

Indonesia's GoJek latest app to cut jobs as virus takes toll

June 24 2020



GoJek offers a wide range of services, including deliveries and financial services

Indonesian app giant GoJek said it will cut hundreds of jobs and ditch at-home massage and cleaning services as the global pandemic slashes demand for face-to-face businesses, after Singapore-based rival Grab

also announced layoffs.

Starting as a ride-hailing [service](#) in 2010, GoJek launched an app five years later with a wide range of offerings, including deliveries, takeaway food and [financial services](#), that could be ordered via smartphone.

The company attracted investments from tech giants including Google, Facebook and Tencent.

But on Tuesday it said it would cut 430 posts—or about nine percent of its full-time staff—as it cancels massage, house cleaning and GoFood Festivals, which supplies vending space for food sellers.

"These businesses are dependent on close human interaction, and have seen a significant downturn over the past few months as the COVID-19 pandemic has affected consumer habits," the firm said in a statement.

"These will be the only COVID-19-related layoffs," it added.

However, GoJek said its logistics and grocery delivery businesses had surged since the [pandemic](#) hit.

The firm—which claims some 170 million users in Indonesia and has expanded to other Southeast Asian markets—employs freelancers for many of its services, including ride-hailing drivers.

It did not respond to requests for comment on how many of its freelance staff would be affected by the cuts.

Last week, rival Grab announced that it would dismiss 360 employees, or about five percent of its full-time workforce.

In May, US-based ridesharing giant Uber said it was slashing a quarter of

its global workforce—about 3,000 employees—and trimming investment to survive the financial hit to its [business](#) from the disease crisis.

© 2020 AFP

Citation: Indonesia's GoJek latest app to cut jobs as virus takes toll (2020, June 24) retrieved 2 May 2024 from <https://techxplore.com/news/2020-06-indonesia-gojek-latest-app-jobs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.