

# CHAPTER I: INTRODUCTION

## 1.1 Research Background

The development of technology today influences the way of human behavior. One of the most influential technologies is the internet. The internet has provided many benefits for humans, almost all activities that used to only be done conventionally can now be done easily using online technology. One of the activity that's often been done by using the internet is online transaction activities that can be done in several existing marketplaces. Online transaction activities are not just about products, but can also be related to services.

Currently there lots of application providers are competing to create a company or application as well as possible, because of the many companies engaged in this digital field, many companies are getting shut down or bankrupt because they couldn't able to compete with other companies. Some companies are currently starting to use the concept of omnichannel in building their business.

Omnichannel is a business concept which combines online channels with offline channels and has a system that is interconnected or can be called seamlessly. Chief Technology Officer of PT Inovasi Informasi Indonesia (Icube) Muliadi W Jeo said that Omnichannel is a combination of several channels and media provided by the seller so that customers can have the same feeling in making purchases on any channel (Noor, 2018).

Customers can make purchases or use services through online services or offline services that are interrelated so that it makes it easier for customers to use these products, apart from that related to transactions in offline and online channels, program loyalty is also an omnichannel concept because customers can get points from online and offline channels.

Omnichannel is a business concept that focuses on a comprehensive consumer journey, so it is very appropriate to use today because all channels are well interconnected so as to give customers satisfaction in shopping.

An example of a company related to services and using the concept of online channels and offline channels seamlessly are Gojek and Grab company in Indonesia, with this application a lot of people are helped from the customer side and also from the service provider side or what we usually used to call as a partner.

This application provides several services such as for delivery of goods or even for ordering food at a restaurant. These services are widely used in helping someone to streamline their time, for example by using these services, people don't need to queue at restaurants or to offline stores to buy food or goods, just use the application from anywhere and we can get the food or goods we want, besides that, of course, for online transportation services, both motorbikes and cars, this demand occurs because currently public transportation that runs well in Indonesia is very minimal so that peoples like to using this service. Another plus for this application is that when we want to order a service, we don't need to look for a driver partner to help us, we just sit and order through anywhere and then after that we can get a driver partner to help us.

Gojek first started its business in 2010 by using a call-center service as a service in its ordering. 2015 was the year when Gojek began to be known by many people because they developed several services, namely GoSend, GoRide and GoMart, which can be used by customers to help in their daily activities.

After the launched, Gojek was used by many people and continued to grow until it became one of the technology groups that owned and provided services to millions of customers in Southeast Asia. Quoted from Bisnis.com, it is states that currently one of the largest mobile on-demand platforms in Southeast Asia is the Gojek application because it offers a variety of services, starting from offering transportation services to providing services for ordering food, delivering goods and also various other interesting services, and Currently the Gojek Group already has operational offices in several cities in five Southeast Asian countries, namely 207 offices that provide supports for their partners (Andriani, 2019).

TribunBisnis.com also mentioned in its article that in the publication of research results entitled "Behavior and Preferences of Indonesian Millennial Consumers for E-Commerce Applications 2019" held by Alvara Research Center, in the research it was states that Gojek was in the top 3 in the mobile e-commerce category, which has the most millennial enthusiasts in the transportation service sector, food delivery services and also as a means of payment (Arifin, 2019).

Gojek and Grab are only 2 (two) examples of omnichannel companies that can be considered successful in Indonesia, even though many companies are also running in similar businesses but are arguably less successful. Uber is an example of an omnichannel company that has not received a good response in Indonesia, so this company chose to exit from this business competition, not only Uber but also many applications made by locals who are still very lacking of enthusiasts and have not achieved success like Gojek and Grab.

Table 1.1. App Install Penetration. Percent of users with apps installed on device users in Indonesia

	SEP 2015	FEB 2016	JUNE 2016	OCT 2016	JAN 2017
<b>GOJEK</b>	2%	6%	7%	7%	8%
<b>GRAB</b>	0%	4%	4%	7%	10%
<b>UBER</b>	0%	2%	2%	4%	9%

Source : (Ryza, 2017)

Table 1.2. Top App Ranked by Average Daily Active Users, ordered by the average number of daily active users in Indonesia

	SEP 2015	FEB 2016	JUNE 2016	OCT 2016	JAN 2017
<b>GOJEK</b>	1	1	1	1	1
<b>GRAB</b>	2	2	2	2	2
<b>UBER</b>	3	3	3	3	3

Source : (Ryza, 2017)

From the data above, we can see some facts of the three existing companies, Gojek did not show good results in 2016 (Table 1), Gojek was only installed by 7 (seven) - 8 (eight) % of the people who have Android. Uber and Grab show a significant increase in users who download their applications from year to year. But we can see in Table 2 that this does not affect Gojek as an application that has the most active users on its application. This is quite surprising between the comparison of the data in Table 1 and Table 2.

Bisnis.com also states that in the first half of 2019, Gojek has been downloaded more than 155 million customers in its application and also had partners of more than 2 (two) million people, merchant partners with numbers almost touching 400,000 and as service providers with numbers more than 60,000 in Southeast Asia (Fauzan, 2020).

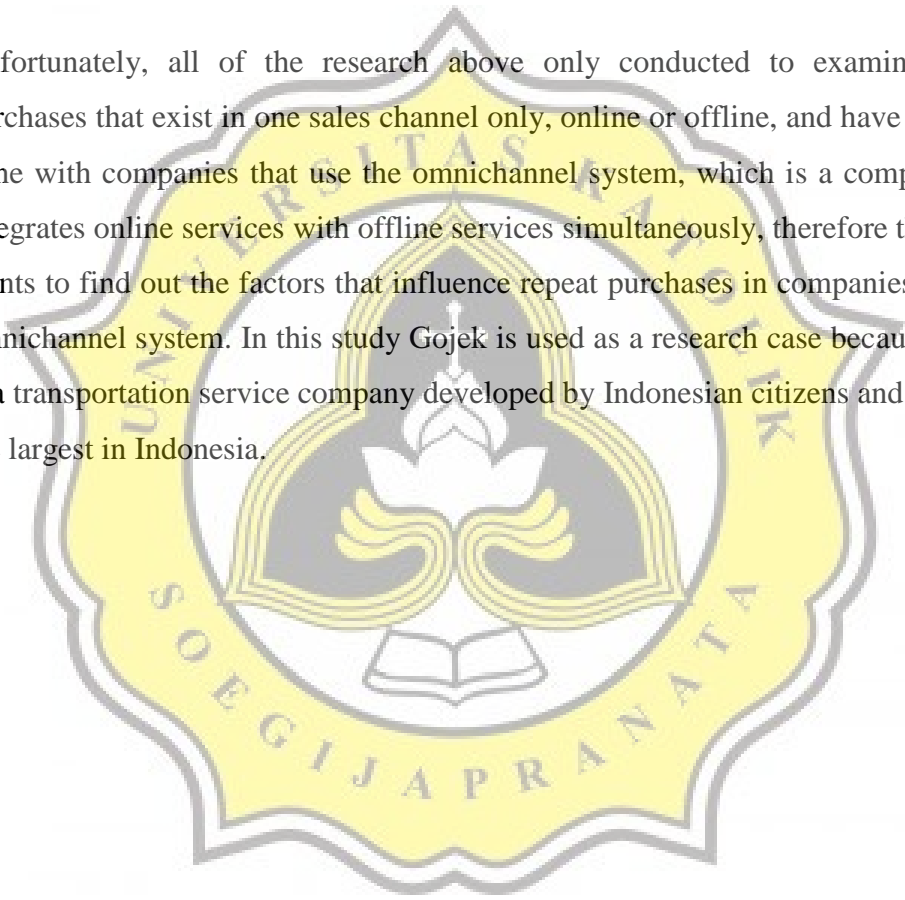
Seeing the phenomenon that occurs above, the researcher wants to know what factors actually influence someone to make repeat purchases at certain companies that have an omnichannel system so that later managers can prepare the best strategy to be able to compete with companies that have been successful first.

There are lots of researchers who did some research about repurchase intention. There are some researchers who explained some factors that influencing repurchase intention in the online channel was explained by Saragih & Ramdhany (2013), Kim et al. (2012), Escobar & Bonson (2017), and Farki et al. (2016). Lloyd et al.(2014) examined repeat purchase intentions using online group purchase channels as the object of his research.

Some researchers also examined factors that affect customer satisfaction on offline channels such as a mall (Kesari & Atulkar, 2016; Lloyd et al., 2014) and also at a coffee shop examined by Kim & Kim (2019). Customer satisfaction studied has a significant and positive influence on repeat purchase intentions, the greater the satisfaction that customers can get, the greater the desire and willingness of customers to make repeat purchases discussed by Duarte (2018). The trust factor is also one of the dimensions studied has a significant and positive

effect on repeat purchase intentions, trust can make customers confident to make repeat purchase intentions (Lu, Fan, & Zhou, 2016; Saragih & Ramdhany, 2013; Shiau & Chau, 2013). Another study explains that utilitarians have a direct, positive and significant influence on consumer decisions to carry out repurchase activities in several companies described by Lloyd et al.(2014), Kim et al. (2012) and a study representing utilitarians as perceived ease of use also found the same results by Prihartini & Udayana (2018).

Unfortunately, all of the research above only conducted to examine repeat purchases that exist in one sales channel only, online or offline, and have not been done with companies that use the omnichannel system, which is a company that integrates online services with offline services simultaneously, therefore this study wants to find out the factors that influence repeat purchases in companies with an omnichannel system. In this study Gojek is used as a research case because Gojek is a transportation service company developed by Indonesian citizens and which is the largest in Indonesia.



## **1.2 Research Question**

1. What factors that directly influence satisfaction in using Gojek services?
2. What factors that have direct effect on creating trust in using Gojek?
3. What factors that directly influence the customer's decision to using Gojek more than once?

## **1.3 Purposes of this study**

1. To find out the factors that directly influence someone's satisfaction in using Gojek.
2. To find out the factors that have direct influence in creating trust by using Gojek.
3. To find out the factors that have a direct effect in influencing the customer's decision to using Gojek more than once.

