CHAPTER I
INTRODUCTION

1.1 Background

The development of technology is changing Indonesian people’s lifestyle. This phenomenon can be seen through the shifting towards online purchase, ranging from purchasing basic household necessities to ordering food through the internet. The emergence of large online applications for the past couple of years such as GOJEK, Tokopedia, and Bukalapak has indicated that online purchase is a new market opportunity which also helps the growth of Indonesia economy. This statement is also supported by data acquired from Liputan6 (2017), where Bank Indonesia has recorded 69.8 trillion IDR for the total amount of e-commerce transaction that are happening in 2016 and in 2018 it was estimated to reach around IDR 144 trillion. Aside from boosting Indonesia’s economic growth, the existence of online mobile-application such as GO-FOOD also helps the growth of food and beverage business in Indonesia. According to articles retrieved from IDNtimes (2018), GO-FOOD has reached 9.7 million users across Indonesia. This number shows a large potential for startup businesses to grow their business by partnering with GO-FOOD, which also helps in promoting their business to have more customers.
GO-FOOD was introduced by GOJEK in 2015 as third party food delivery service. While the services offered are almost the same as the conventional delivery services provided by restaurants such as McD delivery and Pizza Hut, the GO-FOOD platform allows customers to order food from more than 125,000 restaurants through one single app. GO-FOOD plays an important role in the growth of restaurants in Surabaya. It can be seen in the data acquired from Badan Pusat Statistik Provinsi Jawa Timur (2016), shown in the figure 1.1, that there is significant increase in the amount of restaurants in 2015, especially in developed cities like Surabaya and Malang. People who live in developed cities are more connected with technology, thus explaining why the impact is more felt in this big cities. Figure 1.1 also shows the existence of GO-FOOD helps the growth of restaurants in Surabaya. One of the important factors for a restaurant to operate

<table>
<thead>
<tr>
<th>City</th>
<th>Number of Restaurants</th>
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<tbody>
<tr>
<td></td>
<td>2013</td>
</tr>
<tr>
<td>Malang</td>
<td>191</td>
</tr>
<tr>
<td>Surabaya</td>
<td>391</td>
</tr>
<tr>
<td>Pasuruan</td>
<td>26</td>
</tr>
<tr>
<td>Blitar</td>
<td>41</td>
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<tr>
<td>Probolinggo</td>
<td>16</td>
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Table 1.1 Number of restaurant 2013-2016
Source: Badan Pusat Statistik Provinsi Jawa Timur (2016)
their business is providing a place for their customer to dine in, which is quite costly, but the GO-FOOD platform helps decrease the dependency of the restaurant to provide a place. Aside from that, partnering with GO-FOOD provides solution for the delivery service which usually creates additional for restaurants.

GO-FOOD brings many positive impacts to the economic growth in Indonesia, especially in cities with high population and technology awareness. According to an article taken from Kompas (2016), the unemployment rate had been declining from 7.56 million in August 2015 to reach only 7.03 million in August 2016. This is supported with the statement from the head of BPS Suhariyanto that online-based ojek contributes in decreasing the unemployment rate in Indonesia. Small medium enterprises that become partners with GO-FOOD reported that they experience increase in terms of sales. According to the GO-FOOD intelligence business team data retrieved by the online newspaper Dailysocialid (2017), 40,000 out of 100,000 local business sales are increasing by as much as 345% after joining GO-FOOD. On the consumers’ point of view, they can also save their time and reduce their expense by being able purchase their food and get it delivered to their home.

There are several determinant factors that affected people’s behavioral intention to use the GO-FOOD application and those factors are perceived ease of Use, perceived usefulness, and perceived risk. According to Davis (as cited by Kock, 2015) perceived usefulness is the extent of how much the person feel benefited by using the specific application while Perceived Ease of Use is the
extent of how much the person feels free from effort by using the application. These first two factors are the determinants for people’s acceptance towards the new technology. The last factor will be perceived risk. According to Forsythe and Shi (as cited by Yong et al., 2013) Perceived Risk refers to people’s estimation on possible loses. Perceived Risk is the factor that hinders people’s behavioral intention.

From all of the data that are shown, it can be concluded that GO-FOOD has a huge impact in Indonesia’s economic growth. It is achievable because many people are relying and trusting GO-FOOD as a mobile-application that helps replace the conventional delivery system to the new and more efficient one. Through this study, the researcher wants to know how Perceived Ease of Use, Perceived Usefulness, perceived risk affects people’s behavioral intention to use GO-FOOD mobile application and that is why the title of this study is “THE EFFECT OF PERCEIVED EASE OF USE, PERCEIVED USEFULNESS, AND PERCEIVED RISK TOWARDS BEHAVIORAL INTENTION TO USE OF GO-FOOD”

1.2 Problem Statement

Based on the background of the problem, the structure of the problem is as follows:

1. How Perceived Ease of Use affects people’s behavioral intention of GO-FOOD?

2. How Perceived Usefulness affects people’s behavioral intention of GO-FOOD?

3. How Perceived Risk affects people’s behavioral intention of GO-FOOD?
1.3 Research Objectives

Based on the problem statement, the objectives which need to be completed by the researcher in this research are:

1. How Perceived Ease of Use affects people’s behavioral intention of GO-FOOD?
2. How Perceived Usefulness affects people’s behavioral intention of GO-FOOD?
3. How Perceived Risk affects people’s behavioral intention of GO-FOOD?

1.4 Research Benefits

1.4.1 Theoretical Benefit

The research is made as additional information for future researchers. The findings from this study may give insights for further researches on the impact of Perceived ease of use, perceived usefulness and perceived risk towards the intention of using GO-FOOD in Surabaya.

1.4.2 Practical Benefit

Based on the explanation above, the researcher hopes the results of this study can provide practical empirical uses, such as:

1. To know how Perceived Ease of Use, Perceived Usefulness, and Perceived risk affects people’s behavioral intention in using GO-FOOD.
2. To complete the S1for International Business Management, School of Management and Business of UniversitasCiputra.
1.5 Research Scope

The Research is being limited in evaluating what the impacts are of Perceived Ease of Use, Perceived Usefulness, and perceived risk towards people’s intention to use for GO-FOOD mobile-application. The researcher used GO-FOOD end-user customers in Surabaya as the study purpose.