

CHAPTER I

INTRODUCTION

1.1 Research Overview

1.1.1 GoJek



Figure 1.1 Gojek Logo

Source: The logo of Gojek (Wikimedia Commons, 2019)

The new technological era has changed the way individuals do business, especially transportation network corporations (Susilo et al., 2019). The enterprise has begun implementing cutting-edge internet-based technologies. Go-Jek or Gojek is one of Indonesia's most quickly evolving and visible technology startups. The courier, transportation, and shopping business justify previously unregulated motorcycle taxis — ojek in Indonesian — not only by providing drivers with green uniforms and helmets, but also by arranging them via a smartphone app that allows consumers to hire drivers (Cosseboom, 2015). Gojek established in 2010 with Nadiem Makarim as the founder and CEO that start Gojek with a tiny call center and twenty drivers (Gojek, 2021). With The concept was for commuters to contact a call center and request that ojek drivers pick them up and take them anywhere they want, Nadiem have a mission to make people's lives less difficult. With Gojek people can easily reach any location they want (Cosseboom, 2015).

In 2015, Go-Jek launched their application. Customers can now order taxibike (ojek) easily on the application. Every day, orders increase from 3,000 to 100,000. The company's operations have expanded outside Jakarta. Food delivery (GoFood), shopping services (GoShop), and other services are available. It doesn't end in 2015; Gojek continues to develop to the point that, in 2016, it became Indonesia's first unicorn, with a daily rise of 300,000 orders.

Indonesia, Vietnam, Singapore, and Thailand are the four countries where Gojek operates now. Gojek has grown into a super app that now offers over 20

services. Currently, almost all industrial sectors are available on Gojek, not only focusing for transportation only but now Gojek divided into seven category of services that are transport and logistics; GoRide, GoCar, GoSend, GoBluebird, GoBox, and GoTransit. And there is health section that go with GoMed where poeple can order medicine, partnering with HaloDoc. For delivery and shopping there are GoFood, GoMart, GoShop, the differences between GoMart and GoShop is in GoShop customer can choose the market that they want to buy something, meanwhile in GoMart there are already several choices of places to shop and product variants and price available at these places. Gojek also expand on financial sectors, in payments category there are GoPulsa, GoNearby, GoTagihan, GoGive, GoSure, GoInvestasi and GoPay. For daily needs category there are GoFitness and GoService where Gojek help customer to renewal vehicle taxes, transfer vehicle ownership, and many more. In news and entertainment category there are GoTix, GoPlay, and GoNews (Gojek, 2022b). The newest category is environmental products that named GoGreener, in this features Gojek users may determine their carbon footprint and then offset it by planting a number of trees using this function (Damar, 2021). Gojek, as superapps, strives to meet consumer needs by providing services in various fields so that consumers can easily access everything through just one application.

Gojek has about a user base of 170 million across Southeast Asia (Globe, 2020), not only that under Gojek, combines applications from Indonesia, Singapore, Thailand, and Vietnam. During the pandemic, GoFood transforms into the world's most useful and user-friendly application and also application downloads reach 190 million (Gojek, 2021). On 17 May 2021, Gojek and Tokopedia announced that their merger had been completed and that they had formed a new holding company named GoTo.

1.1.2 GoFood

GoFood is a Food Delivery Apps (FDAs) provided by the Gojek. Gojek has introduced a service that enables customers to order meals from their preferred merchants due to the industry's rapid expansion and great popularity. GoFood is the largest food delivery service in the world, outside China, and collaborates with

125,000 merchants in cities around Indonesia. More than 125,000 restaurants have become GoFood Partners and cooperate with GoFood officially (Gojek, 2022a). There is a slight difference in price between the restaurant's original pricing and the price listed in the application since there is a delivery fee in order to generate a profit for the driver and merchants. However, the maximum distance between meal delivery providers is 25 kilometres.

In the previous two years, starting in February 2020, Indonesia has been overrun by a pandemic of COVID-19, as declared by the World Health Organization (WHO) (BBC, 2020). Since then, the behaviour of customers has changed. A number of activities have been stopped because to the COVID-19 pandemic. During the COVID-19 pandemic, people spent more time at home and avoided public services, resulting in a significant loss for the regular foodservice business. In order to survive the pandemic and maintain sustainable growth, it also changed consumers' consumption habits and expedited the transition of culinary businesses from normal in-store service to online-to-offline service. According to Vice President Corporate Affairs Gojek Food Ecosystem that was mentioned in Antara News, states that about 94% of MSMEs who joined the GoFood ecosystem during the COVID-19 pandemic were micro or household scale (Gayati, 2020). Supported by Chief Food Officer Gojek Group on Kompas.com, that the number of MSMEs that joined GoFood increased by 50% over the previous year (Sasongko, 2021). GoFood has grown not just in terms of business segments but also in terms of users. According to a survey from CLSA Indonesia, 70% of 450 respondents are ordering food online more often than before the COVID-19 pandemic, and also 35% of the respondents are choosing GoFood as their food delivery apps that using during COVID-19 (Intan, 2021). According to Statista (2022b), during the COVID-19 epidemic, around 41% of Indonesian respondents claimed that they used food delivery apps more frequently and the most used food delivery apps that Indonesian citizen is GoFood that state by Statista (2022c), 78% of respondents in Indonesia chose GoFood as their preferred food delivery app. It shows that GoFood has become top of mind food delivery apps in Indonesia.

1.2 Research Background

Nowadays, all actions are easy to execute as a result of technology advancements. Technology is extremely beneficial to human needs and cannot be isolated from the human lifestyle; therefore, people are extremely reliant on technology even now. One of technology that is very close to humans is mobile devices. Mobile devices have been extensively established, and their use has expanded significantly on a global scale (GSMA, 2021). According to Statista, Indonesia's smartphone user base is expected to reach 199.2 million by 2021. Indonesia is now the world's fourth largest smartphone market, behind China, India, and the United States (Nurhayati-Wolff, 2021).

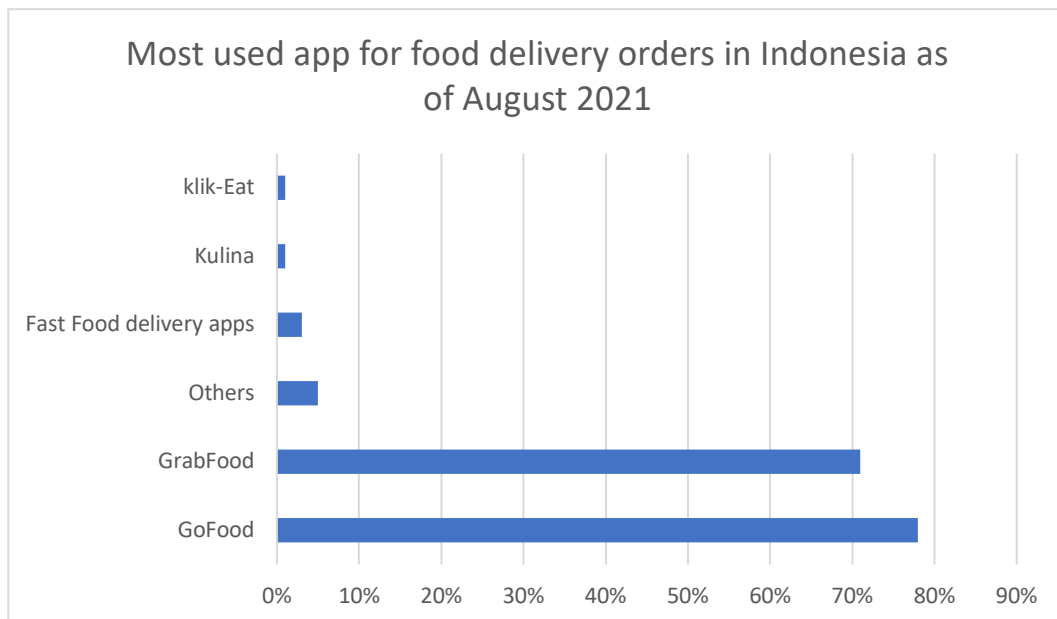


Figure 1.2 Number of used app for food delivery orders in Indonesia as of August 2021

Source: Most used app for food delivery orders in Indonesia as of August 2021 (Statista, 2022)

Numerous mobile services are being created and deployed in a variety of sectors. Food delivery apps (FDAs) have lately gained popularity as online-to-offline mobile applications that benefit both culinary businesses and customers by delivering easy and fast online ordering and offline delivery. According to Statista, around 78% of respondents with a range of age of 16 years and older in Indonesia

in August 2021 answered that GoFood was their preferred meal delivery app (Statista, 2022a). Based on the latest research conducted by Nielsen Singapore "Understanding Indonesia's Online Food Delivery Market", discovered that 84% of respondents who use several food delivery apps believe GoFood provides the best food delivery service in Indonesia, significantly higher than the industry average (39 %) (GoFood, 2019). GoFood continually innovates not only in terms of food delivery services, but also in terms of culinary trends, serving as a barometer for culinary businesses and the community. GoFood has succeeded in becoming a medium of communication that makes it easy to send food or drinks to someone as a symbol of compassion and expression of feelings.

Indonesia has been swamped over the last two years, beginning in February 2020, by an epidemic of COVID-19, which the World Health Organization (WHO) has declared a pandemic (BBC, 2020). According to a report from the World Health Organization (WHO), there were a total of 7,805 confirmed cases of COVID-19 infections and 27 fatalities in Indonesia as of 24 January 2022, a reduction from the beginning of January (WHO, 2022). During the COVID-19 crisis, the WHO strongly suggested wearing a mask in public, social distance, self-isolating, and other self-protection measures to prevent direct and indirect contact between individuals and hence reduce the chance of COVID-19 transmission. Numerous activities have been halted because of the COVID-19 epidemic. People will spend more time at home and avoid public services, led to a major loss in the conventional foodservice industry during the COVID-19 epidemic. According to Statista (2022d) data, Indonesia's GDP from food and beverage service operations was estimated to be over 319.5 trillion Indonesian rupiah in 2020. The value fell by more than 5% from the previous year's level.

On the other hand, despite COVID-19's negative impact on the culinary industry's supply and demand, it has effected citizens' consumption habits and accelerated the transition of culinary businesses from traditional in-store service to online-to-offline service in order to survive the pandemic and maintain sustainable development (Zhao & Bacao, 2020). The pandemic of COVID-19 has forced culinary businesses, specially micro, small, and medium-sized enterprises

(MSMEs), to keep up with technology. Fortunately, internet food delivery apps (FDAs) have created a comprehensive set of tools to assist culinary MSMEs in handling the business transformation. GoFood has expanded not just in terms of its business areas but also its user base. According to a survey conducted by CLSA Indonesia, 70% of 450 participants are ordering food online more frequently than before the COVID-19 pandemic, and 35% of respondents are using GoFood as their food delivery app during the COVID-19 pandemic (Intan, 2021).

Bandung has been classified by MSI (2021) as an urban tourism city. Therefore, the governance has been defining the urban tourism locations, one of those categories is culinary. Bandung has long been famous for its thriving culinary industry, which serves to both locals and tourists. Moreover, Bandung has become the target in this research as the Bandung have been identified as the city with a reputation for bizarre and one-of-a-kind meals over the years (Rayda, 2020). At the beginning of 2021, West Java was the city with the highest number of cases in Indonesia, especially Bandung. In a day, West Java recorded 3,095 new cases, an extraordinary number, or double the average daily number of new cases in West Java. In fact, this figure exceeds the new cases in the province of the capital city of Jakarta, with as many as 2,541 new cases (Nurulliah, 2021). Due to the current conditions, Bandung citizens are restricted in their everyday outdoor activities. As a result, food delivery apps in Bandung might have a significant impact, as the current condition prevents people from engaging in many outside activities.

According to previous research, Laksono (2018) states using the adoption of the UTAUT2 model that there are five factors that influence the continuance intention of GoFood, namely, habit, trust, hedonic motivation, price value, and facilitating condition. However, Laksono (2018) states that there are still many aspects that need to be upgraded and improved. Another statement came from Monica & Briliana (2019), by using the adoption of ECM, perceived ease of use, perceived usefulness, confirmation, performance value, and satisfaction to influence the customer's continued intention to use GoFood, especially in the Jakarta area. Research on Continuance Intention in the COVID-19 era does already exist. Unfortunately, there has never been further research with different cultures,

regions, countries, and also certain FDAs. As explained by Zhao & Bacao, (2020), the use of this adaptive framework that combine Unified Theory of Acceptance Use of Technology Model (UTAUT) with Task-Technology Fit Model and the Expected Confirmation Model (ECM) has only focused on FDA users in China, and the results of the adaptation of the existing framework are recommended to be implemented in different regions and countries. Therefore, this research framework are purposed for this research with a combination of the three framework models that have been mentioned, and previously there has been no other research using this framework in the field of FDAs, especially the GoFood case study in the city of Bandung. Thus, the tittle of the research is *"FACTORS THAT DETERMINE CUSTOMER CONTINUANCE INTENTION IN USING FOOD DELIVERY APPS DURING COVID-19 PANDEMIC PERIOD IN BANDUNG: CASE STUDY OF GO-FOOD"*.

1.3 Problem Formulation

On the basis of the foregoing, GoFood is one of the most commonly used FDAs by the Indonesian populace, demonstrating excellent efficacy throughout the COVID-19 pandemic. During the current COVID-19 pandemic, which has lasted nearly three years, consumer behavior can change, and the use of food delivery apps has increased. This behavior can still be attributed to a consumer's situation post-pandemic. This research may be used to identify the factors that influence users' intent to continue using food delivery applications, especially GoFood, in the coming years.

Numerous research have identified the characteristics that contribute to user persistence in utilizing the GoFood service. As Laksono (2018) shown in his research, he employs the UTAUT model, whereas Monica & Briliana (2019) employs the ECM model; however, there is no research about GoFood during the pandemic COVID-19, especially by combining the three models. Thus, the objective of this study is to scientifically uncover GoFood's performance during the COVID-19 epidemic by identifying the elements that impact users' inclination to continue using the GoFood service in Gojek applications by using the adaptive framework model from UTAUT with ECM and Task-Technology Fit (TTF) model.

1.4 Research Question

1. Is there any influence of performance expectancy towards continuance intention of users in using GoFood as their FDAs?
2. Is there any influence of performance expectancy towards the satisfaction of users in using GoFood as their FDAs?
3. Is there any influence of performance expectancy toward continuance intention of users in using GoFood as their FDAs through satisfaction?
4. Is there any influence of effort expectancy towards continuance intention of users in using GoFood as their FDAs?
5. Is there any influence of effort expectancy towards performance expectancy of users in using GoFood as their FDAs?
6. Is there any influence of effort expectancy towards the satisfaction of users in using GoFood as their FDAs through performance expectancy?
7. Is there any influence of effort expectancy toward continuance intention of users using GoFood as their FDAs through performance expectancy and satisfaction?
8. Is there any influence of effort expectancy toward continuance intention of users in using GoFood as their FDAs through performance expectancy?
9. Is there any influence of effort expectancy toward the satisfaction of users in using GoFood as their FDAs?
10. Is there any influence of effort expectancy towards continuance intention of users in using GoFood as their FDAs through satisfaction?
11. Is there any influence of social influence towards continuance intention of users in using GoFood as their FDAs?
12. Is there any influence of social influence towards the satisfaction of users in using GoFood as their FDAs?
13. Is there any influence of social influence toward continuance intention of users in using GoFood as their FDAs through satisfaction?
14. Is there any influence of trust towards continuance intention of users in using GoFood as their FDAs?
15. Is there any influence of trust towards the satisfaction of users in using GoFood as their FDAs?

16. Is there any influence of trust toward continuance intention of users in using GoFood as their FDAs through satisfaction?
17. Is there any influence of perceived task-technology fit towards continuance intention of user in using GoFood as their FDAs?
18. Is there any influence of perceived task-technology fit towards performance expectancy of user in using GoFood as their FDAs?
19. Is there any influence of perceived task-technology fit toward continuance intention of users in using GoFood as their FDAs through performance expectancy?
20. Is there any influence of perceived task-technology fit toward users' satisfaction with using GoFood as their FDAs through performance expectancy?
21. Is there any influence of perceived task-technology fit toward continuance intention of users in using GoFood as their FDAs through performance expectancy and satisfaction?
22. Is there any influence of confirmation towards the satisfaction of users in using GoFood as their FDAs?
23. Is there any influence of confirmation towards continuance intention of users in using GoFood as their FDAs through satisfaction?
24. Is there any influence of confirmation towards performance expectancy of users in using GoFood as their FDAs?
25. Is there any influence of confirmation toward continuance intention of users in using GoFood as their FDAs through performance expectancy?
26. Is there any influence of confirmation toward continuance intention of users in using GoFood as their FDAs through satisfaction?
27. Is there any influence of confirmation toward continuance intention of users in using GoFood as their FDAs through performance expectancy and satisfaction?
28. Is there any influence of satisfaction towards continuance intention of users in using GoFood as their FDAs?

1.5 Research Objectives

1. To measure the influence and significance of performance expectancy towards continuance intention of users in using GoFood as their FDAs.

2. To measure the influence and significance of performance expectancy towards the satisfaction of users using GoFood as their FDAs.
3. To measure the influence and significance of performance expectancy toward continuance intention of users in using GoFood as their FDAs through satisfaction.
4. To measure the influence and significance of effort expectancy towards continuance intention of users using GoFood as their FDAs.
5. To measure the influence and significance of effort expectancy towards performance expectancy of users using GoFood as their FDAs.
6. To measure the influence and significance of effort expectancy on users' satisfaction with using GoFood as their FDAs through performance expectancy.
7. To measure the influence and significance of effort expectancy toward continuance intention of users in using GoFood as their FDAs through performance expectancy and satisfaction.
8. To measure the influence and significance of effort expectancy toward continuance intention of users in using GoFood as their FDAs through performance expectancy.
9. To measure the influence and significance of effort expectancy toward satisfaction of users in using GoFood as their FDAs.
10. To measure the influence and significance of effort expectancy toward continuance intention of users in using GoFood as their FDAs through satisfaction.
11. To measure the influence and significance of social influence towards continuance intention of users in using GoFood as their FDAs.
12. To measure the influence and significance of social influence towards the satisfaction of users in using GoFood as their FDAs.
13. To measure the influence and significance of social influence toward continuance intention of users in using GoFood as their FDAs through satisfaction.
14. To measure the influence and significance of trust towards continuance intention of users in using GoFood as their FDAs.

15. To measure the influence and significance of trust towards the satisfaction of users in using GoFood as their FDAs.
16. To measure the influence and significance of trust toward continuance intention of users in using GoFood as their FDAs through satisfaction.
17. To measure the influence and significance of perceived task-technology fit towards continuance intention of users using GoFood as their FDAs.
18. To measure the influence and significance of perceived task-technology fit towards performance expectancy of users using GoFood as their FDAs.
19. To measure the influence and significance of perceived task-technology fit toward continuance intention of users in using GoFood as their FDAs through performance expectancy.
20. To measure the influence and significance of perceived task-technology fit on users' satisfaction with using GoFood as their FDAs through performance expectancy.
21. To measure the influence and significance of perceived task-technology fit toward continuance intention of users in using GoFood as their FDAs through performance expectancy and satisfaction.
22. To measure the influence and significance of confirmation towards the satisfaction of users using GoFood as their FDAs.
23. To measure the influence and significance of confirmation towards the continuance intention of users using GoFood as their FDAs through satisfaction.
24. To measure the influence and significance of confirmation towards performance expectancy of users using GoFood as their FDAs.
25. To measure the influence and significance of confirmation toward continuance intention of users in using GoFood as their FDAs through performance expectancy.
26. To measure the influence and significance of confirmation toward satisfaction of users in using GoFood as their FDAs through performance expectancy.
27. To measure the influence and significance of confirmation toward continuance intention of users in using GoFood as their FDAs through performance expectancy and satisfaction.

28. To measure the influence and significance of satisfaction towards continuance intention of users using GoFood as their FDAs.

1.6 Research Benefits

1.6.1 Theoretical Aspects

This research is expected to provide benefits in the field of education, especially in business management, and can help deepen and apply marketing management knowledge and can contribute to the adapted model regarding continuance intention and the factors that influence it, especially in the field of food delivery apps, so that future writers and readers can benefit from it.

1.6.2 Practical Aspects

This research hopefully could be used to determine the factors influencing consumers' intention to use GoFood continuously during the COVID-19 period and assist Gojek in better understanding customers' perceptions and behaviors in order to establish business strategies more effectively.

1.7 Research Scope

1.7.1 Research Location and Objects

The location of the object study is conducted in Bandung where the Food Delivery Apps (FDAs) that exist is GoFood by Gojek. The location of study is based on the results of APJII research report (Irawan et al., 2020), Bandung is the second top city in internet usage on the island of Java, with a percentage of internet users of 82.5%.

The objects of this research are GoFood user in the age of 16 years old to 54 years old.

1.7.2 Research Period

The period of this research starts from February 2022.

1.8 Systematical Writing

CHAPTER I: INTRODUCTION

This chapter will explain briefly the research object overview, research background, problem statement, research question, research objectives, and research writing systematic.

CHAPTER II: LITERATURE REVIEW

This chapter will explain about theories, previous research, framework, hypotheses, and scope of the research.

CHAPTER III: RESEARCH METHODOLOGY

This chapter will explain the research type, operational variables, research steps, population and sample, data collection, validity and reliability test, and data analysis method.

CHAPTER IV: RESULTS AND DISCUSSION

This chapter will consist of chronological and systematical result of the research based on the problem statement and objectives of the research.

CHAPTER V: CLOSING

This last part of the research contains conclusion, research limitations, and suggestions of the research.