

Conflict Resolution of Online Transportation vs Conventional Transportation: A Literature Review

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Abstract: The emergence of online transportation has caused conflict with conventional transportation. This conflict does not only occur in developing countries such as Indonesia but in developed countries as well. This article tries to illustrate the causes of conflicts between online and conventional transportation as well as the resolution efforts that exist in several countries in dealing with the conflicts. Therefore, it can give consideration in dealing with the conflict by looking at the existing conflict resolution as a middle way. The method used in this article to answer the research question was the literature review of previous journals, books, reports, and research that discuss related topics. The results showed that the conflict between online and conventional transportations was caused by the majority of external factors which included differences in standards that online transportation did not do as conventional transportation did. From the results of the conflict resolution, there were several countries whose conflict resolutions led to a win-win solution and a win-lose solution. In the end, this paper tries to conclude the conflict resolution that can be done in an effort to resolve conflicts between online and conventional transportation which is beneficial to both parties (win-win solution). Further implications are discussed in this article.

1 INTRODUCTION

Technological progress makes it easy for people to do all kinds of activities. Human mobility every day requires supporting facilities in carrying out its activities. One means that support humans in carrying out their activities is the mode of transportation. Each mode certainly has its own advantages. In the field of transportation, the conversion of conventional to online transportation services is part of technological progress (Anwar, 2017).

In this era of technology, speed and accuracy are things that are needed by everyone. In the world of transportation, there are also internet-based innovations or known as online transportation. This mode of transportation can be integrated directly with smartphones through the applications we have. Online transportation is considered to have advantages that previous modes of transportation lack. Some of the advantages of online transportation include accessibility, transparency, and tariff affordability (Alamsyah, 2017).

Online transportation is an innovation in the field of transportation which is considered able to answer people's expectations in general. In the globalization era, humans demand speed of time, ease of transportation, security, and a friendly environment all integrated into one system (Rathod, 2016). Online transportation is able to provide different services that do not yet exist in conventional transportation services. This online mode of transportation provides not only transportation services but also other services such as shipping, finance, and food order, all of which can be accessed through the available applications (Alamsyah, 2018).

These conveniences make conventional transportation consumers turn to application-based online transportation. This is the dynamics of the emergence of online transportation. As in Indonesia, in some countries, this online transportation has become a problem. The emergence of the phenomenon of online transportation is considered to damage the conventional transportation market which has been developing in the community. In addition, the existence of online transportation is also considered to be a threat that can kill the

existence of conventional transportation. In California, online transportation companies are considered to do an unfair competition in the market (Amato, 2016) because they sell transportation services at a lower rate, and the drivers are not required to have a professional driver license.

In Indonesia, online transportation has grown since 2015, which began with the launch of Go-Jek. The initial goal of establishing Go-Jek was to make it easier for drivers and passengers to connect with the application on smartphones and was a job-vacancy solution for those in need (Kristo, 2017). However, some parties reject the presence of this online transportation which causes a conflict. This is because the form of online transportation is online taxi bikes, considered to damage the conventional taxi bike market. Thus, it must be immediately handled (Pratiwi, 2017).

Every country certainly has different ways to resolve conflicts that occur due to the emergence of online modes of transportation. Basically, a conflict occurs because of differences, inequality problems that cause jealousy, which is the reason for conflicts (Suhardono, 2015). Conflict resolution is an attempt to deal with various causes of conflicts and to build a new relationship to unite rival groups (Fisher et al, 2001). One criterion for choosing conflict resolution is how effective the resolution can solve the problem or be accepted by the conflicting parties (Oliveira, 2017).

The concept of conflict resolution methods essentially involves all existing stakeholders, with appropriate strategies, so that the objectives of the resolution can be achieved (Suhardono, 2015). Conflict resolution must be done quickly and in full calculation, which is done to avoid ongoing conflict (Stelzer, 2015). Conflict resolution by the state has succeeded by still legalizing online transportation with a variety of requirements that must be met (win-win solution), but there are also those who fail or there are parties who do not accept the state policy as a win-lose solution.

What is the solution to solve the problems or conflicts that occur between online transportation and conventional transportation so that an acceptable middle way for both conflicting parties can be found? This paper tries to provide an overview of the causes of conflicts related to online transportation in several countries and then sees how the conflict resolution can be used to overcome the problems between online transportation and conventional transportation, especially in Indonesia.

2 METHODS

This article employed a literature review with the main sources of articles in national and international journals. The selection of the main sources was carried out by the authors for several considerations: first, the relevance of the article to the research topic. In addition, the articles have been published in the journals so that the level of validity can be accounted for. As a supporting source, reviews were also carried out on books and some news and writings relating to online transportation and conflict resolution. Research with the literature review is a study that examines or critically reviews the knowledge, ideas, or findings contained in the body of academically oriented literature and formulates its theoretical and methodological contributions to certain topics (Cooper, 1998).

2.1 Data Collecting

The data collection method used was the documentation method by finding out or digging up the data from the literature related to what is meant by the problem formulation (Arikunto, 2013). The data obtained from several sources were collected as a unit of documents used to answer the problem formulated.

2.2 Anatomical Analysis

The data analysis was carried out by the means of anatomical analysis consisting of several things, namely: 1) the identity of the referenced source, 2) the author's qualifications and objectives, 3) simple conclusions about the content of the writing; and 4) the usefulness or importance of the sources referred to in answering the problems that have been formulated.

3 RESULTS AND DISCUSSIONS

The modes of transportation that exist in the world develop along with the times and technology and follow the flow of globalization. The problems that arise related to the development of transportation in the world are also increasingly complex. The emergence of something new in society certainly creates dynamics that can lead to social problems. The emergence of application-based transportation has caused pros and cons in the community. Online transportation companies offer services that are safe,

reliable, affordable, and with fairly efficient rates that can be obtained only by touching the application on a smartphone (Flores, 2017). On the one hand, online transportation is considered to make it easier for drivers and consumers. However, it gets a lot of criticism from conventional transportation drivers as it is considered as illegal transportation and seizes the livelihood of the drivers of conventional transportation services (Anwar, 2017).

3.1 Factors that Cause Conflicts

Conflicts between the two occur because of several factors, both internal and external factors. Of the several writings that exist related to the conflicts between conventional transportation and online transportation, some of them mention that external factors are dominant in this conflict. These external factors are like, first, conventional transportation is not a legal entity. Many of the online transportation do not have legal entities, thus creating jealousy from conventional taxi drivers. For example, Uber Car in Indonesia does not have an official permit. Moreover, its drivers are not required to have a public-transportation driving license so that they are not obliged to pay taxes. Taxi drivers now have to compete with everyone and anyone who can drive and not just the other taxi drivers (Laura, 2016). Second, online transportation rates are far below market prices that many conventional taxi consumers prefer online taxis. The conventional taxi drivers assume that this is a predatory pricing carried out by online transportation that many customers are turning to online transportation (Mohamed, 2016). Third, government regulations are still biased between public transportation and online transportation. Less specific regulations related to the implementation of application-based public transport (online transportation) are the quite crucial cause of the conflict. This biased regulation from the government creates great opportunities for online transportation drivers to master the competition.

This wave of problems regarding online transportation arises in many countries. One of the reasons is that the emergence of online transportation will damage the conventional transportation market until there is an unhealthy competition between the two. Hence, there is a need for strict regulations related to online transportation to improve safety, overcome congestion problems, and guarantee access for all customers (Cetin, 2017). There are a number of problems that conventional transportation drivers often complain about in connection with the operation of online

transportation, namely permits to operate, the colour of the vehicle's license plate, the place to take passengers, and the tariff (the case in Indonesia) (Anwar, 2017).

The emergence of online transportation also causes conflicts between conventional and online transportation drivers. Conventional transportation considers that the emergence of online transportation is detrimental because many consumers leave conventional transportation and switch to online transportation modes. The conflicts that occurred were caused by different tariffs and regulations between the online and the conventional transportation businesses in which online transportation companies did not do what conventional transportation companies did (Setyowati, 2017).

3.2 Online-Transportation Conflict Resolutions in Several Countries

In some countries, online transportation is still allowed to operate with several policies that must be adhered to, but in many countries, online transportation is prohibited for various reasons. (Chandra, 2017; Dharmasaputra, 2015). The following are conflict resolutions from several countries in dealing with online transportation issues:

3.2.1 Online-Transportation Conflict Resolution in America

In America precisely in California, online transportation companies conduct unfair competition in the market. They sell transportation services at lower rates, and the drivers are not required to have a professional driver license (Amato, 2016). In America, there is no detailed prohibition on online taxis like Uber Car's operation. Nevertheless, they are required to be subject to other taxation rules such as driver insurance and background checks as well as some quite difficult regulations for online transportation companies (Chandra, 2017; Dharmasaputra, 2015). This does not make Uber stay there, instead, it chose to withdraw and no longer operate. Judging from this, it can be said that there is a conflict resolution in America which must defeat one of the two conflicting parties so that it is categorized as a win-lose solution. The loser here is the online transportation.

3.2.2 Online-Transportation Conflict Resolution in Australia

Just like in Australia, Taxi Service Commission (TSC), which is a taxi regulator in Australia, asked Uber to stop operating in the country because it was considered that the Uber drivers did not follow the stipulated rules that must be accredited and must have a license as a public-transportation driver (Dharmasaputra, 2015). TSC asked Uber to stop operating because it was considered risky for passenger safety. From this, it can be said that the conflict resolution in Australia is categorized as a win-lose solution. The loser here is the online transportation.

3.2.3 Online-Transportation Conflict Resolution in Germany

A different thing happened in Germany. Berlin Transportation Authority banned Uber from operating. If Uber is caught operating in Germany, it must pay US \$ 34 thousand per violation. This was done because Uber was considered not to meet the safety standards of public transports. However, after the lawsuit from Uber, it was allowed to operate again with a condition. The condition that must be fulfilled by Uber is to pay 100-200 Euro (1.5 - 3 million rupiahs) for their taxi drivers' driving licenses (Dharmasaputra, 2015). It means that the conflict resolution in Germany is categorized as a win-win solution because there is a midpoint that accommodates two parties.

3.2.4 Online Transportation Conflict Resolution in the Philippines

In the Philippines, Uber became a legal business although there was a conflict with traditional transportation. The standard rules related to Uber have been issued by the Philippines Department of Transportation in accordance with the Uber classification called Transportation Network Vehicle Service (TNVS). The regulation regulates all application-based modes of transportation (online transportation). TNVS issued rules that must be adhered to by all online-transportation companies. These regulations include that each fleet must be equipped with a Global Positioning System (GPS). The vehicles must not be more than seven years old. Only types of Asian Utility Vehicles (AUV), Sport Utility Vehicles (SUVs), and other similar fleets are allowed. The Philippines is considered the first country in the world to successfully make national

regulations governing ridesharing. There, Uber is not considered a threat to the conventional taxi industry, but an alternative modern and innovative transportation service (Dharmasaputra, 2015). It can be concluded that the conflict resolution in the Philippines is categorized as a win-win solution because there is a midpoint that accommodates two parties.

Table 1: The Comparison of Conflict Resolution among Countries

Countries	Conflict Resolutions	Results of Resolutions
America	Online Taxis are required to have driver insurance and background checks as well as some quite difficult rules for online-transportation companies.	Uber withdraws and no longer operates in America. (win-lose solution)
Australia	Taxi Service Commission (TSC) in Australia asked Uber to stop operating because it was considered to have no accreditation and licenses for drivers.	Uber complies with the rules of TSC and does not operate anymore (win-lose solution)
Germany	The company must pay 100-200 Euro (Rp. 1.5-3 million) to get a driver's license for its taxis.	The company follows the rules established by the Berlin Transportation Authority. They choose to pay and operate in Germany (win-win solution)
The Philippines	The Philippines Transportation Department, called Transportation Network Vehicle Service (TNVS), made a rule that every online vehicle/taxi must be equipped with a Global Positioning System (GPS) and must not be more than seven years old. The fleets must be like Asian Utility Vehicles (AUV) vehicles, Sport Utility Vehicles (SUVs), and other similar fleets.	Online taxi companies agree and carry out these requirements to be able to operate in the Philippines. (win-win solution)

3.2.5 Online-Transportation Conflicts in Indonesia

In Indonesia, the emergence of online taxi bikes has also caused conflicts between conventional transportation and online transportation as happened in DKI Jakarta, which was the first city to launch an online taxi bike. Since the beginning of the launch of online taxi bikes in 2015, there have been many upheavals and rejections from conventional taxi bike groups ranging from installing banners of banning online taxi bikes to the eviction and refusal of taxi bike drives. The same thing happened in the city of Yogyakarta since the presence of online transportation modes at the end of 2015. Drivers reject online transportation in the city of Yogyakarta. So, the DIY provincial government made an agreement with the online taxi bikes not to operate in certain places such as: Yogyakarta Railway Station, Lempuyangan Railway Station, Adisutjipto Airport, Giwangan Bus Station, Janti Fly-over, Jombor Bus Station, Gamping, and Dr. Sardjito Hospital. Even in the beginning of 2017, there was a plan from the Provincial Government of DIY to ban online transportation from operating in DIY, and they provided a solution by adding TransJogja transportation (Setyani, 2017).

Over the past few years, the online transportation in Indonesia has experienced very substantial growth, dominated by online transportation markets such as Grab, Uber, and Go-Jek (Septiani, 2017). In Indonesia, the conflict between conventional transportation and online transportation has not yet met the midpoint. Nationally, this online transportation is regulated in the Ministry of Transportation Regulation No. 108 of 2017 concerning the Implementation of People's Transport with Public Motor Vehicles Not in Routes. This regulation regulates 9 important points related to transportation services in Indonesia: (1) taximeter, (2) tariff, (3) operating area, (4) quota, (5) minimum requirements of five vehicles, (6) proof of motor vehicle ownership (BPKB), (7) domicile, (8) type test registration certificate, (9) the role of the applicator.

Related to online transportation, there are important rules that must be adhered to, including those required to: (1) conduct in-house vehicle roadworthiness tests and have a driving license, as well as a general A driving license for online taxi drivers, (2) upper and lower limit rates, (3) be registered in a legal entity, (4) have quota and operating area, (5) enter the cooperative, (6) install stickers as their identity. However, the policy was

rejected by online taxi drivers. Online taxi drivers who are the members of the Alliance of Online Drivers (Aliando) oppose the policies made by the Ministry of Transportation. They took demonstrations because they did not accept the policy that requires online taxis to enter cooperatives, install stickers, and conduct in-house vehicle roadworthiness tests (Pitoko, 2018). However, this rule still has a polemic between those who support and those who reject. Moreover, online transportation, a type of online taxi bikes which is still pros and cons, is categorized as a means of transportation. Viewed from the conflict resolution, in Indonesia it cannot be categorized in a win-win solution or a win-lose solution because this rule is still in process and has not found a comprehensive settlement point.

4 CONCLUSIONS

The emergence of online transportation within a country usually results in dynamics coupled with conflict. Thus, there must be a resolution of the conflicts between conventional transportation and online transportation. From the literature, the cause of the existence of conflicts between online-transportation and conventional transportation is mostly of external factors that cover differences in standards that online transportation does not do as conventional transportation does. Of the several conflict resolutions that have been carried out in several countries, they certainly have their own weaknesses and strengths. According to the authors, the appropriate and beneficial conflict resolution (win-win solution) for both conflicting parties is that the vehicle must be less than seven years old so that the average vehicle is in good condition. The lower and upper tariff must be determined, so there are no too cheap or too expensive tariffs for online and conventional transportation. Online-transportation drivers must have a license to be able to drive public transportation (Driving License A is common for online taxis). There must be restrictions on locations that are allowed and not to be accessed online so as not to stall the existence of conventional transportation. The vehicle must go through the in-house vehicle roadworthiness tests so that it is always in good condition and roadworthy. Both online and conventional vehicles (motorized vehicles) should be equipped with an online Global Positioning System (GPS) or offline system (GSM) so that they can be tracked with smartphones to make it easier and save time for customers. Besides

that, it can also detect if a vehicle has an accident. The implication of this research for the government is that the things mentioned above can be a reference for the Indonesian government in conducting conflict resolution that leads to a win-win solution. This research is limited to data sources that only describe the results of the resolution and have not seen other factors that influence the conflict resolution of a country so that an appropriate approach can be taken in handling conflict resolution. Above all, further research is suggested in this regard.

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