

## ABSTRACT

The development of information and communication technology is growing rapidly, marked by the emergence of the internet which makes it easier for people to carry out various activities, one of which is buying and selling goods and services. The development of e-commerce users in Indonesia continues to increase and by 2021 it is estimated that it will reach 73,7% of the total population in Indonesia. It can be concluded that e-commerce in Indonesia has significant growth. The shopee application as the object of this research is the application that ranks first for the ranking of monthly active users of e-commerce as well as the most popular application on both the iOS (Appstore) and Android (Playstore) platforms in the 1<sup>st</sup> quarter of 2021. Shopee application users reach around 93 million active users and as the largest e-commerce company, we need a good, comfortable and safe e-commerce system for new users to use and to be able to maintain the company's position in the competition between e-commerce trading.

This study was conducted to analyze the factors that influence the use of the Shopee application by using a research model that serves to analyze how the acceptance of the system by technology users in an organization is the UTAUT2 model with the variables of performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, habit, continuance intention, use behavior and additional variables, namely perceived security & risk variables

Collection of this research data through the dissemination of questionnaires online through Google Forms. The number of respondents used in this study was 400 respondents who live in Indonesia. The instrument of data collection was a questionnaire with 36 items of questions from 10 constructs used. The data analysis technique used in this research is using Structural Equation Modeling (SEM) with SmartPLS 3.3.3 software.

The results of this study indicate that there are 7 factors in the Modified UTAUT2 model that affect user continuance intentions the use of shop applications in Indonesia, namely Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Hedonic Motivation, Habit, Perceived Security and Risk. Price Value has a positive but not significant effect. From the results of this study, This research also shows that the dependent factor Continuance Intention has a significant positive effect on Use behavior. From this study, it is also known that Gender moderates the Habit variable and Age moderates the Facilitating Condition variable on *Continuance Intention* in using the Shopee application.

This study found that the most significant factor of the UTAUT 2 Model that affects Continuance Intention on the use of the Shopee application is the Facilitating Condition. This means there is a high level of confidence from an individual that there is an organizational and technical infrastructure to support Shopee adoption. Shopee needs to ensure that the instructions for using the Shopee application are clear so that it can be easily understood by its users. For further research, because the modified UTAUT 2 Model has a strong explanatory power of 76.4%, further research is expected to be able to conduct research in other fields

*Keywords* Shopee, Modified UTAUT 2, Digital Marketing