

Research Article

Startup Development: SewaDia Rent Application

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This business idea was inspired by the trends and behavior of the Indonesian people towards the era of the sharing economy. The purpose of making this business is as a bridge to meet the needs of people who need goods through rental using technology that is growing rapidly. The tools used to compile this business strategy plan are PESTEL, EFE / IFE, and SWOT. As an estimate, the feasibility of this business is done by calculating the IRR, Payback Period, NPV, ROI, and ROE and according to the feasibility analysis, this is declared feasible.

1. Introduction

Today there are a wide variety of business opportunities available. However, of the many business opportunities available, the rental business is the most successful and attractive business opportunity. This business is likely needed by many people and can generate income quickly and this rental is considered promising for the community. This rental business is a business opportunity that is currently booming. Although renting goods is actually an old business opportunity, now the rental business is starting to develop in 2020. In fact, the various needs for renting goods are increasingly varied, especially during this pandemic.

The pandemic has accelerated the movement of the economy. Currently, society is experiencing a massive disruption where digital has become a mainstay to meet their daily needs. (Ramli, 2020). This occurs due to restrictions on social interactions including community and business activities. We see this disruption as a new digital business opportunity in distributing products and services. Technology and information are growing rapidly. One of his findings is that the internet has succeeded in bringing about changes in society in various aspects of everyday life.

Internet Growth Rankings			
Number	Largest Absolute Growth	Users	Percentage
1	India	+127,610,000	+23%
2	China	+25,490,000	+3.1%
3	Indonesia	+25,365,368	+17%
4	Pakistan	+11,251,089	+17%
5	Iraq	+10,637,541	+55%
6	Egypt	+9,803,630	+22%
7	Dem. Rep. of the Congo	+8,988,740	+122%
8	Brazil	+8,516,438	+6.0%
9	Vietnam	+6,169,040	+10%
10	Bangladesh	+5,765,248	+9.5%
11	Iran	+5,676,469	+11%
12	Saudi Arabia	+4,321,382	+15%
13	Kenya	+3,162,574	+16%
14	Morocco	+2,927,836	+13%
15	Turkey	+2,718,086	+4.6%
16	Algeria	+2,372,381	+12%
17	Nigeria	+2,155,629	+2.6%
18	Spain	+2,013,677	+5.0%
19	U.S.A	+1,816,314	+0.6%
20	Ukraine	+1,476,697	+5.7%

Table 1. Internet Growth Rankings: Absolute Change

Based on Table 1, Indonesia is in third place with a population growth that accesses the internet by 17% in the last 1 year. According to the live stats internet site, in 2016 internet users in Indonesia reached 53.2

million people, which is 20.4% of the entire population of Indonesia. (Sativa, 2016: 1). Digital technology has really penetrated various people's daily activities. More and more people are becoming more and more comfortable finding the products they need through digital channels and online. In fact, not only for selling or shopping for products, but people also use digital channels to rent goods. People prefer to meet their various needs through internet-based applications. Because according to them this method will help reduce costs rather than having to buy necessities directly on the spot. This large business potential is one of the ways we present a marketplace platform for rental goods that is different from the others, considering the large number of rental applications in Indonesia, we are innovating by presenting a marketplace platform for rental goods by renting goods that are no longer used but are still in a usable condition to other people who need it. Renting out unused goods can certainly provide benefits for providers of these goods, such as getting more income from these items for more than one transaction, as if we sell used goods. We also make commodities related to our products to customers. For example, making commodities for students, students, travel agents, mothers, and providers of medical equipment. As is the case in vehicle rental products such as SUVs (Fortuner / Pajero), we also want to create commodities in mining areas and parts of Indonesia that have a high potential for demand for these cars, such as in the Papua region. In Mother and baby products, we will also form a community among mothers such as young mothers. Commodity travel products to travel agents and travel clubs such as nature lovers and travel addicts. Commodity party equipment products to event organizers and wedding organizers. Commodity medical equipment products to medical device providers and health organizations in the community.

In social life, there are many activities or events held, and people often use rental services to support these activities or events. Rental services are considered very promising for the community in meeting their needs. In addition, the rental service business is also not supported for activities or events but as a livelihood. For example, using WO and EO services.

HOMETOWN	PERCENTAGE
JABODETABEK	70.2%
SURABAYA	9.3%
BANDUNG	5.5%
MEDAN	3.9%
BALI	1.6%
OTHERS	9.4%

Table 2. Percentage of Wedding and Event Organizers in Indonesia

Based on BPS in 2019 like in Table 2, we can see the percentage of marriage and event organizers in Indonesia. Because not everyone has daily equipment for activities or events. So, many people prefer to rent equipment or goods rather than buy them first because they are expensive. Especially during this pandemic, it has entered the digital era where it is easier for people to rent goods online. Digital technology has literally penetrated the daily lives of various people. The internet and smartphones have succeeded in being stimulants in changing consumer behavior online in the digital era. (Romadhon, 2020). The demand for digital products is starting to be in demand. Buying and selling online and renting goods online but digital products can provide new experiences to make it easier for consumers to carry out activities more precisely.

Indonesian Population Composition		
Information	Estimated Age	Percentage
Pre-Boomer	75+ year	1.87%
Baby Boomer	56 – 74 year	11.56%
Gen X	40 – 55 year	21.88%
Millennial	24 – 39 year	25.87%
Gen Z	8 – 23 year	27.94%
Post Gen Z	up to 7 years	10.88%
Total population		270.20 million inhabitants

Table 1.3. Results of the Population Census in 2020

Table 1 shows that the birth rate in Indonesia is stable and even tends to increase according to population census data. Parents often buy baby equipment in bulk at once. As the baby gets older (weight and height increase rapidly), the useful life of a product is quite short, only a few months, for example for clothes, shoes, toys, strollers, and others. Then the parents will buy other products according to the age of their children at that time. However, parents will be confused with the baby equipment they bought at that time because it is no longer used and one of the right solutions is to rent it out. Apart from the baby and mother equipment business, the rental business in Papua also has a large market potential. Papua is an exotic island, there are various kinds of beauty and abundant natural wealth. Even so, in terms of infrastructure, it can be said that it is still lagging behind other regions, especially Java. It is not surprising that in Papua there are still dirt roads that turn into mud when it rains, especially if they go inland. However, in the interior of Papua, there is a lot of wealth that is now beginning to be explored by several interested parties. Until an environment is formed, which of course requires modern transportation such as heavy equipment or cars. This opportunity can be used by car rental entrepreneurs to make a profit. With the construction of Trans Papua, logistics costs are also cheaper than shipping goods by air. So that it can be used to open a car rental business. SewaDia will be introduced directly to consumers by creating an innovative platform that covers a wider range of market segments.

2. Creation / Idea

SewaDia (Media Sewa) it's a rent application that SewaDia (Media Sewa) it's a rent application that wants to bridge the needs of people who need goods through renting. Rental also opens opportunities for people who want to get benefits from the goods she rents. Inspired by the trends and behavior of Indonesian consumers towards the era of the sharing economy. Sharing economy is an economic model defined as peer-to-peer (P2P) based to obtain, provide, or share access to goods and services facilitated by online platforms (Ramli,2020). Sharing Economy has benefits, namely reducing the environmental impact caused by unstoppable consumption, and this sharing economy can also save costs because the method used is to consume or rent goods and provide access to other people who are in need of these goods but do not have the ability to use or buy it. SewaDia is here as a new business concept to help users use various items without the need to buy. The categories of rent such as Boarding houses, villas, cars, party equipment, travel supplies, medical equipment, and electronics. The way the SewaDia rent application works is as shown in the image below.



Figure 1. App Mechanism (SewaDia application)

1. The customer must download the SewaDia application on Android / iOS
2. The customer must log in to the SewaDia application by adding their phone number and email.
3. Fill in the requirement by using an ID card (KTP)
4. Find and select the types of rentals according to customer's needs and place
5. After the customer chooses the types of rentals, the customer can do payments by using our payment partners.

- The customer gets the receipt and can go to the rent providers (alternatively, we can send rental goods to the customer's place).

3. Results and Discussion

Based on the survey results, consumers prefer to rent high-value products rather than buy them. Because not everyone has equipment or items for everyday life and activities or events because it is expensive to buy them. Consumers also in this digital era are more interested in digital products that can provide new experiences to facilitate their activities. So, we are interested in making a business in accordance with what consumers need, and in taking advantage of technology that is growing rapidly by creating a rental application for renting goods, namely "SewaDia". The initial view of the application can be seen in the image below.

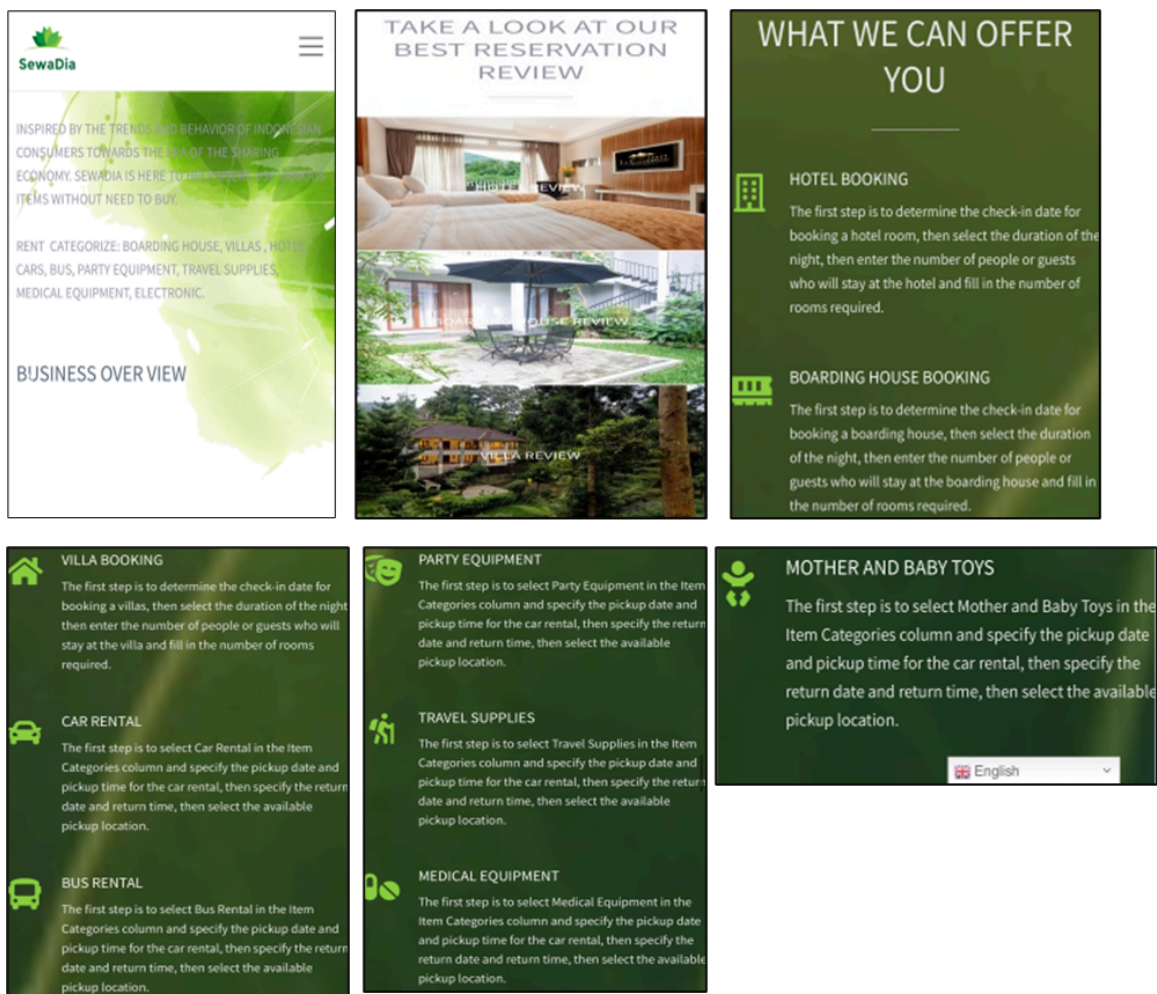


Figure 2. Home page of the application

Figure 2 shows the cover page of the rental application. On the home page, users can choose between English or Indonesian and can see reviews of the lodging they will rent, and can find out the steps to book according to the needs they are going to rent. This display is very user-friendly so that when it is used the user just needs to choose what is needed according to the categories provided. By opening the menu on the application for reservation and rental categories are shown in the image below.

Figure 3. Menu for reservation booking and rent categories

Figure 3 shows the selected menu pages for villas, hotels, and houses, namely reservation booking, and for renting goods and vehicles, namely, rent categories. On this page, users can easily place orders according to their needs because the display we present is easy to understand. So, users using this app will immediately get what they need.

3.1. Implementation Plan

3.1.1. Marketing Plan

One of the most serious concerns is the intangibility of online purchases. The intangibility is exacerbated by the inability to concentrate on tangible things while making an online purchase. The buyer is unable to physically touch or feel the items, which raises the risk of the transaction. Creating visible signals that the consumer knows is the secret to reducing intangibility. Developing a good brand reputation can lower the risk (Kurtz, 2018). For example, purchasing a product with a high-quality picture reduces the risk for consumers. Companies must concentrate on developing a positive and dependable brand identity. One of the

most serious issues of Internet transactions is the absence of electronic inventory and warehousing processes (Wilson, 2018). The lack of automation significantly reduces the reliability and speed at which consumer demands are met. Outsourcing warehouse and delivery functions is a smart choice for small businesses since they are inefficient in meeting consumer demands. Since outsourcing is costly, it would minimize real benefits (Wilson, 2018). It would be useful in the long run because it will aid in the development of loyalty. The most critical concept to grasp is the importance of selecting the right outsourcer. Companies tend to choose an outsourcer that is not overburdened by customers so that they can handle demand requirements effectively. Price bundling is the practice of grouping goods together for a single price (Kurtz, 1998). When doing business electronically, this strategy can be advantageous. Customers may believe they are having more value for their money, which can lead to an improvement in revenue for a business. Customers would be less risky if the benefit is increased. By lowering the price by, say, 10%, a business will raise its revenue. This may also be achieved for a substance that is attempting to be liquidated. This is an opportunity for the organization to achieve two goals: boost revenue and minimize excess inventory. Promotion is an integral aspect of marketing a product; it is a required feature for e-commerce businesses. This is an essential aspect of attracting and retaining clients. Keeping and attracting consumers is important, but more time and resources should be focused on location aspects such as warehousing and delivery (Foster, 2018). Any of the budget marketing funds should be spent on improving relationships with distributors. Developing a good relationship with the distribution carriers would increase the company's value. This can be accomplished by intimate interactions with vendors. Taking their members to activities or out to dinner will help to establish a loyal friendship. There are low-cost methods that can significantly benefit an e-commerce business.

3.1.2. Financial Plan

Every business definitely needs funds in developing its business. In this effort, we seek funding through:

- Funding from family and friends
- Grants from competitions / Government
- Investors
- Owner's Fund

IRR	66%			
Payback Period	1	Year	8	Month
NPV	4840			
ROI	106%		average PV EBIT / investment	
ROE	80%		average PV NAT / equity	

Investation	1455			

Capital Spending	LOAN	0.0%	0
	Fundings Plans	100.0%	1455

Figure 4. Capital Plan and Financial Analysis

Figure 4 shows the results of estimated calculations for financial analysis by calculating the IRR, Payback period, NPV, ROI, and ROE. We calculate the estimated cost of revenue, service revenue, and expense for the application "SewaDia" in 5 years. We estimate a 15% increase every year and for our total costs and expenses, we expect to increase by 10% every year. The income statement consists of company revenue, expenses, gross profit, sales, and administrative costs, other expenses and income, taxes paid, and net income. For service revenue, we estimate it will increase by 15% every year, for cost-income, we estimate it will increase by 5% every year. For the capital plan, we estimate using 100% equity by attracting investors to join us.

3.1.3. Business Risks

Define, evaluate, assess, develop, and monitor (DMAIC) are data-based consistency techniques used to improve processes. Internally, the voice of the organization is often validated by generating or updating the company's vision, mission, and values. For this situation, we want to pay attention to the needs of our customers, so we will concentrate on compiling for Rent business services. This is a very promising company and, as we all know, developing businesses will have a strong presence in the new era (Pyzdek, 2014). We'll help others find what they're looking for. They don't have to buy anything, and it only takes a short time, but this company can have a significant impact on the rental industry. Organizational success is better calculated quantitatively. The DMAIC is a step-by-step model that can be used for market growth and for developing a well-thought-out business plan. The DMAIC Roadmap offers guidance for combining all planning and decision-making tools and models into a systematic mechanism, which can assist any organization on its path to growth.

3.1.4. Future Trend

The potential value of the sharing economy business is estimated to grow from US \$ 15 billion or around Rp 211 trillion in 2014 to US \$ 235 billion (around Rp. 3,312 trillion) in 2025. This business potential is the target of marketplace platform providers for renting goods and services because of the public. prefers to meet various needs through internet-based applications. The rental business "SewaDia" provides a wide selection of rental goods and services with a wider coverage such as a wide area to reach all corners of Indonesia and offers a complete solution for tenants and rental providers in providing various types of integrated technology-based rental products so that they can meet customer demands.

4. Conclusion

The various needs for renting goods are increasingly varied, especially during this pandemic. Technology and information are growing rapidly. One of his findings is that the internet has succeeded in bringing about changes in society in various aspects of everyday life. People prefer to meet their various needs through internet-based applications. Because according to them this method will help reduce costs rather than having to buy necessities directly on the spot.

In market competition, there are indeed many rental applications in Indonesia, but considering that the target market is still very wide and large, the potential in the rental business is still very potential, especially with the digital concept. However, we can add value to an item that is not used (still in a usable condition) by leasing it to other people who need it. This is certainly very useful for people who have unused items and are confused about what to do with them. Renting out unused goods can certainly provide benefits for providers of these goods, such as getting more income from these items for more than one transaction, as if we sell used goods. This will certainly give birth to new entrepreneurs in the rental sector.

For the tenant, this also has the advantage of having a digital rental business model, which is to facilitate this sharing economy trend. The rental business "SewaDia" also provides a large selection of rental goods and services with a wider coverage such as a wide area to reach all corners of Indonesia.

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Declarations

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