

“Brompton Bike and Indonesian People”

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Abstract:

This academic full paper has novelty to explain about the emerging economy within a Brompton bike while in Indonesia, Brompton bike is looked as high standard of rich people. To analyze it, this paper is using the theory of McAlexander et. al (2002, p.39) said about the definition of a customer-centered brand community, the theory of Muniz&O'Guinn (2001, p.412) about the definition of a brand community is a special community, and theory of Hoff&Stiglitz about equilibrium economy.

This paper is aimed to open up about what are the challenges and problems within to make Indonesian as central market for Brompton bike distribution, as well as to give impact for people's economy in this Covid-19 Pandemic situation.

Keyword: *Brompton bike, Indonesia, brand community, equilibrium economy, Covid-19*

Introduction

“Brompton” bike name is really familiar among Indonesians nowadays, especially for those who love doing bicycling. Brompton bike is not just linked to mark a brand-new sport, but also a promising luxurious business in this Covid-19 pandemic situation.

Based on *The Telegraph* news, Brompton bike business profit has been increasing 500% times higher since the world is facing Corona virus crisis, because people tends to avoid crowded transportation and choosing bicycle instead.

Since Brompton bike has facilitating “direct to home” service, it is noted in highlight that buyers in China has been increasing five times higher than before, as we knew China is the first causes of the Corona virus. Chinese people are choosing to use bike to go everywhere.

Besides business matters, Brompton bike company is also doing charities during the pandemic situation by giving 1.000 bike for just 1 GBP in National Health Service activities, dedicated for 1.000 staffs and nurses who are working in London hospitals.

Originally from Brentford, a sub-urban town in the West of London, Brompton bike was firstly fabricated and marketed. Then since 2017, the headquarter has been moved to Greenford. We can reach Brentford from London by car for about 31 minutes and we can reach Greenford from Brentford by car for about 16 minutes. There is no specific explanation why the headquarter has been moved, but perhaps in Greenford there is London Motorcycle Museum and practically tourists tend to remember Brompton bike headquarter after city-touring.

Based on the history of Brompton bike, “Brompton” name itself is not really special just like C.S. Lewis has name “Narnia” for his novel. There is no specific philosophical meaning behind the name of Brompton. The inventor Andrew Ritchie was just seeing Brompton Roman Catholic church from the bedroom's view in his flat while he was creating the first two prototypes. This is why he named “Brompton” for his invention of a bike folding type.

If we speak about Brompton bike success, there is an important figure that helps Ritchie to implement best practice of business strategy. His name is Will Butler-Adams who joined

Brompton at the age of 28 years old and now he is the managing director of Brompton Bicycle Limited company. Under his hands, Brompton bike is reaching international market with minimum advertisements.

Method

Based on article “*Analysis Of The Influence Of Brand Community On Word Of Mouth On Black Motor Community*” from Nathashia Widhiyanti Utomo (2012) that is published in University of Diponegoro journal, McAlexander et. al (2002, p.39) said about the definition of a customer-centered brand community, where the existence and meaning of the community here lies in the customer experience and is much better than a brand surrounded by ongoing experiences.

Meanwhile, according to Muniz and O'Guinn (2001, p.412), the definition of a brand community is a special community, which is bound non-geographically and is based on a set of social relationships between admirers of a particular brand. It is characterized by shared awareness, rituals and traditions, and a sense of moral responsibility.

Analysis

Related to the success story of Brompton bike, Will Butler-Adams help the founder to raise the selling of Brompton bike by implementing customer-centered brand community, for example the company held Brompton events in several places in the UK and outside UK, such as in some bike community lovers in big cities. This makes Brompton bike is easily captured by the tourists and whole people in their smartphones. A really smart way coming from Will Butler-Adams mind of business.

How about Brompton bike and Indonesian people? We can say that bike sport community in Indonesia has started in 2011 with “Bike To Work” event. This was the first era while Indonesian young people start to take their bikes from home and flaunted it in bike events.

Since 2018, Brompton bike trend in European Union countries come along in Indonesian market, thanks to Indonesian diaspora with *Jastip* (entrusted service) style. Then in 2019, Brompton name becomes more viral while Director of Garuda had several criminal cases on it.

Realize or not, Brompton name among Indonesians is more than word of mouth, but becomes new level of society standard. If you have Brompton bike, then you are associated as “cool and healthy people” and millennials are becoming feel really millennial if they use Brompton bike in some bike events.

Brompton bike in Indonesia has a natural brand resonance. Just like explanation of brand community by McAlexander, Indonesian people experience on biking with Brompton, biker communities which oblige the members to use the Brompton bike, and the Indonesian style who loves to post their sport activities on social media for example Instagram, makes Brompton stakes at the integral part of Indonesian high-class society.

The trend of Brompton bike in Indonesia is also in line with Muniz&O'Guinn explanation about non-geographical social relationship. In this globalization time with the power of social media, Bromo young people in East Java can have dream to have Brompton bike that is being fabricated in 12.277 km distance from their hometown.

I think we can name Corona pandemic situation as a *felix culpa* in Latin phrase, that means a blessing within difficult situation. By using Brompton bike, Indonesians people can

start to have a healthy lifestyle and to avoid economic recession that will happen in 2021, says some economy analysts.

But we still have to analyze several challenges, because if we talk about Indonesia, we talk about an unfinished nation, bureaucracy, and short-term business trend. In the aspect of unfinished nation, Modernism business in Indonesia is still on process, because there is no specific regulation about bike business.

We only have Republic of Indonesia Law No. 22 of 2009 on Bicycles and Pedestrians: (1) The government must provide ease of traffic for cyclists. (2) Cyclists have the right to support facilities for security, safety, order and smoothness in traffic, but there is no specific regulation if for example due to a bicycle product defect and resulting in an accident on the road while cycling, what the bikers must do next, or which specific insurance really beneficial for bike lovers.

In the context of modern economy, Hoff&Stiglitz said there is no specific variables to make an economic equilibrium, because each individual can value themselves as the asset of state economy, even though we can objectively judge that human needs are changing from time to time.

Brompton bike business in Indonesia perhaps is just business, not related to ecological business just like happened in European Union countries, because there is no national appeal from Indonesian central government that using bike can reduce pollution. We knew this because we read, or just because our logic says it.

In bureaucracy, we have to think deeper the basis for determining the tax price for Brompton bike. Based on Regulation of the Minister of Finance (PMK) Number 199 / PMK010 / 2019 concerning Provisions for Customs, Excise, and Taxes on Imported Goods, any imported goods valued at US \$ 3 or more are subject to an import duty of 7.5 percent of the selling price. Then, the Value Added Tax (VAT) on imports is 10 percent. This is logic why Brompton bike can price more than 30 million Rupiahs (type B75 2020 Blue Folding Bike is the cheapest one).

Brompton bike is free-tax if the holder can prove that the bike is used by themselves. Based on Customs Regulation, passenger personal items with a customs value of at most FOB US \$ 500 per person for each arrival are given free import duty, but if the value of the bicycle purchased is greater than US \$ 500, the buyer will be charged an import duty of 10 percent of the purchase value less US \$ 500.

In some student discussions in my place, it is still debatable if Brompton is still required to be included in the Annual Income Tax Return of Individual Taxpayers or not, but for me, it is better than to think more than that. It is more beneficial in the long-term if we think the biker safety aspect, than biker wealth tax.

Central government must develop a safety regulation with specific instructions, for example to create bike ways in the road, standard bike to be used in big cities like Jakarta and Surabaya, BPJS and other insurance connection in the protection of bikers, business stimulus for bike sellers or merchants, and government events collaboration with bike communities. There are many things ahead to think about bike than Tax collection.

The third aspect to think about Brompton bike in Indonesia is to avoid the short-term business trend. Since the insertion of Indonesia into World Trade Organization (WTO) in 1995, Indonesia must abide several laws of business, including the standards of imported products, like Brompton bike.

Once Brompton bike touchdown the Indonesian Customs, the officers will make sure that the bike is appropriate according to the standards of SNI (*Standar Nasional Indonesia / Indonesian National Standard*) and based on Regulation of the Minister of Industry Number 30 of 2018 concerning Compulsory Enforcement of the Indonesian National Standard for Two-Wheeled Bicycles, Brompton bikes will be given the SNI logo.

In this issue, I think National Standard Agency (BSN / *Badan Standarisasi Nasional*) must rethink the standard of Brompton bike which is all materials taken from outside Indonesia. In ideal thought, we cannot value something different from our work. If central government already think about the Indonesian values, then it is not just the SNI of Brompton, but the equality standard on how all Indonesian people can have Brompton bike.

Conclusion

That is the thought of Brompton bike and Indonesian people. In conclusion, Brompton bike is part of Indonesian society, it is potential business, and it will give additional income for sellers during this Covid-19 pandemic time.

By remembering modern economy theory behind Brompton bike, I think scholars can also think about modern politic. We can think more deeper and creative about Indonesian and British government bilateral relationship. Indonesian government, namely Indonesian Ministry of Foreign Affairs can purpose “Brompton Friendship Day”. As the President of UN Security Council this August 2020, Indonesia has powerful lobby to do so.

Just like Hoff&Stiglitz said, business in modern economy tends to be more personal. If Brompton bike is regarded as personal need for Indonesian people, then don't do half-measures, let's make Indonesia as the center business of Brompton bike in ASEAN countries. Moreover, Brompton bike, it is not just a bike, it is EU-ASEAN diplomatic tool.

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