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Continued Use of Food Delivery Applications (FDAs) Post COVID-19 in Malaysia: Barriers and growth

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Abstract

COVID-19 has opened many prospects for the retail sector, especially the food industry. Due to the pandemic retrenchment, the online channel has played a crucial role in ensuring the business's survival. Nevertheless, companies face several issues concerning Food Delivery Applications (FDAs), primarily related to user intent and barriers to non-adoption. The study aims to analyze the factors that influence user intent to use FDAs continuously, discover the barriers that influence consumers' intention to use FDAs, and explore the potential growth of FDAs.

Keywords: Continuance intention; COVID-19 pandemic; Food Delivery Applications (FDAs); Mobile Apps

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1.0 Introduction

The Coronavirus disease (COVID-19) pandemic has impacted various aspects of life, including the food industry. In Malaysia, the introduction of Movement Control Orders (MCO) has led to a surge in the use of food delivery services as people prioritize safety and convenience. Due to the increasing number of mobile internet users in Malaysia and the current circumstances due to the COVID-19 pandemic, food delivery has evolved from just a trend to a completely necessary and compulsory need. Food delivery services have become an essential alternative as people avoid dining out and eating in restaurants for safety reasons.

The use of technology has played an essential role in the growth and development of food delivery services. During the pandemic, online food delivery (OFD) services have become increasingly popular as people adhere to social distancing measures. The Food Delivery Applications (FDAs) are widely used, especially among Malaysians during the COVID-19 pandemic, with some delivery companies such as Food Panda and Grab Food seeing an increase in orders of more than 30% since an MCO was issued on 18 March 2020 (Grab, 2021). The growth of FDAs is expected in Malaysia, with the Malaysian online food market expected to reach over USD 319.1 million by 2026 (Tarmazi et al., 2021). In addition, technological advancements have helped food delivery services cater to consumers' different lifestyles and make food shopping more accessible. As a result of the pandemic, food delivery services have become an indispensable part of our daily lives and have helped many businesses stay afloat during these difficult times. COVID-19 was declared a pandemic or epidemic by the World Health Organization (WHO) on 11 March 2020. Transmission of the COVID-19 virus is worsening in Malaysia, according to the Malaysian Ministry of Health (KKM). At the time of writing, 5,079,436 confirmed cases with 37,028 deaths have been reported in Malaysia (WHO, 2023). The conventional food service sector was severely affected during the COVID-19 crisis. It was reported that certain businesses in Malaysia saw a 90% drop in sales when the MCO was introduced (www.storehub.com/my).

The COVID-19 pandemic has changed the way the food service sector operates and triggered new trends to meet the demand for more socially isolated food consumption. As FDAs grow in popularity in Malaysia, so does the emergence of food delivery services.

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