors. It is described in Table 2 as follows:

Then, we explained the results of the level of respondent satisfaction with the digital platform. It is shown in Fig. 3 as follows.

Fig. 3 shows that not all respondents feel that the digital platform is very useful, but no respondent feels that the digital platform is useless. Therefore, further interviews were conducted with two respondents who felt less satisfied with the Digital Platform. Furthermore, the result is that they feel that to run the Digital Platform at this time, besides being required the best business strategy, business actors must also face the existing challenges, one of which is building customer trust in the products/services they offer.

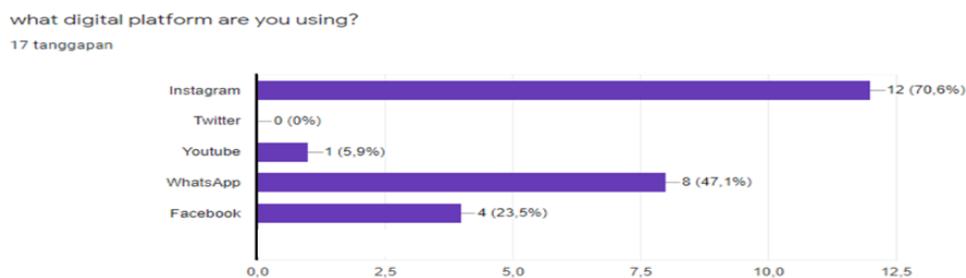


Fig. 2. Digital Platforms Used by Business Actors

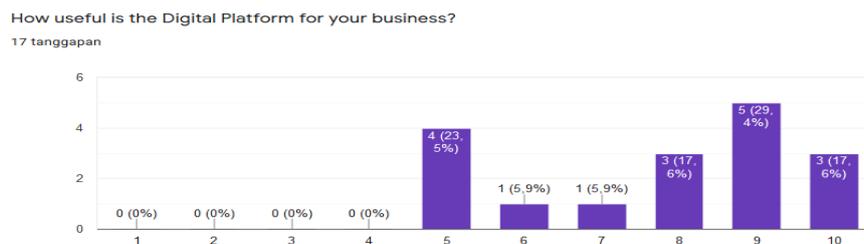


Fig. 3. The satisfaction level of business actors with the Digital Platform

Table 2. Features of Instagram, WhatsApp, and Facebook

Platform	Features	Usability
Instagram (account business)	- Insight	- Analyze who is logged into our business account so they can find out customer preferences
	- Auto Reply	- Accelerate the response to customers who ask for various information about our business
	- Inbox Filter	- Mark several incoming messages to determine which ones should be reviewed and can filter out which messages have not been read so that they can maintain "engagement" between sellers and customers
	- Stories	- Promote our business as attractive as possible, also build conversations with customers by using the Question feature
	- Live	- Doing questions and answers or sharing other things directly where customers can see and respond immediately.
	- Hashtag	- Useful for prospecting and looking for product inspiration, it can also show the character of our business
WhatsApp (business)	- Profile	- The profile contains our business information such as an address, email, business catalog, business description, and others
	- Automatic Message	- Set up automatic reply messages, so customers don't wait long
	- Message Statistics	- Review the number of messages sent, received, and read statistics
	- Label	- Group chats based on certain criteria (new customers, new orders, waiting for payment, orders completed)
Facebook	- Inbox	- There are several types of inboxes: Messenger (interacting individually with a large scale reach), Instagram Direct (Communicating with customers who are interested in our business on Instagram), Comments (including comments from Facebook as well as Instagram)
	- Group	- Provide a space to communicate with a group of people who are interested in our business
	- Appointment	- Allows customers to make appointments directly on Facebook
	- Event	- Help promote our business to interested customers
	- Job vacancy	- Help recruit employees
	- Shopping	- Help share our services or products with customers and simplify the purchasing process
	- Insight	- Shows statistics on interactions and actions taken by customers on our business accounts

4. CONCLUSION

Based on research results, the digital platform most widely used by people every day is Instagram, Facebook, and WhatsApp. Therefore, the conclusion

obtained in this research is that Communication Technology such as the Digital Platform is the best solution to expand business networks and make it easier for sellers and buyers to make transactions.

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