

Business Ethics in Disruption Era: Factors Affecting Gojek E-Loyalty

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ABSTRACT

This study aims to analyze the effect of (1) Business Ethics towards Gojek Consumers E-Trust, (2) Business Ethics towards Gojek Consumers E-Satisfaction (3) E-Trust towards Gojek Consumers E-Loyalty, and (4) E-Satisfaction towards Gojek Consumers E-Loyalty. This research was conducted in Bukittinggi and Padang, West Sumatra. The number of samples are determined proportionally, and distributed accidentally to 450 respondents. Multiple Linear Regression was used for hypothesis testing at 5%. The results of this study are: (1) Business Ethics has a significant effect towards Gojek Consumers E-Trust, (2) Business Ethics has a significant effect towards Gojek Consumers E-Satisfaction (3) E-Trust has a significant effect towards Gojek Consumers E-Loyalty, and (4) E-Satisfaction has a significant effect towards Gojek Consumers E-Loyalty

Keywords: E-Loyalty, E-Trust, E-Satisfaction, Business Ethics, Gojek

1. INTRODUCTION

One online service that is undergoing development in Indonesia is Gojek. Gojek is one of the first Unicorn companies and has major innovations as the first online transportation service application company in Indonesia, and currently has the largest market share (R., Kadunci, & Sulistyowati, 2016). Gojek, which initially provided online transportation services, currently provides a variety of additional services such as GoFood (food delivery service), GoPay (non-cash payment services), GoSend (goods delivery service), GoClean (home cleaning services), GoMassage (massage services) and others.

To maintain customer loyalty, Gojek must know what factors are considered by consumers when choosing online transportation services. This has become an important demand for the company, because Gojek currently has a rival. In big cities where Gojek operates, it is always accompanied by the emergence of other online

transportation service companies such as Grab and Uber (MARATI, 2016). Some regions in Indonesia have even released their own online transportation services, such as AJO (Antar Jemput Online) in Pariaman Regency. Therefore, the ability to maintain loyalty, or in this case E-Loyalty, is one of the keys in winning competition and maintaining Gojek's status as a market leader in Indonesia.

According to the research of the musty children (years), loyalty for online companies is strongly influenced by Trust or E-Trust (Song, Wang, & Han, 2019). This is due to differences in the characteristics of online transactions and conventional transactions, where when shopping online buyers and sellers do not meet face to face (Tonkin et al., 2019). Therefore, one of the things that becomes a primary consideration for a buyer is their sense of trust in the seller. In terms of the services provided by Gojek, customers may become disappointed and feel no longer trust Gojek, due to poor service. The greater the

feeling of distrust, the loyalty will also be increasingly threatened.

Trust is interpreted as the belief of a consumer or potential customer of a product (Rubio, Villaseñor, & Yagüe, 2017). This feeling of confidence can be triggered by one's own experience or by the experience of others. Therefore, in building consumer trust, it must be understood in advance what are the factors that build trust. So this research is going to try to answer that problem.

In addition to trust, customer loyalty will be greatly influenced by satisfaction, or in this context E-Satisfaction. Satisfaction is a comparison made by consumers after consuming a product or service (Beyari & Abareshi, 2016). If a consumer finds that the reality he gets is better than his expectation, then he will feel satisfied. And vice versa (Nisara & Prabhakar, 2017). There have been many studies linking satisfaction and loyalty, but not so many have done so in the context of online services. Therefore, in this study, the authors will try to answer these problems by connecting the two variables.

If traced earlier, there is one aspect that will determine E-Loyalty, E-Trust, and E-Satisfaction. Namely corporate ethics in running a business. This issue has become very important, especially in the latest developments in the business world during the Industrial Revolution 4.0 or better known as the era of disruption (Sroka & Lőrinczy, 2015).

This is due to the consideration of various phenomena that often occur in Gojek services. Cases that are often reported include unilaterally canceling orders, long service times, poor service and so on. Though Gojek always tries to maintain the professionalism of the drivers. At the time of registration the prospective driver has been required to submit important documents such as a driver's license, vehicle documents, and must pass the selection to be a Go-Jek driver. The ethical principles under consideration are autonomy, honesty, fairness, mutual benefit and moral integrity.

With various backgrounds that have been presented above, this study offers a novelty, in which research that discusses Business Ethics in the era of disruption has not been done much, especially after it has been linked to E-Satisfaction and E-Loyalty. Therefore, the novelty of this article is to view the implementation of Business Ethics as one of the issues in Marketing Strategy. Where has Business Ethics been discussed more often as a social issue, which is completely separate.

2. THEORETICAL REVIEW

2.1. E-Loyalty

Basically, there are several differences in offline and online customers buying attitudes. If online consumers are accustomed to spending time and buying various products in one store, this is not the case with online consumers. Online consumers are accustomed to buying various products from various shops / providers (Chen & Rahman, 2018). Company's ability to create e-loyalty becomes more difficult in online business in consequence of customer's ease to move from store to store in a short period of time. Subsequently, e-satisfaction is really needed in online companies (Elkhani, Soltani, & Jamshidi, 2014).

The definition of e-loyalty according to Elkhani et al. (2014) e-loyalty is another form of loyalty, which is a commitment from online customers to continue using the products offered by the company. Consumers with high e-loyalty, will be more resistant from persuasion from competitors, even though the persuasion is accompanied by better offers, or more attractive incentives (Rubio et al., 2017). According to (Shankar, Smith, & Rangaswamy, 2003), e-loyalty is the tendency for internet users to visit and shop on a website continuously.

2.2. Business Ethics

(Vidgen, Hindle, & Randolph, 2019) says that business ethics in English is called business ethics. In the Dutch language the name *bedrijfsethiek* (company ethics) and in German *Unternehmensethik* (business ethics). Close enough to that in English, sometimes corporate ethics is used. Another narrative is "economic ethics" or "economic ethics" (rarely in English economic ethics; more in German *Wirtschaftsethik*). Also found the name of management ethics or managerial ethics (management ethics) or organization ethics (organizational ethics) (O.C.Ferrell, Harrison, Ferrell, & F.Hair, 2019).

(Goel & Ramanathan, 2014) says that Business Ethics is basically another form of Applied Ethics. Here, business ethics is a form of ethical application carried out by business people in their business activities. So, essentially the goal of business ethics is the moral behavior of business people who have economic activities. This understanding explains how business people act morally in conducting their business. Or business ethics refers to correct business actions in accordance with existing norms. These moral principles are basically intertwined in a unified and systematic framework called theory. Business ethics is very important not only for entrepreneurs, but also for society / consumers.

In this research, Business Ethics is positioned as a cause variable of Trust and Satisfaction. This is by considering that the better Business Ethics upheld by Gojek, the better the trust and satisfaction of its customers.

H1: Business Ethics positive and significant impact on Gojek E-Trust

H2: E-Satisfaction positive and significant impact on Gojek E-Satisfaction

2.3. E-Trust

According to (Sindwani, 2018), service loyalty can be divided into 4 dimensions, namely cognitive loyalty, affective loyalty, conative loyalty, and action loyalty. cognitive loyalty is

the first level of loyalty. This term is also commonly used to describe loyalty. At the level of cognitive loyalty brand information received by consumers indicates that they are preferred over alternatives. At this cognitive level, when a consumer is given several alternative brands, he will still choose the brand he likes (V. Kaura, Prasad, & Sharma, 2015). The next level is affective loyalty, which is a condition in which consumers become loyal after consuming a product several times. Which means, loyalty is formed from the accumulated experience of various consuming. Affective loyalty leads to brand preference (Karema, 2013). Conative loyalty is formed from the repetition of consuming the product. On this dimension, loyalty focuses on repurchasing the brand.

Previous research found an association between Trust and Loyalty. The better a company builds E-Trust, the more likely it is that E-Loyalty will be better

H3: E-Trust positive and significant impact on Gojek E-Loyalty

2.4. E-Satisfaction

According to (Yuen & Thai, 2015), satisfaction is a condition where consumers get the experience of consuming a product that is better than their expectations. In other words, satisfaction is the evaluation of consumers' experience after consuming the product (Wardi, Abror, & Trinanda, 2018). According to (V. Kaura et al., 2015), Satisfaction is consumers' attitude and emotional response to the company's ability to anticipate their various needs. According to V. Kaura et al. (2015). E-satisfaction measures the overall level of customer evaluation on the online purchasing experience (Thuy, Pham, & Le, 2019).

Previous research found an association between Satisfaction and Loyalty. The better a company builds E-Trust, the more likely it is that Loyalty will be better

H4: E-Satisfaction positive and significant impact on Gojek E-Loyalty

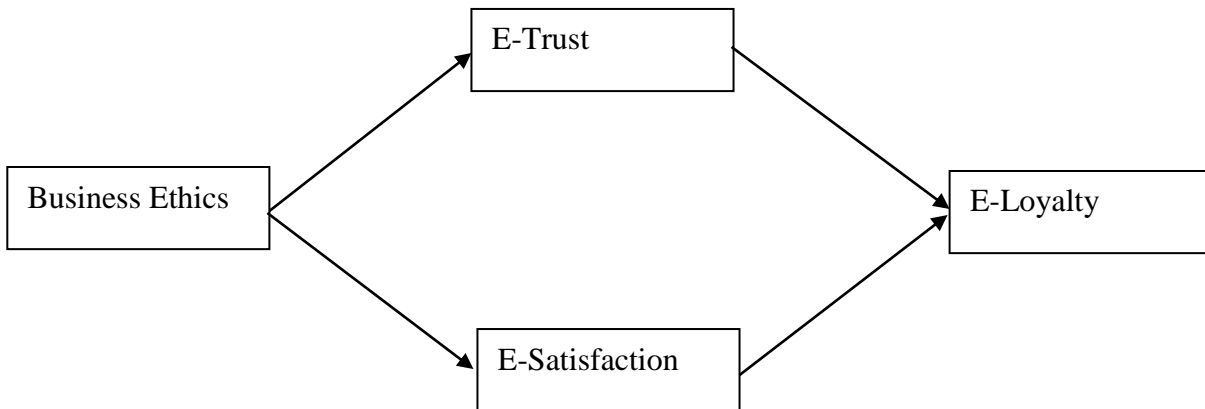


Figure 1 Research Model

3. Research Method

The population of this research is Gojek consumers in Bukittinggi and Padang. The number of respondents was determined by 450 people proportionally in each sample City (Trinanda & Evanita, 2019; Trinanda & Mutaqin, 2019). Meanwhile, the sampling technique (respondents) at each city was carried out using the Accidental method of distributing the research questionnaire to the respondents who happened to be found during the research (Trinanda & Evanita, 2019).

This research will use covariance-based SEM using AMOS 24 software as an analysis tool (Evanita & Trinanda, 2017a). To test the goodness

of fit of the data obtained, this study uses a number of criteria such as CMIN / DF ≤ 5 , GFI, CFI, large TLI equal to 0.90 and RMSEA ≤ 0.08 . Before conducting the main analysis, this study first conducted several tests on data such as normality, heteroscedasticity, multicollinearity and also will use bootstrapping with 5000 re-sampling to overcome these problems (Evanita & Trinanda, 2017b). Furthermore, because this research uses self-report in data collection, it certainly will face a common method bias problem. This study uses Harman's single factor method to test the common method bias problem.

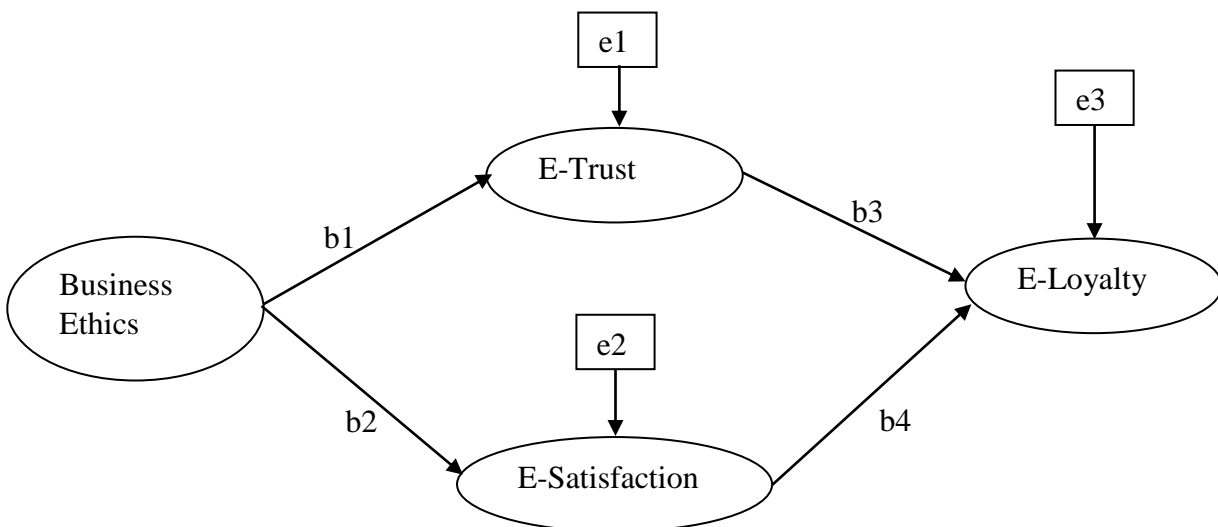


Figure 2 Research Model Analysis

4. RESULTS AND DISCUSSIONS

The results of data processing using SEM produces the following model.

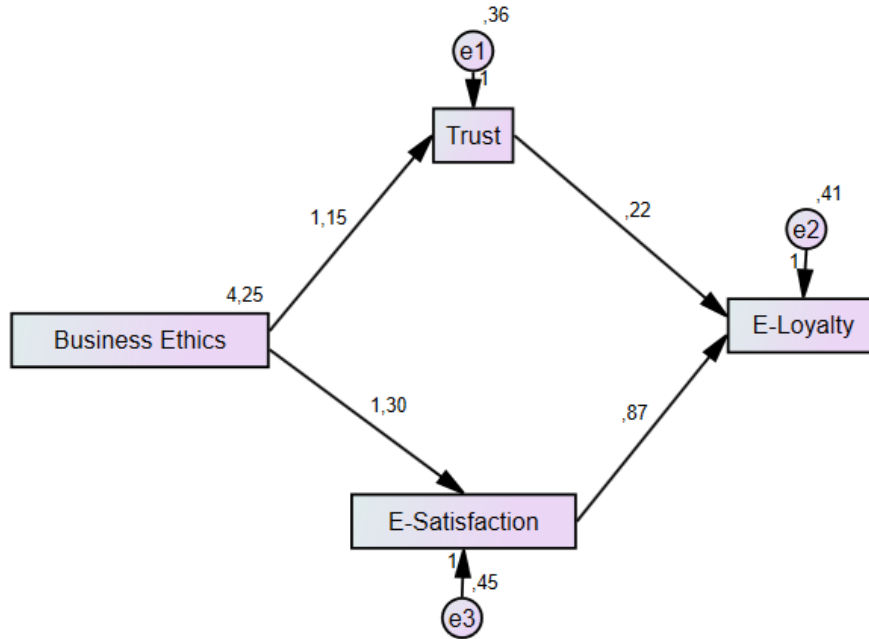


Figure 3 Results

While the data processing output table is as presented below:

Table 1. Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Trust	<---	Business Ethics	1,149	,017	66,442	***	
E-Satisfaction	<---	Business Ethics	1,300	,020	66,466	***	
E-Loyalty	<---	X4	,225	,046	4,909	***	
E-Loyalty	<---	X5	,865	,040	21,371	***	

4.1. Business Ethics Influence on E-Trust

Based on data processing, it was found that the P-Value of Business Ethics influence on E-Trust was 0,000. This value is smaller than 0.05 which means that Business Ethics has a significant effect on E-Trust. Furthermore, it also found the Estimate value in this relationship is 1,149 which means that the relationship is positive. It can be translated that, an increasing in

Business Ethics would not cause an increase in E-Trust. Thus it can be concluded that the first hypothesis in this study is accepted.

Business Ethics is a guideline for companies in carrying out their business operations. A company that has good business ethics means a company that treats consumers with respect and fairness. Therefore, it is natural that Business Ethics will affect the trust of consumers. In this case, Gojek's consumer confidence will increase

along with the better Business Ethics that the company runs.

The results of this study are in line with (Goel & Ramanathan, 2014; O.C.Ferrell et al., 2019; Sroka & Lórincozy, 2015; Vidgen et al., 2019)

4.2. Business Ethics Influence on E-Satisfaction

Based on data processing, it was found that the P-Value of Business Ethics influence on E-Satisfaction was 0,000. This value is below 0.05 which is the threshold for testing the hypothesis, which means that Business Ethics significantly effected E-Satisfaction. Furthermore, it also found the Estimate value in this relationship is 1,300 which means that the relationship is positive. It can be translated that, an increasing in Business Ethics would not cause an increase in E-Satisfaction. Thus this research proves that the formulated hypothesis is accepted.

As explained earlier, a company that runs good business ethics is a company that treats its customers well. Good treatment is part of consumer expectations when they consume a product or service. Then consumers who get good treatment, they will feel more satisfied.

The results of this study are in line with (Goel & Ramanathan, 2014; O.C.Ferrell et al., 2019; Sroka & Lórincozy, 2015; Vidgen et al., 2019)

4.3. E-Trust Influence on E-Loyalty

Based on data processing, it was found that the P-Value of E-Trust influence on E-Loyalty was 0,000. This value is below 0.05 which is the threshold for testing the hypothesis, which means that E-Trust significantly effected E-Loyalty. Furthermore, it also found the Estimate value in this relationship is 0,225 which means that the relationship is positive. It can be translated that, an increasing in E-Trust would not cause an increase in E-Loyalty. Thus this research proves that the formulated hypothesis is accepted.

Trust is a consumer's confidence in a product or service. This feeling of confidence causes them to always consume the product from time to time. A consumer who has believed in Gojek, will find it difficult to move to competitors. This is because they do not necessarily have the same trust in these competing companies.

The results of this study are in line with (Lude & Prügl, 2018; Rubio et al., 2017; Song et al., 2019; Tonkin et al., 2019; Trinanda & Mutaqin, 2019)

4.4. E-Satisfaction Influence on E-Loyalty

Based on data processing, it was found that the P-Value of E-Satisfaction influence on E-Loyalty was 0,000. This value is below 0.05 which is the threshold for testing the hypothesis, which means that E-Satisfaction significantly effected on E-Loyalty. Furthermore, it also found the Estimate value in this relationship is 0,865 which means that the relationship is positive. It can be translated that, an increasing in E-Satisfaction would not cause an increase in E-Loyalty. Thus this research proves that the formulated hypothesis is accepted.

Satisfaction will cause a consumer to repeat consuming the same product. This is because they reduce the alternative search process, and consider getting a reliable product. Satisfaction is a comparison between expectations and reality obtained. As long as the consumer feels that the reality obtained exceeds his expectations, then he will not move to another product.

The results of this study are in line with (Min, Lim, & Magnini, 2015; Nisara & Prabhakar, 2017; Oliver, 1997; Shankar et al., 2003; Sindwani, 2018)

5. CONCLUSIONS

Based on the results of this study it can be concluded that Business Ethics plays a very important lesson for companies, especially in the current era of disruption. Based on the results of research conducted on Gojek, as the largest unicorn company in Indonesia, Business Ethics

significantly effected E-Trust and E-Satisfaction. Both of these variables will ultimately lead to increasing E-Loyalty.

Therefore it is recommended to companies that compete in this Disruption era, to always improve their Business Ethics, because this is one of the important keys in winning the competition.

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