

## The Effectiveness of using Electronic Commerce Mobile Applications During Covid-19 Pandemic

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**Abstract:** E-Commerce has been one of the human needs all around the world. Not only to a customer but also to industry players. The food delivery service industry is one of the E-commerce services. Food delivery is growing up and has a good potential rate in Malaysia and globally now. At first many of Malaysians were still not exposed to food delivery has many advantages, with social distancing the new norm, consumers are demanding to have takeout food delivered in parallel with government standard procedure in the Covid-19 pandemic. To reach people with online business, e-commerce makes an application as initiative to do business via the Internet. E-commerce has many system applications which are product or service system and food system. Product or service system will do business related with product or service meanwhile food system will do business related with food. While running a business via online, there is advantages and disadvantages that will give many impacts in customers, sellers and an application itself. So, the method or strategy to improve the online business which is sample size, measurement and data analysis developed so that online business can run smoothly according to planning.

**Keywords:** e-Commerce, Mobile Commerce, Mobile Application, Food Delivery Application, Foodpanda, Malaysia

### 1. Introduction

Nowadays, most of people rarely go to the shop for buying daily things because of the mysterious illness which is called COVID-19 or known as Coronavirus disease. In Malaysia, the government implement a rule for Malaysian people to follow which is MCO or known as Movement Control Order in order to avoid more people get infected by COVID-19 [1]. During MCO, Malaysian people had to stay at home unless they want to buy important things such as food [2].

In order to solve this problem, most of shops are doing online shopping for customers to buy important things they need. Online shopping is a business or economic activity that uses information and communication technology applications in each transaction [3]. Online shopping is not only used for buying and selling but also for promotional efforts widely.

The examples of online shopping are Shopee and Lazada. Shopee and Lazada is a platform for customer to buy things or get services meanwhile seller sells things or services to the customer. According to the statistics, Shopee is the most choices online shopping platform and the most clicked e-commerce site in Malaysia followed by Lazada. Meanwhile [4], the example of online food system is FoodPanda. FoodPanda is a platform for customer to buy food or get food delivery services meanwhile seller sells food or do food delivery services to the customer [5].

As digital development has been increasing, e-commerce or online shopping and food system is the best way to restore the economy and practice social distancing among people throughout COVID-19 pandemic.

### 2.The Applications And Market Study

Online shopping and online food system which are Shopee, Lazada and FoodPanda will be discussed according to their benefits to the customers.

Shopee is one platform for doing online shopping or online business via the Internet. Shopee is the most successful online shopping application as it gets the most clicked e-commerce site in Malaysia according to the statistics [6]. Not only that, Shopee is getting recognize by the world as Shopee is also one of the favourite marketplaces for purchasing goods or services in Indonesia according to survey on Penetration & Behavior Profiles of Indonesian Internet Users by The Indonesian Internet Service Providers Association (AJII) [7].

Most of people choose Shopee as their number one online shopping because Shopee build a long-term relationship with customers so that loyal customers will come by to buy things from their services. In term to make people loved to buy things from their online shopping platform, Shopee offers customers with considering price, discounts and also promotion [8]. Not only that, most of people choose Shopee because Shopee build many interesting games for customers to provide more coins so that customers get benefits such as get lower price when buy things during checkout [9]. Shopee also provide customers with free shipping if the customers buy things over RM15 as shipping costs more expensive than cost of things itself. Shopee also gives customers vouchers that will benefit customers to buy things in lower price [10]. If there is any celebration such as 12.12 promotion, Shopee will provide all products in affordable price in a limited time [11].

So, Shopee shows the positive impacts from the customers for improving service quality and brand image in purchasing decisions and customer satisfaction via features and application services for a better online shopping application [12]. Other than that, Lazada is one rising platform for doing online shopping or online business via the Internet. Lazada is the second successful online shopping application as it gets intention customer platform e-commerce site in Malaysia according to the statistics.

Most of people get interested of Lazada online shopping platform because Lazada gives special protection and services to the customers. According to Harmantri, R, to build customer trustworthy, Lazada anticipate the issue about the safety and the security. Not only that, Lazada also use the COD method (cost on delivery) to make the customers feel safe [13]. Also, Lazada provide the simple view of their online shop and also have high product variety so that customers easy to find the product and increase the visit regarding to customer experience [14]. So, Lazada create tight competition among other online shopping platform and create customers switching intention by doing some innovation to attract the customers. In addition, FoodPanda is a rising platform for doing online food system via the Internet [15]. The need of getting services from online food system is important due to difficult situation faced by many people as people neglecting daily food intake.

When using online shopping and online food system there are issues or problem statements during online shopping and online food system services. Thus, issues or problem statements had been stated. The issues of using an online shopping platform are security issues, vendor reputation and attitude problems. For security issues, online shopping platform not guarantee user with online banking security system via the Internet [16]. Also, there is an agreement between online shopping platform with user about user's personal information that will be collected as a data. For vendor reputation, seller needs to rely on their businesses via online shopping platform. While doing an online business, there is a dealing concern among user about dishonest or disreputable vendors.

Also, for attitude problems, online shopping platform held e-commerce in Malaysia and around the Asian region. Unfortunately, Malaysian people tend to be a follower rather than open online business in online shopping platform. This is because of fear to take risk and no opportunities space in business via the Internet [17].

The issues of using an online food system platform are customers' loyalty, delivery time not efficient, delivery charge is expensive and delivery location is limited. For customer loyalty, customers will not visit repeated online food system because of lack of information and entertainment [18]. Advertisement that offers an incentive with a lot of information via mobile marketing and also entertainment included in online food system for entertaining, pleasing, enjoyable, fun to use and exciting people after experience it.

While doing the online food system services, the delivery person will challenge with human nature and personal problem [19]. So, customers will negatively respond for online food system services as they lack of delivery the food on time and not efficient as the customers thinks of it. For delivery charge is expensive, customers need to pay tax and services for online food system services. Despite of this situation, customers tends to use voucher for getting less charge of services that will be provided by online food system during promotion.

Also, while doing the online food system services, it will access to limited places only for delivery food [20]. Customers not satisfied because of no availability of delivery food at their places. But the online food system services not doing so because of maintaining the quality of food.

### **3.Methodology**

The best method that can be used by online shopping or online food system had three phases which are sample size, measurement and data analysis.

During sample size, the case study must involve the population of people who are purchasing product or food at online shopping or online food system. The population means an infinite population or an unknown population. Also, the research sample must be taken by using non probability sampling technique or known as purposive sampling [21]. Purposive sampling means taking sample in sampling technique with certain considerations. Researcher needs to consider the requirements of the sample criteria which are the respondents who had a Shopee or Lazada account and made purchases at least twice and also the respondents who had purchase in Shopee application with minimum RM15. Also, the respondents who had a FoodPanda account get voucher for pre using FoodPanda account to purchase food.

#### 4. Discussion

In this modern era, people tend to use mobile phone as a communication among others and also to find viral information or important services in their daily life via the Internet. As people stay at home lately, online shopping and online food system is the most important applications for people to purchase product or food and get services to continue their daily life. So, in this case study will discuss the effectiveness of using online shopping and online food system as e-commerce platform in modern era.

By using online shopping and online food system, user will get information quality. Online shopping and online food system provide the quality of their website in technical and functional performances to get the perceived level of satisfaction of users. For example, as a user of online shopping and online food system, user tends to rely on details of the product or food descriptions and photos provided of seller shop or restaurant.

Also, for online loyalty, online shopping and online food system provide user with buying back the same product or food or the repeated product of the same brand or same restaurant so that user can buy back the previous item purchased in the future. E-loyalty is in online shopping and online food system as a favourable attitude towards user for repurchase and repeating from the previous shop visit that include behaviour and attitude aspects.

Foodpanda is an online departmental organization that delivers food to a customer. Foodpanda was founded in Berlin, Germany in 2012 and has set up its business as a mixed-use shopping center for transporting foodstuffs until late in 11 countries. In addition, it has expanded its business in Malaysia since 2018 through the use of mobile applications or through the website. Through the use of the Foodpanda app, the customer is allowed to order food from any restaurant with his cravings from the neighborhood café of no more than 10 kilometers and immediately order via the website or various apps. Foodpanda consists of different food labels and cafe menus in the food entrance to enable customers to order food through apps or website. At this point, it would directly measure the order and send it to the complicit cafes. After the customer places an order within 10-20 minutes, the passenger will appear in the area that the customer placed in the applications, and the passenger will transport the food and remind the customers to collect their orders by sending SMS or call. Additionally, it depends on the actual seller whether the food is prepared early or not and the range of the dealer in the area to the customer's area. The installment should be possible by using the installment on the web or paying after showing the food to the Foodpanda contestant. Foodpanda mission is to establish a relationship between culinary professional and customer and provide customers delicious food.

##### 4.1. Customer view

Brand awareness between customer about Foodpanda delivery and it is show that Foodpanda is one of the most famous application in Malaysia. and most of the user used Foodpanda application once a month. Foodpanda apps make it easier for user to order food anytime at anywhere. Foodpanda has provide user the choices such as the restaurants on every city all around Malaysia nearest the user location. Payment can be done using manual payment which is cash or via online payment makes user feel more comfortable using foodpanda application. Customer also very satisfied with the delivery services given by the rider. Due to this pandemic Foodpanda delivery usability is increasing because of lockdown and make the rider as a front liner and can be travel place to place without being interrupted with polis.

So far there is no not satisfying about using Foodpanda application just a few complications between customer and rider, or customer and vendor itself like late making food makes customer wait a little longer that they should have. Foodpanda application also provide the best services to the customer like people always said 'customer is always right'.

##### 4.2 Employee view

Most of the employee is male rider and only few female employees. Most of the rider being paid weekly and average of their salary is between RM2001 – RM3000 per month. Most of the rider also choose to continue working with Foodpanda for several reason which is salary is being paid based on annual performance is the main

reason while some get bonuses while other did not. Many Foodpanda rider prefer to work with Foodpanda company is because the environment is the best compare to the other food delivery companies. In term of satisfaction, there are few numbers of employee is not satisfied with Foodpanda and most of the reason believe that Grab food is more competitor to Foodpanda delivery.

There are also a few reasons why some of the employee is not satisfied with the Foodpanda one of the reasons is Foodpanda system itself of how the system is taking advantage of the rider via the length of the vendor location and customer. For examples Foodpanda system count their distance is based on how long the length between customer and vendor by not using the road route, and if rider late sending the food in time by using the longer routes, they salary will be cut per order and it is very not fair for the rider. Other than system, there is also a few customers takes advantages of the system but rider who takes the blame. For examples, customer complain about how rider did not give their balance whereas rider already gives the customer the right amount with this rider can get suspended from work and the customer will get voucher or free order.

## 5.Recommendation

In this case study, to become a better service and the most recommended service of global user in online shopping and online food system, the need of viral marketing is required as most of people use social media such as Instagram, Facebook and Twitter to provide viral information spread to the public in the fastest time. Viral marketing includes comments from informants and recommenders. The information is used as a communication channel and a strategy to get useful information. Viral marketing also provides real time feedback or promptly response to customer's problem that will help online shopping and online food system to build customer loyalty and generate sales.

Viral marketing will provide higher requirements which are upgrading, updating and contributing. As many competitors among online shopping and online food system, this application shall upgrade their application into innovative application in enjoyable and easy way. Also, update the online shopping and online food system into more enjoyable and much entertainment content or as communication content in this application so customers will visit often as customer loyalty. Lastly, online shopping and online food system will grow bigger because of more job application and aesthetic, innovative and needed products that will contribute more people in the local community to become a world-class online business.

## 6.Conclusion

As a conclusion, Shopee, Lazada and FoodPanda application is the recommended visit online shopping and online food system among people. Even though Shopee Lazada and FoodPanda application visits often by people, there are many issues and problem statements of using this application as an opportunity and risk challenges to become successful in e-commerce. Despite of this problem, the method will help this application to become a better service and the most recommended service of global user in the future.

Today foodpanda has become a successful business not only because of their services demands in market but also by another factor. There are more benefits to foodpanda itself but also to the customer and rider with this factor. Employee loyalty is a strong belief that the organization is the best and has a good committee in its company and it will not be impacted by job satisfaction. Even though there are some complications about the system and customer they employee is still working with Foodpanda without tiredness makes the Foodpanda company is a successful one. Even though there is has other companies more competitive other than Foodpanda, the employees will always stick with the company and never glance other companies. Company with a good employee will be success but company without a good employee will not be success

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