

Approval Thesis Summary

Approval Thesis with title:

THE INFLUENCE OF JACK MA TOWARD INDONESIAN E-COMMERCE STARTUP



Muhammad Mahrus Ali

20140510414

Approved by:

Grace Lestariana Wonoadi, S.IP., M.Si

Thesis Advisor

The Influence Of Jack Ma Toward Indonesian E-Commerce Startup

Muhammad Mahrus Ali

20140510414

mahrus.ali22@gmail.com

International Relations Department

Faculty of Political and Science

Universitas Muhammadiyah Yogyakarta

JL. Lingkar Selatan, Tamantirto, Kasihan, Bantul, Yogyakarta

55183

Abstract

The newest Indonesia policy is about e-market because the financial target on President Jokowi Administration is making a new way for small market trading in Indonesia to more significant. Generally, a policy considered many aspects which including issues in society. Moreover, this writing is about Jokowi administration choose Jack Ma as advisor of Indonesian e-commerce. Also, would this e-markets phenomena will increase the economic purpose of bilateral between Indonesia and China in startup e-commerce.

Key words: E-Commerce Startup, The Regulation of Indonesian Startup, Bilateral Relation

INTRODUCTION

According to Cambridge dictionary, startup means a new business, or the activities involved in starting a new business. It also refers as the act or process of starting or making something start.

A start-up is human institution designed to deliver a new product of service under condition of extreme uncertainty. Startups are designed for situations that cannot be modeled, are not clear-cut, and where the risk is not necessarily large- it's just not yet known" (Ries, 2011). The point is that a start-up is a company designed to grow quickly. The only thing that is essential is growth. All the other things we associate with beginners following growth.

Start-Up is also taken from English which means the action or process of starting a new organization. Whereas business start-up based on Google is 'an entrepreneurial business or innovative business in the form of a company. In short, start-up is a startup business. This term became known after the internet era. The factor is because many companies starting from zero by one or several people then become big.

E-commerce is a business method that the seller and buyer do a transaction in online. By the internet the seller has a market to sell their product in a massive area without a physical thing (supermarket etc.). The trading in this method gives a new business and buyer actors more comfortable to know and order something from anywhere. The trend of marketplaces e-commerce startup In Asia rapidly rise. The reason according to Chaffey is, *“Electronic commerce (e-commerce) is often thought merely to refer to buying and selling using the Internet; people immediately think of consumer retail purchases from companies such as Amazon. However, e-commerce involves much more than electronically mediated financial transactions between organisations and customers.* (Chaffey, 2009). The definition from Chaffey explains that electronic commerce often identified as a buying and selling by using the internet, but e-commerce is all of the transaction which used all electronically mediated transactions.

In Asia, Alibaba is the biggest e-commerce in China that based on Hangzhou. Alibaba creates in 1999 by Jack Ma. Alibaba makes available the trading service on the internet by using method costumer to costumer, business to the customer, and business to business (Natawijaya, 2016). The other side Jack Ma believes that with more time and innovation build the startup, and he can take the Asian internet market. The ways of Jack Ma to get the market is more innovation than the others. He uses the startup without a limits goods, area, and payment. The product just not from China, the others foreigner society also can do trading with sell and buy the product from Alibaba startup. (Oktavianus, 2018)

However, the other side Jack Ma also become a monopoly e-market actors that threatening by small enterprise in Asia, because with his e-commerce Alibaba was take over all of market and e-market in China, and the Investment in Research and Development is below the fastest growing players in the industry. Even though Alibaba is spending above the industry average on Research and Development, it has not been able to compete with the leading players in the industry regarding innovation. It has come across as a mature firm looking forward to bring out products based on tested features in the market. Compared with Amazon, Alibaba e-commerce far down in advance of technology and innovation to carry on a big startup. The newest step of Amazon is, the also concern to the physical store, Amazon wants to have many physical stores also in between they e-

market. Amazon believes that those stores will give an opportunity to distribute products in small local scope area and faster than in online ways. (Pramisti, 2017)

Also, the issues of monopoly that related to Jack Ma is about the overflow of China's product in Indonesia. There are so many products that made by China was circulated in Indonesians market. Compare to Europe product, China's is way cheaper. Even though it has low quality and Indonesian society complaining about the product and why it still exists on Indonesian e-market. There is a prediction, in the next few years, Indonesia will become a consumer country of Chinese products at lower prices than local products. It is feared that foreign investors will divert investments and funds from Indonesia to China. As a result, there is massive unemployment of local workers/labourers.

When we talk about the developing market in Indonesia is it also related to China. The bilateral between Indonesia and China is the most important relationship for rising Indonesian economy. Meanwhile when under Soeharto era, in new Order the bilateral is a freeze, but after a new order, the bilateral start getting better. In geopolitically, of course, the Indonesia position very strategic. The Indonesia location is at Asia Pacific continent. Also, the opportunity economic of Indonesia have natural resources when attract the industrial country even it is China. Indirectly with the 243 population of Indonesian people, Indonesia deserves the market for the foreign country that has a big industry product (Wati, 2013).

Besides that, China previously is developing country when the government still using the nearby market and yet opened for another country. And last time China becomes a big industrial country and become a developed country especially in a startup. The big startup in China manages by Jack Ma. It was starting when China rapidly growth up until the economy and the Chinas market until in the same classify of some of Europe market and e-market on the internet (Noviandari, 2014).

However, different from Indonesia, in 2009 the startup is just nothing for local investor and Indonesian government even it is based on marketplace they did not get the market on society. There are actors from Indonesia also that capable in e-commerce, but they did not support the local e-commerce. From bottom to "UNICORN" level, is the newest news that they got now. The startup that has a significant role and impact in the last four years is Traveloka, Go-Jek, and Tokopedia. Startups itself develop into many kinds which is system application developing, payment system, service, trading, and etcetera. And startup is a new develop corporate or in the open up. However, a startup in a technical term is not in the entire commercial sector. The terms of a startup more specifically categorize as an Electronic Commerce or were exist as e-commerce on the internet.

In Indonesia, the developing of startup make a business of marketplace startup become the nowadays market which provides a large market, simplify import and export goods trading. The existence of startup marketplace in this era seems like a mall that provides many trusted store for full fill the human need. From becoming a distributor of some product which is electronics, cloth, and the food they sell to local society until a foreign country.

The impact of developing economic e-commerce caused by some marketplace the track record firstly noted by "bursa efek Jakarta" at the time. And after these, many actors use startup on internet user that use the trading in corporate and also personal. They use the public forum to make a deal in e-market and is it the beginning of marketplace startup that managing by actors with

structurally. When the trading activity does in digital, so the payment process also use it too (News, 2017). So from these, the innovation and adaptation more develop. The opportunity that creates by e-commerce attracts the foreigner actors to invest. In 2010 marketplace "Bukalapak" start the operation. In 2011, Rakuten which is the foreigner startup came to Indonesia to expand their marketplace. And in the same years, tiket.com also starts the operation. Also, in this last year, Zalora Group establishes the Zalora Indonesia as part of e-commerce business international.

Much of investment firstly just opened for local Indonesian investor. After the growth of startup Indonesia, the foreigner investor also interest to give an investment to build the startup. One of the biggest countries that enter the investment of local startup Indonesia is China. China becomes a country that has a significant capital in invest in Indonesia, getting loose from electronic China has been a long time have a bilateral with Indonesia. Start from raw material and also the finished goods. (Firman, 2017)

In the last year, local governments see the opportunity and effect of e-commerce trading and starting to arrange a regulation about marketplace e-commerce. And these phenomena also have the same ways with the developing of e-commerce sectors and behaviour of *netizen* on the internet.

Tokopedia is the example of the startup that gets unicorn name. Many investors see the increase of startup marketplace. From the beginning of the marketplace, one of startup marketplace founder believes that Indonesia also has a significant change like China, and is it proved by the developing of the startup. And the relation of local startup marketplace with China is from the Jack Ma as an investor. (Uzzaman, 2016).

Additionally JD.com also come to Indonesia and make a new startup. JD.com base on Tiongkok China, and their focus on e-commerce startup. This startup engaged in the sale of electronics products and general merchandise products, including audio, video products and books. It also offers online sales of home appliances, digital communications, computers, home merchandise, apparel, baby book, food, and others (Forbes, 2018)

On the other hand Amazon also a good startup for Indonesian administration to handle the Indonesian e-commerce startup. However, Jokowi as Indonesian president directly prefer to choose Jack Ma to be an advisor of Indonesian startup than Jeff Bezos as a founder of Amazon, even though Jack Ma has issued as monopoly actors of e-market. From this phenomena, the Indonesian government more seeing the startup actors as a new trend of economic political bilateral. Although the Amazon more innovated from Alibaba.

THEORITICAL FRAMEWORK

1. Perspective Theory

The researcher will be identified with the Perspective theory by Katherine Miller. In accordance to her book titled "*Communication Theories: Perspectives, Processes, and Contexts*", perspective as a method forsee or observe some of phenomena/condition/situation around us and not only just seeing on such perspective, but perspective also have multi-perspective and categorize into experience, understanding, the way of think, background, knowledge, power (Miller, 2005).

The perspective and multi-perspective usually have the same thing of value, it is aimed at the beneficial of something, but a different point of view of perspective is it makes different appointments in bad or good thoughts. The experience of Jack Ma in this startup phenomena think that Indonesian startup has a chance to develop the startup but they more laborious to make it, because the developer did not know how to get the supporting actors and factors. The actors from Indonesia did not see the opportunity that deserves the future of startup. However, according to Joko Widodo perspective, in Jack Ma's hand, Indonesian startup has a big chance in market and flow of the market.

The multi-perspective of Jokowi, Jack Ma on his experience about the startup is no doubt and unarguable. Jack Ma understanding of his consequences of involved and become influencing actor to Indonesian startup because the background of Jack Ma to handle a startup is excellent. For example, Jack Ma was successful to acquisition the Lazada e-commerce which is the Singapore e-commerce. Is it answered on how Jack Ma establishes and develop Alibaba startup, and the other side, Joko Widodo as a highest political-economic power in Indonesia so he can choice Jack Ma directly to Indonesian startup especially on e-commerce despite there is much weakness of Alibaba on internal or external factors. This phenomenon was attracting the Indonesian government too involved in the startup economic phenomena, and that will build a new bilateral relationship between Indonesia and China.

2. Network Capital Theory

Network capital is a form of “social capital”. Social capital is a sprawling term, ranging from an individualistic framework that emphasizes the advantages that individuals can gain through their personal networks to a collective perspective that emphasizes the advantages of volunteerism to a community. Social networks also are important for social groups and society, place differing levels of emphasis on the role of networks in building trust or the exchange of various types of resources

Network members provide emotional aid, material aid, information, companionship, and a sense of belonging. Their “social support” is one of the main ways that households obtain resources to deal with daily life, seize opportunities, and reduce uncertainties. These are not trivial pursuits, for people or for society. For people, personal community networks are flexible, efficient, available, and custom tailored sources of social capital that are low in financial cost. They may strengthen bonds while providing needed resources. For society, network capital conveys resources, confirms identity, influences behavior, and reinforces integrative links between individuals, households and groups. The nature of network capital affects the quality, quantity, novelty, and availability of resources. Moreover, the loosely-coupled, networked nature of contemporary societies means that social capital comes contingently from a variety of persons, ties and networks, rather than stably from a single, solidary group.

Therefore, at the network-level of analysis, researchers look at the composition of the networks and the structure of these networks. Such analyses seek to understand how the properties of networks affect what happens in them. Which attributes of networks tend to occur together.

Hence the provision of network capital depends on the social characteristics of each network member or alter and the relational characteristics of each tie with a network member. With

respect to the social characteristics of network members, support may be a function of the characteristics of egos who may receive support or of alters who may provide support. For example, women are more likely to receive support, and parents and adult children are more likely to provide support.

Thus network capital operates through many aspects of interpersonal life that make resources available. One of them is Reciprocity. Reciprocity can be said as the history of support that egos have given to alters. Means that there is an action of vice-verca between two parties.

CONTENT

The Indonesian startup does exist in the middle of 2009, and the local startup was starting the e-market with e-commerce startup. Indonesia is in the midst of an e-commerce startup boom, and no wonder. It is the world's fourth-largest mobile-phone market, with more internet user in a day. More than half of the Indonesian population have their gadget and online to the internet, and every time they use it for surfing on the internet. These phenomena identify since the decade to 2014 GDP grew by an annual average of 6%, but the commodity bust has slowed the economy. Last year it grew by just 4.8%, the slowest rate since 2009. This year is unlikely to be much better: the 2016 budget sets a GDP growth target of 5.3%. However, compared with many other commodity exporters Indonesia is getting off lightly.

At the time, netizen of Indonesia as a consumer of the product in e-commerce startup does not see the startup as an excellent way to spend their money on buying goods that they need. In the same case of the consumers of e-commerce startup was somehow dissatisfied to the goods that they bought on startup. Research data from Nielsen states that 60% of Indonesians are still afraid to provide their credit card information on the internet for online shopping, compare to other Southeast Asian countries except for the Philippines. This is kind of a problem that must be solved by e-commerce companies from the infrastructure side and also the payment system. E-commerce companies must be able to convince their prospective customers so that they want to shop online primarily for the target market of young people who generally know very well technological development.

Therefore, with the issues of the startup that still exist at that time, Joko Widodo as the president of Indonesia form a new policy for the development of startup including the foreign one. The policy was made to regulate concerning the trading system of startup.

Jokowi chose Jack Ma as e-commerce adviser for Indonesian startup, whenever there are many actors who come into Indonesian startup world and it also surprising for the Indonesian economy. The reason it is surprising because of the issues behind of Jokowi between the China's actors and history. Of course, the option and the perspective of Jokowi for Indonesian e-market certainly has a strong reason behind it, and thus it is interesting to be discussed.

A. Jack Ma Build His E-Commerce Startup

After long days and many ways Jack Ma successfully to get a big market on the internet. His innovation of market was acceptable by the world, in China, Asia, and also global market knowing

about Jack Ma. Because his the ways of a market that created by Jack Ma is more comfortable to use and reasonable to the buyer from any countries, want to buy good stuff from Jack Ma's market innovation.

1. China's Startup Development

Today Jack Ma can easy to fulfill the demand of China peoples in retail and wholesale with his startup, especially in e-commerce. This businesses leverage the power of the internet to establish an online presence and conduct commerce with consumers and businesses. His startup engaged in developing an online marketplace standard in China. It makes a significant investment in infrastructure technologies in order to support its growing ecosystem. Technology from Jack Mas startup, allow China's company technology and infrastructure harness the strong volume data generated from the marketplace and more develop and optimise the product and service offered on its platform for China's society. Jack Ma's Startup in Asia.

Jackma also successfully to convert all of China's economic system. Not only in e-commerce, but Jack Ma also doing well to develop an economy of China by making innovation and ideas for trading online system. For example, the payment system in China mostly use an Alipay (online payment system), Yahoo China (e-mail) was successfully acquisition by Jack Ma.

2. Global Startup Development

The other existence of Jack Ma to the global internet, Jack Ma becomes a successful actor that defeated some Europeans startup like Amazon. Because if Alibaba Group and Amazon compared with apple to apple, the Amazon system mostly defeats by Alibaba. Not only in the market, outsource, and system, Amazon losing their consumer because the stuff of Alibaba group is cheaper and complete.

The successful Jack Ma to facing the world market also in the ways they more innovated than Amazon. Even though the existence of Amazon is more knowing by European peoples, Jack Ma with a younger startup can break a deal fastly and able for world e-market.

B. Indonesian Government in Jokowi Era (Bilateral Among Indonesia and China

At present, the government is proclaiming Indonesia as the most significant digital economy in 2020 and is targeted to be the largest in Southeast Asia. One of the cornerstones of national development in this declaration is the digital sector. The government targets e-commerce transactions to reach the US \$ 130 billion and create 1000 technopreneur (e-business actor) with a business value of US \$ 10 billion by 2020. (Informatika, 2016)

E-commerce Corporation like Alibaba in Indonesia has a good value for the Indonesian government because the Indonesian government sees the opportunity that creates by Alibaba. The developing of the economy, attract the investor and also become an outsourcing market that the goods which sell into e-market can slowly be dominating by Indonesian product. It is a consideration from the existence of Alibaba network in Asian and Europ e-market, and they can get market more thoroughly.

Jack Ma also believes to Indonesian e-market development it is for the future Asian market because consumption product of netizen in Indonesia is high. The average buy-in e-commerce of

them can buy a product in e-commerce more than twice each day. Also, the easy process of buying and they know the credible for selling product in e-commerce is good. Because of that, the developing Indonesian e-commerce is higher when Alibaba actually Jack Ma come into the market of Indonesian e-commerce. Alibaba also becomes an investor for local Indonesian e-commerce like Tokopedia and the impact huge for Tokopedia because Alibaba invests to this startup about US\$ 1.1 milliard. This step was taken because Alibaba knows the future prospect of Indonesian startup really promising in the Asian market development.

C. Strengthens Indonesian E-Commerce with China

Network capital is a sprawling term, ranging from an individualistic framework that emphasizes the advantages that individuals can gain through their personal networks to a collective perspective that emphasizes the advantages of volunteerism to a community (Coleman, 1988).

By choose the actors from China Jokowi administration to be adviser of Indonesian startup aim the future network especially in the developing of e-market. Indonesia is Southeast Asia's largest economy and China has become its largest trading partner in the past years. Relations between Indonesia and the China have tended toward more cooperation for mutual benefit. Right after independence, in 1949 Indonesia opened diplomatic relations with China. Under first president Sukarno, Indonesia's friendly ties with China were a top priority. Liu Hong, in a book titled *The Chinese and The Shaping of Indonesia, 1949-1965*, reveals that China was like a lighthouse, pointing the way to how Indonesia should develop.

Under sixth president Susilo Bambang Yudhoyono, Indonesia reached a higher level of relations with China. It signed two important agreements the Strategic Partnership (2005), later upgraded to the Comprehensive Strategic Partnership (2013). Political, economic and socio-cultural relations continued to increase due to intensive interaction among residents, business groups and the two governments.

Additionally, President Jokowi has vision to make Indonesia the world's maritime fulcrum is congruent with China's President Xi Jinping's plan to build a New Maritime Silk Road. Chinese officials and analysts have often explained that the plan aims to strengthen maritime connectivity and enhance the capacity of countries in Southeast Asia to maximize security and the management of maritime resources. The policy supports Indonesia's infrastructure development efforts to support maritime connectivity

In 2015, China won a contract to build a \$5.2 billion high-speed rail line from Jakarta to the West Java's city of Bandung. That project is now stalled Premier Li Keqiang is expected to seek to help resolve some of the problems surrounding it. (Press, 2018)

Under President Joko Widodo, Southeast Asia's largest economy has been ardently supporting the AIIB and boosting its relationship with China, viewing Beijing and its initiatives as a vital part of funding efforts to improve its barely functioning infrastructure. Indonesia's embrace of the AIIB is rooted in the country's longstanding efforts to address its infrastructure crisis. Indonesia ranked a dismal 81st in the 2015-2016 World Economic Forum competitiveness rankings for infrastructure, significantly lagging behind its regional peers like Singapore, Malaysia, Thailand,

and, embarrassingly, even Laos. These infrastructure problems have been a drag on economic growth, with Indonesia's logistics costs estimated at a whopping 26 percent of the country's GDP (as opposed to just 8 percent in Singapore or 14 percent in Malaysia).

Since coming to power in November 2014, President Joko Widodo has made infrastructure a key priority of his administration. He has outlined an ambitious plan to build ports, railways and roads to boost the country's economic growth to 7 percent. The trouble, however, is how to finance them. The World Bank estimates that Indonesia will have a \$600 billion infrastructure gap in the next five years, and the government's budget for infrastructure was recently trimmed to 97 trillion rupiah (\$7.4 billion) from 104 trillion rupiah, in part due to lower commodity prices and revenue shortfalls. Though officials say the budget will rise again next year, data from the Public Works Ministry indicates that the state budget can only finance about 40 percent of the 5,519 trillion rupiah for infrastructure investment in Jokowi's first term.

One obvious solution, then, is to bring in more funds from the private sector as well as multilateral banks such as the World Bank, the Asian Development Bank, and the new Asian Infrastructure Investment Bank that China had initiated back in October 2014. Recognizing this, Jokowi has made infrastructure the central topic of discussion in his interactions with Chinese officials. In his first round of discussions with China at the Asia Pacific Economic Cooperation (APEC) summit in Beijing back in November 2014, which was also his first overseas trip, Jokowi bluntly told Chinese President Xi Jinping that he wanted Sino-Indonesian relations to materialize into "more concrete outcomes." Since then, he has requested that Chinese state companies be more involved in infrastructure projects, and has called for measures to boost Chinese investment into the country more generally.

China, for its part, has been keen to oblige. Though Beijing is already Indonesia's largest trading partner, it still lags behind in terms of investment. From a more strategic perspective, support for its new regional economic initiatives in general and good ties with Indonesia, a leader within the ten-member Association of Southeast Asian Nations (ASEAN), is also a boost for China's diplomacy in the region.

Beside, Indonesia to China giving a tender investment and under bilateral permission till China can hold the tender ownership so, that development projects can be given to Chinese companies.

As a global marketplace that was using an internet interaction between seller and buyer in many platforms, Alibaba group will be affected by the interaction between costumers and supplier, which give a supplied product for sale because for surpass the conventional market. Meanwhile As a model for competition, however, the significant factors would be a threat of new entrants into the online e-commerce industry, encouraged by Alibaba's monopoly profits, as well as rivalry among existing competitors.

Not only monopoly issues but Alibaba also issued as a startup that causing overflow product creates a big gap of the physical retail store and could be political issues when Alibaba have a significant power in one country that they have contributed.

For the Indonesian e-commerce market, Alibaba has a significant impact indeed. The impact for Indonesian market that caused by Jack Ma is rapidly risen up as new e-commerce in Asia. Because in the Jokowi's administration the developing economy of developing country like Indonesia is very surprising. It has firstly happened because Jack Ma who as a chosen actors by President Joko Widodo administration to become the adviser of Indonesian startup. The others side, Indonesia is in the midst of an e-commerce startup boom, and no wonder. It is the world's fourth-largest mobile-phone market, with more internet user in a day. More than half of the Indonesian population have their own gadget and online to the internet, and every time they use it for surfing on the internet.

Since president Jokowi, the increasing economic industry of the internet from the startup sector until physical goods in the Indonesian market getting better. The startup funding in Indonesia starting frisk insignificant at 2014, which is after president Jokowi won the election. The \$100 infestation that Tokopedia gets at 2014 become the trigger of startup infestation in Indonesia. This phenomena really change the infestation style of the investor in Indonesia. Startup investment that happened before 2014 just only tens of billion, or less than that.

Actually, there are many actors in European and Asia that capable to become a supervisor of Indonesian startup, such as JD.com, Amazon, Alibaba, Rakuten. However, the capacity of Jack Ma for e-commerce in Asia is no doubt. Jack Ma easily can read the flow of the Asian market, and he can handle the obstacle of the Asian market from the past until today. Because the capacity of Jack Ma also, usually a developed country like Singapore can give their best e-commerce at the time, meanwhile Lazada was known as Singapore e-commerce icon. Singapore using a perspective to Jack Ma in developing the economy for them in the future.

If we said about Indonesian government to face an expansion of Alibaba in Asian and especially in Indonesia, in Jokowi administration believe that Jack Ma was chosen because, in the president Joko Widodo perspective, Jack Ma is the actor that can build a big e-commerce kingdom that based in China although, the issues of Jack Ma was involved.

In fact, Jack Ma is just doing an expansion of his Alibaba group, and the expansion covers all of the Asian starts, especially Southeast Asia. Moreover, the government administration of Southeast Asia actually ask for Jack Ma to be their internal advisor of a local startup that exist in their country, let's see Malaysia, Prime Minister of Malaysia, Datuk Seri Najib Tun Razak ask Jack Ma to act as an advisor to the Malaysian Government on Digital economy aspiration. In the perspective of the Malaysian government, they believe that the relationship or the bilateral between Malaysia and China in the economic sector will acutely increase as fast as China.

The other Jack Ma movement for Southeast Asia startup is the acquisition of Lazada from Singapore. Actually, Jack Ma making an acquisition of Lazada after lazada get the bank croup in Asian e-market. However, Jack Ma seeing the opportunity from Lazada, because the down of Lazada is causing by the booming of a new startup which branding it on their local host country. So lazada cannot survive from the Asian boom startup market flow after the down of Lazada Jack

Ma declared to acquisition it. He believes if he corrects the system in Lazada, it also has the same chance for an Asian market and become a big market like a neighbour startup.

In Indonesia, Jack Ma also directly chosen by President Jokowi itself, and the administration of Jokowi agree with the deal to make Jack Ma as an adviser startup of Indonesia. It is very impacted to Indonesian e-commerce because the increase of e-commerce in Indonesia feels rising very fast between the other starts. Because of the capability of Jack Ma in the startup is competent in managing a startup from zero until bigger. And the capable of Jack Ma to fix a startup meanwhile the startup in bank croup condition.

Jokowi also seeing the expansion from China's actor that very successful in Asian and also in Europe. Because of that, Jokowi as an Indonesian President choose Jack Ma beside that he handled well a startup, it also relates to bilateral among Indonesia and China. Because as we know, China market successfully beat a European market in this time.

The other meaning of Jokowi choose of Jackma also related with the future network between Indonesia and China relations. Indonesia administration from past year until present days was influence by China. Because of that the relation between Indonesia and China strengthens by choosing Jackma as an adviser of Indonesian startup, especially e-commerce. In this opportunity Indonesia and China get a same beneficial in market network in the future

BIBLIOGRAPHY

- Chaffey, D. (2009). *E-Business and E-Commerce Management, Strategy, Implementation and Practice (IV)*. England: Person Education.
- Coleman, J. (1988). *Social Capital in the Creation of Human Capital*. New York: American Journal of Sociology.
- Firman, M. (2017, september 27). *Modal tiongkok guyur startup lokal*. Retrieved april 5, 2018, from kata data: <https://katadata.co.id/infografik/2017/09/27/modal-tiongkok-guyur-startup-lokal>
- Forbes. (2018, June 6). *JD.com*. Retrieved from Forbes.com: <https://www.forbes.com/companies/jd/#3d1f61f24f20>
- Informatika, K. K. (2016). *Study ekonomi digital Indonesia: Sebagai Pendorong Utama Pembentukan Industri Digital Masa Depan*. Jakarta: KOMINFO.
- Miller, K. (2005). *Communication Theories: Perspectives, processes, and contexts*. New York: Mc Graw-Hill.
- Natawijaya, N. (2016). E-Commerce. *Alibaba*, 9.
- News, K. (2017, september 8). *Sejarah E-commerce Indonesia: Apa yang Telah dan Akan Terjadi?* Retrieved april 5, 2018, from kompasiana: <https://www.kompasiana.com/www.bhinneka.com/59b25877085ea65943594dc2/sejarah-e-commerce-indonesia-apa-yang-telah-dan-akan-terjadi>
- Noviandari, L. (2014, september 29). *Hal menarik dari Alibaba*. Retrieved april 5, 2018, from techinasia: <https://id.techinasia.com/fakta-menarik-tentang-alibaba-jack-ma>
- Pramisti, N. Q. (2017, july 18). *Pertarungan sengit Alibaba Lawan Amazon*. Retrieved from tirto.id: <https://tirto.id/pertarungan-sengit-alibaba-lawan-amazon-csTh>
- Press, A. (2018, May 8). *China, Indonesia discuss ways to boost trade relations*. Retrieved from Asahi Shimbun: <http://www.asahi.com/ajw/articles/AJ201805080019.html>
- Ries, E. (2011). *The Lean Startup*. New York: Crown Publishing Group.
- Uzzaman, A. (2016). *startup pedia*. yogyakarta: penerbit bentang.
- Wati, L. (2013, mei 29). *Materi Makalah*. Retrieved april 5, 2018, from KERJASAMA INDONESIA – CHINA DALAM BIDANG PERDAGANGAN INTERNASIONAL: <http://blognenglisma.co.id/2013/05/kerjasama-indonesia-china-dalam-bidang.html>