

# The 1<sup>st</sup> International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

# ANALYSIS OF THE BENEFITS OF USING HINO AND MITSUBISHI FLEETS IN AN EXPEDITION COMPANY

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#### Abstract

The increasingly fierce competition in the logistics industry is driving shipping companies to continuously innovate and improve operational efficiency. One crucial factor that can influence the competitiveness of shipping companies is the selection of the right fleet. This research aims to compare the advantages of Hino and Mitsubishi fleets used by CV. Aneka Usaha Jaya, a shipping company in South Sumatra. Employing a qualitative descriptive approach, the researcher provides a description of which brand is more advantageous overall for CV. Aneka Usaha Jaya. The researcher used participatory observation and interviewed operational and financial employees from January 2023 to December 2023 to collect data. The analysis results indicate that using Mitsubishi fleets is more profitable than Hino. This research shows that the most significant factor influencing the profit comparison between the two brands is the unit purchase price. Meanwhile, other factors such as load capacity, operational costs, driver salaries, fleet maintenance, vehicle taxes, roadworthiness tests, and comfort do not have a significant impact on operational profits. Therefore, shipping companies intending to purchase new fleets from either Hino or Mitsubishi are advised to choose Mitsubishi fleets. This study offers important implications for shipping companies in optimizing fleet selection to enhance operational efficiency.

Keywords: Profit Analysis, Hino Fleet, Mitsubishi Fleet, Shipping Company.

#### Introduction

In today's globalized era, the logistics industry plays a vital role in supporting the smooth flow of the supply chain. Shipping companies, as one of the players in this industry, are required to provide efficient, fast, and secure services. The increasingly intense competition in the shipping industry forces companies to continuously innovate and improve the quality of their services. One of the determining factors of a shipping company's success is the selection of the right fleet. A fleet not only serves as a means of transportation but also as a company asset that has a significant impact on operational costs, efficiency, and company image. Therefore, fleet selection is a crucial strategic decision for shipping companies.

This study aims to conduct a comparative analysis of the profitability of Hino and Mitsubishi fleets, prevalent among logistics companies. The research seeks to determine the differential in profits generated by each brand, contrast their performance metrics, and identify the underlying factors that shape fleet selection decisions within the industry. Given their substantial market presence in Indonesia, Hino and Mitsubishi have been selected as the focal points of this investigation.

Through observational studies and interviews with operational and financial personnel of logistics firms utilizing Hino and Mitsubishi fleets, this research endeavors to contribute substantively to multiple stakeholders. Firstly, for shipping companies, the research findings can serve as a valuable input for strategic decision-making pertaining to fleet acquisition, thereby enabling optimization of operational expenditures and enhancement of delivery efficiency. Secondly, for academic researchers, this study can enrich the existing body of knowledge in transportation management, particularly concerning fleet selection and its consequential impacts on organizational performance. Lastly, for policymakers, the research outcomes are anticipated to inform the development of policies that foster a more efficient and sustainable transportation sector.

#### Method

A. Research Design

This study adopts a descriptive qualitative research design to compare the overall advantages of Hino and Mitsubishi fleets for CV. Aneka Usaha Jaya.



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## B. Research Variable

The variables in this research are the financial benefits of Hino and Mitsubishi fleets. The profit values were obtained from the researcher's observations and interviews over a year. This profit was measured from the revenue of each fleet unit obtained from the Lampung-Palembang route price multiplied by the load capacity carried by each fleet, minus all operational costs such as travel allowances, driver wages, vehicle maintenance costs, vehicle taxes, and fleet roadworthiness tests. In addition, the purchase price of the fleet and the comfort of using the fleet are included as benchmarks for determining the profit or advantage.

# C. Types and Sources of Research

This research employs a qualitative descriptive approach with the aim of describing which fleet brand, Hino or Mitsubishi, is more advantageous for the logistics company CV. Aneka Usaha Jaya. The research also seeks to understand the reasons behind CV. Aneka Usaha Jaya's choice of using Hino and Mitsubishi fleets in their operations, as well as which fleet would be the best choice if CV. Aneka Usaha Jaya intends to purchase new units.

The data for this research was collected through the researcher's direct involvement in the daily operations of CV. Aneka Usaha Jaya, observing both Hino and Mitsubishi fleets. The researcher also conducted interviews with several operational and financial employees of CV. Aneka Usaha Jaya.

## D. Data Collection Techniques

This research employs participant observation and interviews as data collection techniques. Observation is conducted through comprehensive observation in a specific setting without any alterations. The researcher directly observes the research object to closely examine the activities or events that occur. Participant observation has the advantage of the observed individuals being unaware that they are being observed, so the situation and activities will proceed naturally. However, a drawback of participant observation is that the researcher must perform two tasks simultaneously: participating in the activities and conducting observations. In activities that require the active participation of all members, the researcher will undoubtedly have difficulty in conducting observations.

## **Result and Discussions**

This research was conducted at CV. Aneka Usaha Jaya, a logistics company operating in South Sumatra. The research subject is the profitability of Hino and Mitsubishi fleets. The research results will be elaborated based on observational and interview data. The discussion is obtained from data collected through participant observation and interviews with operational and financial employees of CV. Aneka Usaha Jaya, focusing on the research problem.

This research uses the same class of fleets with different brands. The fleet samples used in the study were purchased in 2021, both Hino and Mitsubishi brands. Based on interviews with financial employees, the prices of each brand's fleet varied depending on the time of purchase.

After interviewing the financial employees, it was found that in 2021, the price of the purchased Mitsubishi fleet was much cheaper than Hino. The price difference between the two brands was up to Rp. 34,000,000. This price difference already includes the price of the body. Based on interviews with operational employees, it was found that both Hino and Mitsubishi units have the same load capacity of 20 tons per trip and the same delivery route throughout the research period, which is the Lampung - Palembang route.

The price of freight per route is not influenced by the fleet brand used, so the revenue from both fleets is the same as long as the number of trips and routes is the same. During the research period, the Hino fleet obtained a total of 96 trips with a total load of 1,920,000 tons, and the Mitsubishi fleet also obtained 96 trips with the same total load of 1,920,000 tons. Based on these values, it is known that both Hino and Mitsubishi fleets obtained the same revenue value in one year, which is Rp. 552,960,000.

According to financial employees, operational expenses such as travel allowances, driver wages, and KIR fees incurred in one year, both Hino and Mitsubishi fleets have the same total operational costs of Rp. 250,150,000. However, based on interviews with financial employees, there is a difference in vehicle tax payments in 2023. The vehicle tax for Mitsubishi brand fleets is slightly higher by Rp. 860,500 compared to the Hino brand. According to financial employees, the annual vehicle tax price varies depending on whether there are any tax penalties.



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Regarding fleet maintenance, operational employees informed that there is no difference in the brand of spare parts purchased for each fleet brand. The brand used is not the original fleet brand, but a third-party brand that has the same quality as the original spare parts. This is because the availability of aftermarket spare parts for Mitsubishi fleets is very abundant, so to avoid leakage of expenses and differences in durability in original spare parts for each brand, buying a third-party brand is the choice made by CV. Aneka Usaha Jaya. In one year, the spare parts purchased were oil, which was purchased 12 times a year, brake pads, which were purchased 6 times a year, rear tires, which were purchased 2 times a year, and front tires, which were purchased once a year. Financial employees also informed that there is no difference in maintenance costs between Hino and Mitsubishi fleets for each unit sampled, because the brands purchased are the same and the replacement time for spare parts is also the same.

Based on interviews with operational employees, operational employees are of the opinion that the Hino fleet has an advantage in terms of comfort, the suspension of the Mitsubishi fleet is harder than Hino, so the vibration produced when the engine is turned on is more noticeable. However, in terms of engine power, the Mitsubishi fleet is superior to Hino. In terms of safety factors, both brands have the same level of safety, so the determining factor is the driver who drives the fleet.

After observing the profitability of Hino and Mitsubishi fleets, considering the purchase price of each fleet, revenue, operational costs, maintenance costs, vehicle tax, KIR costs, comfort, and safety. It is concluded that in the operational activities of CV. Aneka Usaha Jaya, the use of Mitsubishi fleets is more advantageous than Hino.

Observing the profitability of each brand, it is recommended that when purchasing new units with the same fleet class between the two brands that have been studied, the company should choose the Mitsubishi brand unit. This is due to the factor that greatly affects the profitability between the two brands, which is the initial purchase price of the fleet.

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