

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

Parking is something that almost everyone is familiar with and nearly all of us do every day. Parking is extremely needed since every trip with a vehicle starts and ends in a parking lot. However, parking in populated areas is something irritating that may increase driver's stress levels, affect their daily productivity, and dirty the environment. The latest survey shows that during peak hours in most large cities, the traffic generated by cars checking out parking areas takes up to 40% of the full traffic (Wang, 2011). Therefore, in these densely-populated urban areas, a traffic jam and delay is caused by parking. Another recent study also shows, in a business district of Los Angeles, vehicles looking for parking burn 47,000 gallons of gasoline and produced 730 tons of carbon dioxide, which is equivalent to 38 trips around the world (Wang, 2011).

Parking management is necessarily needed to influence drivers' search time and cost looking for parking spaces, parking revenue, and traffic congestion. Parking as an industry becomes more profitable since the parking industry generates billions of dollars in annual revenue in the United States alone. In Indonesia itself, the demand for parking lots tends to increase from year to year as the number of vehicles continues to increase. In conditions like this, there will certainly be an increase in demand for parking lots which unless they are fulfilled can cause problems. Parking problems will become increasingly serious with the

increasing flow of urbanization, rapid growth of vehicles, and pressure from manufacturers of motorized vehicles. Therefore, a reservation system is made that enables individuals to buy parking spots before leaving their home would significantly ease these concerns (Yan, n.d.).

In order to deploy a parking management, there are some systems to make parking become by adding a technology into the parking system. Wang (2011) stated a journal " A reservation-based Smart Parking System " with a result that designing a reservation system requires a prototype in which to develop the three-tier architecture, (1) data tier: deployed sensor network to collect real-time parking information, (2) logic tier: dynamic pricing engineer in process of sensing data, (3) representation tier: web service. However, Yan (n.d.) conducted a research named "CrowdPark: A Crowdsourcing-based Parking Reservation System for Mobile Phones" discussed that to implement a reservation system, CrowdPark used a novel combination of incentive designs, sensors data processing techniques, and navigation-based tools with no additional infrastructure and officer's assistance. However, to implement the system, the participation is necessarily needed as a part of the system (Yan, n.d.). Meanwhile, Pala (2014) did a research on "Smart Parking Applications Using RFID Technology" discovered that the implementation of RFID Technology in the parking system can be a breakthrough. He stated that parking could be an autonomous system with the help of RFID readers, RFID labels, computers, barriers and software which are used as for the main components of the RFID

Technology to handle, control, also report transaction and costs parking lots in various cities.

The three researchers above discussed the methodologies on developing a parking system, and since none of them explained parking as a startup, the writer filled in the gap by developing and testing the Online Parking Reservation. The reservation in the writer's system was different from that in the previous researches and others earlier mentioned in which was not require sensors. Based on what the writer had written in the paragraphs above, the writer conducted a research entitled "DEVELOPING AN ONLINE PARKING RESERVATION STARTUP".

## **1.2 Field of the Study**

The field of the study is the creative industry which relates to Englishpreneurship.

## **1.3 Scope of the Study**

The research focused on finding people's interest in the Online Parking Reservation as a start-up through a mobile application.

## **1.4 Research Question**

The writer formulated problems of the study of this research as "What are the business prospects of Online Parking Reservation in Semarang?"

## **1.5 Objectives of the Study**

Concerning the problems mentioned, this research was conducted to achieve the following objective: to find out the prospects of the Online Parking

Reservation in Semarang by finding out the peoples' perspectives of the online parking application.

### **1.6 Significance of the Study**

The goal of conducting this study was to find out respondents' reactions against an Online Parking Reservation start-up. Thus, the result of this research may be used as a reference for both the writer and other business owners.

### **1.7 Definition of Terms**

1. A start-up is a corporation that's within the initial stage of its operations. These firms are usually financed by their entrepreneurial founders as they decide to exploit developing either products or services that they believe there is a demand.

