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## The dynamics of Gojek expansion in Vietnam

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### Abstract

Go-Jek is an Indonesian company that sells services in the transportation sector using advanced technology then expanded to Vietnam. The goal of this study is to analyze Gojek expansion dynamics in Vietnam which include Gojek's strategies and the obstacles faced by Go-Jek in its expansion process to Vietnam. This study uses a qualitative descriptive method, literature studies, and using secondary data sources with MNC theory. This study argues that there are at least three factors that support Go-Jek to expansion to Vietnam, namely the growth of market size in Vietnam, support from the Vietnamese government for direct investment, and public dependence on motorbikes and smartphones. This study also found that the obstacle experienced by Go-Jek was that there were strong competitors who had already existed, and also the resignation of the CEO of Go-Viet. Meanwhile, the strategy used by Go-Jek to expand in Vietnam is to involve local residents so that they have a sense of belonging that can make them loyal and committed to developing the company.

**Keywords:** MNC; Gojek; Vietnam

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### Introduction

Multinational Corporations commonly known as MNCs is a strong actors in international economic and political developments. This is in line with the opinion of Robert Gilpin who stated that MNCs could become a strong actors in international relations due to their hegemonic power. MNC is an international or transnational company that has several branch offices spread across developed and developing countries, and also has one head office which is used to coordinate global management. As I said earlier, multinational companies are powerful actors. So that, multinational companies have an important role to apply national and international policies and regulations. In global politics, Multinational Companies can be said to have a strong influence. This is because they have great economic influence and financial resources, as well as the wide network of relations that they have, can make the political negotiations become more easily.

One example of a multinational company from Indonesia is Gojek. Gojek is a company engaged in the digital field by taking advantage of globalization. This technology company provides services in the field of transportation through motorcycle taxis. Gojek was founded in 2010 by Nadiem Makarim. At the time of its initial formation, Gojek was just a call center with the aim of ordering motorcycle taxis. At the beginning of its business, Gojek only had 6 members, 10 telephones, 4 call center agents and for years only had 20 drivers. Then at a not-too-different time, Gojek recruited 100 drivers which they could then develop on their own, of course with the supervision of Nadiem Makarim.

Currently, Gojek has developed very far and not only provides services in the form of ojek transportation, but also car transportation or commonly known as Go-car, there is a large cargo transportation service using a box car called Go-Box, there is also Go-med, namely drug delivery services, Go-Send which provides goods delivery services, Go-shop services in purchasing goods, and many more. Not only related to transportation, but Gojek also has digital payments that have collaborated with many marketplaces called Gopay.

The changes that Gojek underwent from 2010 to 2015 apparently attracted the attention and interest of several investors. Several investors who entered were entrepreneurs from abroad. Then after that Gojek plans to expand its market by expanding to various countries in the Southeast Asian region. Several countries such as Singapore, Vietnam, and Thailand have been entered by Gojek. There are still several other countries that are the destination for Gojek's expansion in the Southeast Asian region.

There have been several studies discussing Gojek's expansion in Southeast Asia. One of them is research conducted by (Maulidy et al., 2020) <sup>[13]</sup> entitled "Analysis of Gojek Expansion in Singapore in 2018 Through Foreign Direct Investment (FDI)". explained that there were six determining factors for Gojek's expansion in Singapore. First, the rapid growth in Singapore's market size. Second, Singapore is a country that is very open to international trade, as well as open to FDI flows into their country. Third, Singapore's inflation rate tends to be stable. Fourth, Singapore has a low level of corruption. Fifth, there are several government policies that support the entry of foreign investment into the country. Sixth, Singapore has high political stability.

There have been various studies on Gojek's expansion in Southeast Asia, but there are still few studies discussing the dynamics of Gojek's expansion in Vietnam. Some of the studies that I found only discussed Gojek's

expansion in Singapore, this is because Gojek had already expanded to Singapore and then followed to Vietnam. Of course, this research is very important to do in order to analyze what the dynamics of Gojek's expansion in Vietnam are like, what strategies Gojek will use, and what obstacles such as regulations, competitors, and others are faced by Gojek in the process of expanding into Vietnam. It is this difference in gap that the researcher then offers to later serve as a reference or new perspective for studies that have the same correlation in the future.

The theoretical framework in this study uses the MNC theory. Multinational company is an economic organization involved in productive activities in two or more countries. Multinational companies always have their headquarters in the host country and then expand their branches to other countries by building or buying business assets (Masoeed, 1994) <sup>[12]</sup>.

In this study, the authors then use the concept of the Multinational Corporation. MNC has become a significant exchange in today's globalization era. The essence of his work in the market can be said to have transcended the state. In certain circumstances, MNCs may even influence state regulations with the aim of achieving their own benefits. Robert Gilpin says that an MNC is a "corporation of a particular country with some or all of its owned subsidiaries in at least one other national economy". MNCs in maintaining their organization in general will continue to expand their business fields abroad. One type of market development is through Foreign Direct Investment (FDI).

According to Stephen D. Cohen, a Multinational Company is a business substance that has met an explicit legal need and has an attestation report by the national government authority or the nearest government expert in the country where the new organization is established. Then, global organizations also move assets from one country to the next for the same reasons as individual financial specialists. Global partnerships have reasons for the higher rate of return or returns that can be obtained at home. MNCs in conducting its business tend to continue to expand its market overseas. One form of market expansion is through Foreign Direct Investment (FDI).

Based on what has been explained above, namely regarding the MNC concept, Gojek is a form of MNC where Gojek establishes several branches of its companies in other countries. Various explanations regarding MNC also reflect Gojek, where Gojek as a decacorn company owned by Indonesia is expanding to various countries in Southeast Asia, such as Singapore, Vietnam, and Singapore.

The purpose of this research is to find out what the dynamics of Gojek's expansion in Vietnam are like, what strategies Gojek will use, and what obstacles such as regulations, competitors, and others are faced by Gojek in the process of expanding into Vietnam.

## Methods

This writing uses descriptive research methods. The method is something that is used to get back the solution to all problems (Sudaryono, 2017) <sup>[22]</sup>. Descriptive research is a method used to conduct research on the status of human groups, objects, situations, systems of thought or events at the moment. In this study, the technique used is qualitative analysis. Qualitative research can explain and analyze phenomena, events, behavior, social activities, beliefs, views, and opinions of individuals and groups (Sukmadinata, 2006) <sup>[23]</sup>. This research was conducted by providing an overview of the dynamics of Gojek's expansion in Vietnam. The data collection method used is library research. Library research is a way to obtain data and information through scientific journals, reference books and also publication materials available in libraries (Ruslan, 2008). It can be concluded, library research is a method that uses data by collecting information through books, journals, articles, reports, documents, and other printed media related to the dynamics of Gojek's expansion in Vietnam which can be obtained offline and online. Based on the data collection method, the data source used in this study uses secondary data.

## Results

Gojek, which is a transportation company with basic technology, has become a unicorn company in 2016. Gojek succeeded in becoming a Unicorn company after obtaining US\$550 million in funding from various investors. The large number of foreign investors who have started to invest their capital in the Gojek company has encouraged Gojek to take a bigger step, namely to expand to various countries in Southeast Asia, one of which is Vietnam. At the end of 2018, Gojek started its expansion into Vietnam. Even though the founders of Gojek are the same, there are some differences between Gojek operating in Indonesia and Vietnam. Starting from its name, Gojek changed its name to Go-Viet. Besides that, the design of the Gojek logo with Go-Viet was different. Gojek is famous for its green logo, while Go-Viet uses red to resemble the Vietnamese flag. There are also several differences in the choice of services offered between Go-Viet and Gojek. All of this is tailored to the needs of the people in each region which in this case is one of Gojek's strategies. The choice of Vietnam as one of the country's destinations for Gojek expansion is of course based on various factors.

### A. Factors for Gojek Expansion to Vietnam

#### 1. Market Size Growth in Vietnam

Market size is a determinant of investors to find which country is suitable for them to invest. Investors will consider countries with large markets and high levels of consumerism; this is because it will provide great opportunities for investors to develop their businesses in these countries. To measure market size by using the level of GDP and GDP per capita. A high GDP in a country does not always reflect a high population economy. GDP per capita is a share of individual members of the population against annual GDP, and per capita income is

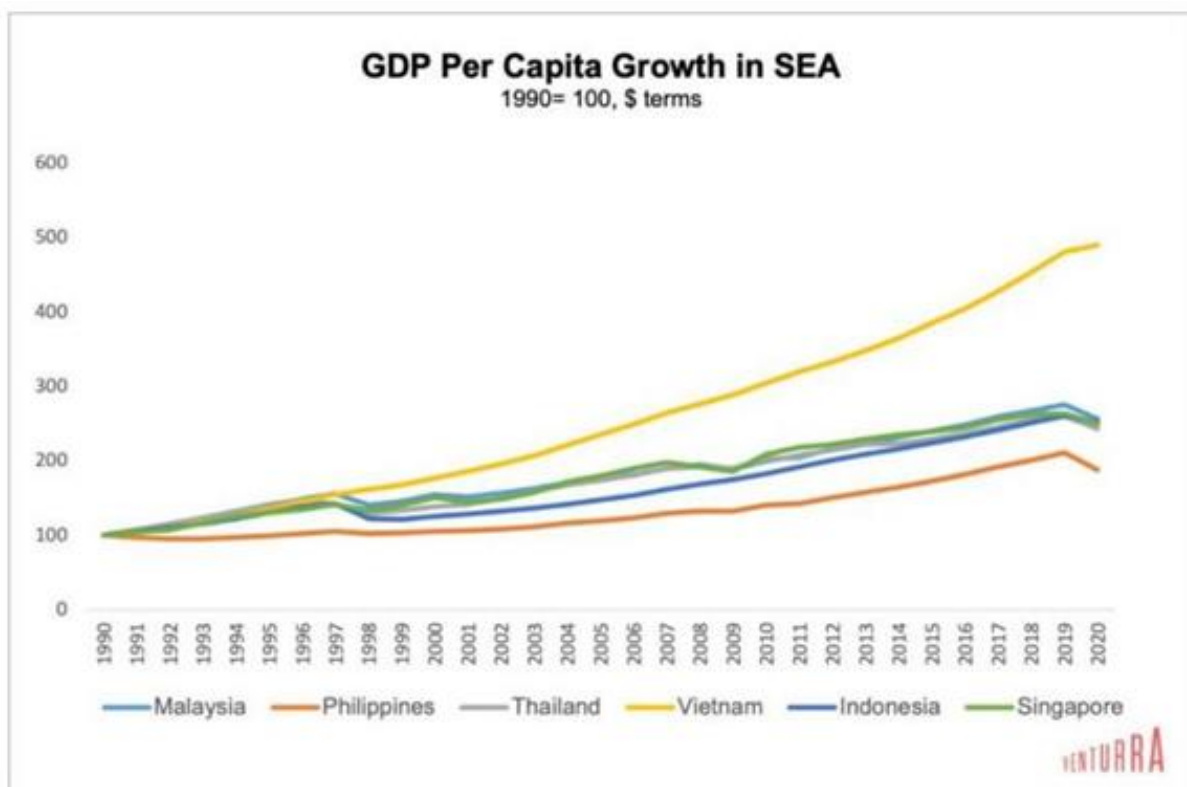
a measure to describe the standard of living of a country's population (standard of living). GDP per capita is a fairly natural measure of average individual well-being, more indicative of what is happening in the economy of the average population.

Vietnam for the last 35 years has had a very rapid economic development and has succeeded in becoming a magnet for investors. In fact, its economic growth has been the highest in the last 30 years and outperformed its neighboring countries. From 2009-2019, Vietnam's GDP grew by an average of 7% per year. Even in 2020, Vietnam is one of the few countries that recorded GDP growth, namely 2.9%. The World Bank said that Vietnam currently has more than 745 companies listed on the stock exchange and accounts for 68.6% of the GDP product in 2020.

For example, Roongrote Rangsiyopash who is the president and chief executive officer of Siam Cement Group stated that over the past three years, SCG's sales revenue has consistently achieved significant milestones. In particular, sales in 2019 amounted to VND29,516 billion (US\$1,271 billion), while in 2020 it reached VND26,574 billion (US\$1,144 billion). For example, despite the severe economic climate in Vietnam in 2021, sales of SCG in Vietnam reached VND35,001 billion (US\$ 1,526 billion), an increase of 32% over the same period the previous year. Roongrote Rangsiyopash revealed that the majority of SCG's sales in Vietnam come from recent joint ventures such as Vina Kraft Paper Company Limited (VKPC), Plastic Company Limited - TPCVINA chemicals, and export sales from Thailand and Southeast Asian countries to Vietnam. Especially in 2021, the activities of Long Son Petrochemical Company Limited will contribute to the group's total assets (LSP). SCG's total assets in Vietnam currently amount to VND146,794 billion (\$6,442 billion).

In addition, several Japanese companies have stepped up their efforts to accelerate manufacturing expansion and have created additional storefronts to offer their products in the Vietnamese market. Mr. Hirai Shinji, Japan Trade Promotion Organization (JETRO) Chief Representative in Ho Chi Minh City, stated that the domestic market of 100 million people whose incomes have steadily increased over the past few years is attractive to the non-manufacturing sector. Vietnam is now recognized as one of the top five most attractive retail markets by the Japanese government. In the next one to three years, Japanese companies in areas including retail, fishing, agricultural goods, real estate, resorts, and healthcare will flood into the Southeast Asian country. Simultaneously, companies in the processing and manufacturing sectors are expanding the size of their existing investments in Vietnam to take advantage of tax rates and increase their export capacity to markets Vietnam has signed Free Trade Agreements (FTAs).

In 2021 alone, 59.7 percent of Japanese companies in Vietnam utilized FTA/EPA (Vietnam - Japan Economic Partnership Agreement), an increase of 1.3 percentage points from the previous year. The majority of Japanese businesses in Vietnam use FTA/EPA agreements with Japan and ASEAN countries, while half use FTAs for imports and exports with the EU.



Source: World Bank

Source: <https://data.worldbank.org/>

Fig 1

If you look at the graph, it can be said that Vietnam has succeeded in shifting from the agricultural sector to industry and services which account for 75% of its GDP. As the countries in East Asia are getting more advanced, which has the effect of increasing wages, the global manufacturing industry is lured by the low labor costs and the stable exchange rate in Vietnam. In addition, the government is also targeting and continuing to keep inflation below 4%. This skyrocketing growth in Vietnam's market size can be seen from the stability and increase in GDP and GDP per capita. This supports Vietnam's potential in terms of growing FDI activities in the country. Therefore, Vietnam is a country that is very eyed by foreign investors, including Gojek, by expanding in 2018.

## 2. Vietnam Government Policy Support for Direct Investment

According to (Santander, 2020), the policies implemented by the government to encourage access to foreign investment into the country are an important variable for investors. Investors will invest reasonably in countries whose policies are easy and profitable for them. These decision regulations are in the form of simple arrangements and controls, reduced taxes paid, application of standards that are not difficult in certain economic fields, and several other regulations that also make it easier for investors. The country of Vietnam continues to welcome foreign direct investment (FDI), and the government has policies that strongly encourage US investment.

Factors attracting foreign investment in Vietnam include ongoing economic reforms, new free trade agreements, a younger and more urbanized population, political stability and low labor costs. In 2019, the Politburo passed resolution 55 to make Vietnam more attractive to foreign investment. The resolution aims to attract \$50 billion in new foreign investment by 2030 by amending regulations to discourage foreign investment and systematizing quality, efficiency, high technology and environmental protection as criteria.

Because of this, Vietnam issued Decree 667 which established a foreign investment cooperation strategy for 2021–2030 concerning improving the business climate and increasing foreign investment from certain countries. Therefore, the government is trying to increase the amount and quality of foreign investment, particularly in the high-tech and digital economy sectors. The resolutions drafted in 2025 and 2030, respectively, aim to increase the proportion of registered foreign investment capital from Asia, Europe and the US, so that the capital invested by these regions accounts for more than 75% of all distributed capital in Vietnam.

Top investor countries including Singapore, South Korea, Japan, China, Taiwan, Malaysia, Thailand, India, Indonesia and the Philippines are included in this group. The plan also seeks to increase the amount of money that EU members such as France, Germany, Italy, Spain, Russia, the United States. A strong domestic business sector with maximum support for start-ups and a view of future high-tech consequences across the industry is the aim of the national ten-year strategy. This is also intended to improve the business climate in terms of legislation and supporting infrastructure. This often indicates that the government is working to increase Vietnam's attractiveness as a place to invest foreign money. And this suggests that the government will introduce a new set of rules, guidelines and investment incentives in the near future to attract more foreign investment, especially in industries that are now prioritized in the country, such as high-tech.

The strategy, on the other hand, calls on national ministries and departments to accelerate the resolution of other remaining issues affecting the nation's competitiveness, such as institutional reform or management of the country's intellectual property, all of which will help drive the nation's economic, cultural and societal growth.

There are several forms of policy support provided by the Vietnamese government for direct investment:

- The Ministry of Planning and Investment (MPI) and local investment promotion offices provide information and explain regulations and policies to foreign investors and inform the Prime Minister and the National Assembly on foreign investment trends.
- The Prime Minister, along with other senior leaders, stated that Vietnam is prioritizing investment retention and maintaining dialogue with investors. Senior Vietnamese leaders meet frequently with representatives of foreign governments and the private sector to emphasize Vietnam's attractiveness as an FDI destination.
- Companies with foreign direct investment (FDI) in Vietnam are required to open direct investment accounts at credit institutions to carry out capital transfer transactions related to direct investment activities.
- Currency control over foreign investment is managed uniformly through the capital account system. When making indirect investments in Vietnam, foreign investors only need to open an indirect investment account at a credit institution to make remittances related to indirect investment activities.

## 3. Other Supporting Factors

Other factors that also influenced Vietnam's choice as Gojek's expansion destination in Southeast Asia were because, according to Nadiem, Vietnam was a country with a very high population and growth rate. This dense population is accompanied by the large number of Vietnamese people who depend on motorbikes. He went on to say that for the sector to develop sustainably, customers need more choices, and markets need more competition. The initial stage of Gojek's activities was Go-Viet. With its introduction, the people of Vietnam can now access the technology on which Gojek is based. In Vietnam, 25,000 driver-partners have joined the platform so far. Additional operations will be launched by Gojek as part of its global expansion plans in Thailand, Singapore and the Philippines. In addition, Go-Viet plans to launch new services including e-wallet services, Go-Pay, as well as Go-Car and Go-Food four-wheeled vehicle services.

Quoted from VnExpress International, for four consecutive years since 2016, motorcycle sales in Vietnam have increased to 3.39 million motorcycles. The large number of residents who buy motorbikes is because their average income is stable and tends to increase. Not a few also buy other transportation such as cars. But still, for their daily life the people of Vietnam depend more on motorbikes.

Based on the results of research from Vietnamese-German University which was later quoted by Dantri International News, said that almost 40% of Vietnamese citizens who have high incomes still choose to use motorbikes for their daily lives. This is based on the fact that motorbikes are considered easier to use for trips within the city. 74% of Vietnamese use motorbikes, 11% use cars and 8% use public transportation. Based on this data, we can conclude that the use of motorbikes in Vietnam is very high, which is why Gojek has made Vietnam one of its expansion targets.

The high interest in using motorbikes in Vietnam is also accompanied by the high percentage of smartphone users in Vietnam. With the high percentage of Vietnamese people who are dependent on smartphones, reaching 84%, this will also affect the percentage of Gojek users later. Because Gojek itself is based on selling services by utilizing digital technology, namely smartphones.

In addition, the concerns of several Southeast Asian countries, especially Singapore and the Philippines, about the monopoly of the online transportation market, which at that time was only dominated by Grab, became an opportunity for Gojek to develop through Go-Viet in Vietnam. This allows Grab to control the market and play on prices. The quality of former Gojek rivals such as Vato and Grab has also declined, which has diverted 3.2 million active consumers of online transportation in Vietnam. Michael Underwood, Managing Director of Matterhorn Communication, who has lived in Ho Chi Minh City for 14 years, thinks Gojek has a good chance of succeeding in Vietnam because locals are eager to find new, higher-quality options, superior to previous Gojek competitors. In addition, through the partnerships made by Gojek with local businesses in Vietnam through horizontal mergers, GOJEK has carried out various techniques to provide opportunities to develop cooperation and country branding for Indonesia versus Vietnam. Many new job opportunities will emerge as a result of GOJEK's development in Vietnam, especially for driver partners. Due to the contemporary lifestyle of the Vietnamese people and the government which is quite stable, Indonesia's country branding through GOJEK in Vietnam also has great opportunities. The expansion of cooperation carried out by GOJEK from Indonesia provides several prospects to encourage growth and development ranging from micro to medium enterprise features that lead to improving people's living conditions and income.

## **B. Gojek's Obstacles in the Process of Expansion to Vietnam**

Of course, in Gojek's expansion to Vietnam there are various obstacles. One of the obstacles experienced by Gojek is the difficulty of dominating the market in Vietnam. This is due to the presence of competitors, namely Grab and Uber, which have been operating in Vietnam for a longer time. The presence of Grab, which was earlier, caused Gojek to have a little difficulty in capturing market share because people were already comfortable with using the Grab application. Gojek was not even able to capture half of the market, Gojek only succeeded in capturing a market of 10.3% and the rest was Grab. The discount subsidy strategy carried out by Grab makes it increasingly difficult for Gojek to win market share, especially since the transportation industry is still in its maturity phase.

According to a recently published Google-Temasek-Bain analysis of Southeast Asia's digital economy, Vietnam's ride-hailing business is projected to reach USD 4 billion by 2025, increasing at an average annual rate of 38%. However, it is no longer a simple puzzle to solve. When they entered the country in 2014, Grab and Uber enjoyed first mover advantage. Commuters in most of Vietnam's main cities are used to using their mobile phones to arrange car, taxi, and motorbike trips, which is much more transparent and cost-effective. Prior to the April 2018 recall from Southeast Asia, Uber had around 6,000 vehicles registered with its network. It serves millions of Vietnamese riders. Grab has the potential to excel in regional competition as a result of Uber's exit. Gojek's late debut in Vietnam in 2018 occurred at a time when Grab had already established its position in 43 provinces and cities in Vietnam.

Another obstacle experienced by Gojek in its efforts to expand in Vietnam was the resignation of the CEO of Go-Viet, who had only joined for about five months. The resignation of the CEO of Go-Viet was due to an undisclosed internal problem. Go-Viet itself has made several changes to its leadership structure. In 2019, Go-Viet's internal leadership structure has been reorganized twice. And the next person to take the position of leader will face even more obstacles. Despite discussions and substantial opposition from ride-hailing businesses and other industry stakeholders, Vietnamese authorities continue to want to impose restrictions on taxi-style roof signs on ride-hailing cars and make ride-hailing companies subject to the same regulations as taxi companies. According to the author, repeated leadership changes in companies that are still relatively new can also trigger various problems and confusion which then become obstacles for the company itself.

Go-Viet, which initially only offered motorcycle trips, intended to launch its Go-Car service months after its debut, but fell through. In an interview with KrASIA two weeks before his resignation, the former CEO acknowledged that Go-Viet should launch additional services in Vietnam in the future but refrained from providing a timeframe or explanation for the delay. Go-Viet has been hesitant to adapt to Vietnam's cashless wave, but Grab's partnership with local e-wallet Moca pushed both companies to new heights and was instrumental in furthering Grab's dominance in the country. In a market teeming with e-wallet providers competing for a share of Vietnam's fintech growth, Go-Viet's Go-cash-only option hasn't helped it get ahead.

Go-Viet has highlighted its food delivery competence as a strength. In August, Go-Viet said that it led Vietnam's online food delivery industry in terms of a number of merchants and menu items, with 70,000 merchants on its platform and 1 million menu items available, as well as a monthly increase of 25% to 35% in order quantity. Even though the numbers are good, Go-Viet has only been able to launch Go-Food in Hanoi and Ho Chi Minh City, while Grab Food and Now.vn (which belong to Southeast Asia) are already operating in more than 15 Vietnamese cities. The recent launch of Grab Kitchen in Vietnam will further complicate Go-efforts Food to acquire customers and merchants.

Additionally, to enable cashless payments on Go-Viet, companies must establish relationships with licensed local e-wallet providers, as Grab has done. Even this can be tough at the moment, as the e-wallet business in Vietnam has seen some merger and acquisition activity amid stiff competition: VinID buys MonPay; e-wallet Vimo and mPOS combined to become NextPay; and other important players like VNPAY and Momo are already among the most well-funded fintech startups in the region, giving them less incentive to integrate into the Gojek platform in Vietnam.

In addition to these things, there are also concerns that it could become a big obstacle for Gojek in Vietnam, namely seeing as a result of the deteriorating quality of services Uber, Grab and Vato have lost many clients. This is due to a variety of factors, including a lack of drivers, driver cancellations, unpredictable fares (prices rise as demand increases), and lack of promotions. For price-conscious locals in Vietnam, this is undoubtedly important. To stay ahead in increasingly fierce competition, especially in the field of modern technology, Go-Viet as a form of Indonesian nation branding through Gojek must also innovate a lot in developing its quality in this globalization era. development is getting faster and more sophisticated. According to Nadiem Makarim, CEO and Founder of GOJEK, the challenge of expanding Gojek's cooperation to Vietnam with Go-Viet and several other countries is to align the organization as a unit that has the same values, principles, and principles to build and improve quality levels. from each nation. To effectively manage the 25,000 driver-partners that makeup Go-Viet, which are scattered around cities and regions in various locations, is a challenge in itself.

### **C. Gojek's Strategy in the Process of Expansion to Vietnam**

Of course, in carrying out its expansion into Vietnam, Gojek has carefully thought about what strategies they will adopt to expedite its expansion process into Vietnam in order to overcome the various existing obstacles. Through his Gojek channel, the CEO who is also the Founder of Gojek, Nadiem Makarim said that Gojek uses a strategy by combining international-class technology that has been developed by Gojek itself with of course the expertise, experience, and insight into the market owned by the local team. . This is all done so that Gojek can become a business that is realized to meet consumer needs because Gojek really understands what consumers need. Gojek in Indonesia can succeed because the people have a sense of belonging. This concept later became the same strategy for building Go-Viet. By involving many local residents, changing the name of Gojek to Go-Viet was carried out for the sole reason of giving the Vietnamese people a sense of belonging. Not only changing its name, Go-Viet is also formed with a different logo, which is red and has a star accent in it. The red color was chosen because the red color is very synonymous with Vietnam, and the star accent is added because the star is the logo on their national flag.

In addition, Super app MoMo and Gojek, the largest mobile on-demand service platform in Southeast Asia, have announced a strategic agreement that will make MoMo the first e-wallet to be included in the Gojek application in Vietnam. This is also intended as one of the strategies pursued by Gojek in its expansion. Gojek and MoMo will combine the technological advantages and broad ecosystems of their respective platforms in an effort to accelerate the adoption of cashless payments and provide consumers with a safe, fast, and easy payment experience. MoMo will serve millions of Gojek customers in all two- and four-wheeled vehicle services (GoRide and GoCar), online food delivery (GoFood), and logistics (GoSend) by offering the MoMo e-wallet as an alternative to bank cards and cash. As Gojek continues to expand its portfolio of products and services, MoMo will have access to a growing consumer base.

The addition of the MoMo e-wallet is part of Gojek's efforts to provide customers with more payment alternatives in its application, after releasing its card payment function the previous year. The agreement will allow Gojek to enter into the MoMo community with more than 31 million customers, while also meeting the demands of Gojek consumers who require more payment options, especially given the growing trend towards contactless payments. E-wallets are becoming increasingly popular in Vietnam due to their convenience, speed and low fees. Contactless payments also provide increased security for users, especially for high-volume transactions such as food delivery, transportation, and logistics.

"More than 31 million people in Vietnam are now using MoMo, and by integrating e-wallets into the Gojek ecosystem, we will be able to provide consumers with a more convenient payment experience and hope that this relationship will help Gojek driver-partners and merchants reach more clients and increase their income" explains Co-founder and senior vice president of MoMo, Nguyen Ba Diep.

Duc Phung, General Manager of Gojek Vietnam, said, "At Gojek, we are always looking for ways to collaborate with our partners to provide additional benefits to our users. Our collaboration with MoMo is the first time that Gojek has collaborated with Vietnamese technology. companies, based on our complementary business capabilities and our shared dedication to improving lives through technology." Phung stated that through the integration of the MoMo e-wallet in Gojek, Gojek consumers will have additional payment options to choose from when paying for Gojek services, resulting in a seamless experience. smoother, more convenient and safer

on the platform."We look forward to continuing to collaborate with MoMo to promote cashless payments in Vietnam so that more Vietnamese can benefit from digital transactions."

To commemorate the relationship between MoMo and Gojek, the two platforms will provide many promotions to first-time users. The initial Gojek gift pack has a value of \$26. Users who install the Gojek app for the first time after March 14 will be able to get prizes of that value (including 18 vouchers for GoRide, GoCar Protect, GoFood services, and one GoFood voucher, after making the first payment with MoMo).

### Conclusion

Gojek, which is a transportation company founded in 2010 by Nadiem Makarim, seems to have been operating successfully in Indonesia. The development of the business, which then skyrocketed, apparently attracted the attention of many foreign investors. In 2016, after earning US \$ 550 million, Gojek then had the ambition to expand its business not only in Indonesia but also abroad. Gojek then announced its expansion plans to various countries in the Southeast Asian region such as Singapore, Vietnam and Thailand. Gojek's decision to expand to Vietnam was based on several supporting factors, the first being the high level of the market size in Vietnam. Stable GDP in Vietnam for the last 30 years. The next factor is the Vietnamese government's support for foreign investment. The ease of the new regulations that have been formed has made Gojek make Vietnam one of its destinations for expansion. The last factor is because Vietnamese people are very dependent on motorbikes even though they have other vehicles, and their level of dependence on smartphone use is very high.

Of course, in expanding to Vietnam, Gojek encountered various obstacles such as the difficulty of winning the market in Vietnam because there were already other competitors who had already spread their wings in Vietnam. Apart from that, the resignation of the CEO of Go-Viet, who had just been in office for five months, also caused new problems. The strategy that Gojek then implemented was to change the name Gojek to Go-Viet and change the logo to red with the addition of a star accent. This is done to attract the sympathy of the people so that they have a sense of belonging to Go-Viet. The recruitment of local residents to become CEOs and the Go-Viet team at the Vietnam office was also carried out with the hope that Go-Viet could find out more about what local residents really need.

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