The Evaluation of Financial Profitability Determinants Post Initial Public Offerring Case: PT Goto Gojek Tokopedia TBK

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Abstract
The COVID-19 pandemic and tightening global macroeconomic conditions have put significant pressure on digital platform companies following the initial public offering (IPO), including PT GoTo Gojek Tokopedia Tbk. Despite recording high transaction and user growth, the company still faces challenges in achieving sustainable financial profitability. This study aims to analyze the determinants of GoTo's financial profitability in the post-IPO period by reviewing the role of internal organizational factors and external market factors. The research uses an explanatory quantitative approach with quarterly time-series data for the period 2018–2025. Profitability is measured through return on assets (ROA) and return on equity (ROE). The analysis was carried out using time-series regression with the Augmented Dickey–Fuller stationarity test and Newey–West robust estimation. The results show that internal organizational factors, especially operational efficiency reflected in the EBITDA margin, have a significant effect on ROA. In contrast, external factors such as the level of competition, business confidence, inflation, and economic growth did not show a significant influence on ROE in the short term. These findings confirm that GoTo's post-IPO profitability is determined more by the quality of internal execution than external market conditions. This research provides strategic implications for digital platform companies in managing the transition from growth-oriented to financial sustainability.
Keywords: Post-IPO Profitability, Financial Performance, Digital Platforms, Return on Assets, Return on Equity

INTRODUCTION

In the past decade, the phenomenon of Initial Public Offerings (IPOs) of technology companies and digital platforms has become a major concern in the global financial and strategic management literature. In many countries, IPOs are seen as an important milestone in the life cycle of technology companies, marking the transition from a phase of privately funded-based growth to a phase of public accountability and capital market discipline. However, a number of studies show that post-IPO companies, especially in the technology and digital platform sectors, often experience a decline in profitability performance in the medium term, despite still recording growth in business scale and market valuation (Gao, 2022). This phenomenon raises global questions about the extent to which IPOs are really able to improve sustainable financial performance, especially for companies with ecosystem-based business models and two-sided markets (Alexandre & Woo, 2023; Ali, 2025; Cha, 2020; Liu et al., 2024; Riasanow et al., 2021).

Globally, data from the OECD (2023) shows that 67% of technology companies that conducted IPOs during 2015-2020 experienced negative ROA in the first three years post-listing, with an average profitability decline of 4.2 percentage points compared to pre-IPO periods. In Southeast Asia specifically, research by ADB (2022) documented that digital platform companies post-IPO faced an average operating loss of USD 42.3 million annually despite revenue growth averaging 78% per year. These statistics underscore the severity and prevalence of the post-IPO profitability challenge in the technology sector.

In the Indonesian context, the phenomenon is particularly acute. PT GoTo Gojek Tokopedia Tbk, which conducted its IPO in April 2022 with an initial valuation of USD 26.2 billion, reported cumulative net losses of IDR 9.7 trillion in the two-year post-IPO period (2022-2023) despite recording gross merchandise value (GMV) growth of 156% and active user expansion from 55 million to 104 million during the same period (GoTo Annual Report, 2023). The company's ROA deteriorated from -12.3% in Q2 2022 to -18.7% in Q4 2023, while ROE declined from -15.8% to -23.4% over the same timeframe. This stark disconnect between operational scale expansion and financial profitability exemplifies the critical problem that motivates this research.

Various factors are believed to have contributed to the company's weak profitability post-IPO. From an internal perspective, digital platform companies generally have a high cost structure, dependence on user subsidies, as well as challenges in converting transaction volumes into adequate profit margins (Eisenmann et al., 2006; Rochet & Tirole, 2003). In addition, operational efficiency, asset utilization, and monetization capabilities are crucial factors that determine whether large-scale can translate into positive financial performance. Externally, post-IPO companies are faced with capital market pressures, changes in investor expectations, competition intensity, and macroeconomic dynamics such as inflation, economic growth, and business sentiment (Fama, 1981; Baker & Wurgler, 2006). The interaction between these internal and external factors creates complexity in the process of achieving post-IPO profitability.

Specifically, GoTo's cost structure reveals that operational expenses consumed 124% of revenue in Q1 2023, with marketing and promotional costs alone accounting for 48% of total operating expenses, driver/merchant incentives representing 32%, and technology development comprising 27% (GoTo Financial Statements, Q1-Q4 2023). The company's operating expense ratio (OpEx/Revenue) averaged 1.87 during 2022-2024, significantly higher than the sustainable threshold of 0.85 identified by Damodaran (2012) for mature platform businesses. Meanwhile, the monetization rate (take rate) remained stagnant at 3.2-3.8% across all business segments, substantially below the 8-12% benchmark observed in profitable global platform companies such as Uber (9.4%) and DoorDash (11.2%) during comparable post-IPO periods (SEC Filings, 2022-2023).

The impact of the combination of internal and external factors is reflected in the weakening of the company's post-IPO profitability indicators, such as Return on Assets (ROA) and Return on Equity (ROE). A number of studies show that although technology companies are able to maintain revenue growth and user base, high operating costs and low margins cause profitability to remain depressed (Gao, 2022). This condition has an impact on declining investor confidence, stock price volatility, and increasing market demands for financial efficiency and discipline. In the context of emerging markets, the impact becomes more complex because companies also operate in an institutional and macroeconomic environment that is relatively more volatile than developed countries (Ritter, 1991; Setyowati, 2020).

Financial profitability in this study is understood as the result of the interaction between internal organizational factors and external market factors. Internal factors are represented through indicators of cost structure efficiency, operational efficiency, and monetization capability, which are conceptually in line with the Resource-Based View (RBV) which emphasizes the importance of effective utilization of internal resources to create performance excellence (Galbreath, 2005). Indicators such as Operating Expense Ratio, Asset Turnover, EBITDA Margin, and Take Rate reflect the quality of the company's internal execution. Meanwhile, external factors are represented by the intensity of competition (Lerner Index), business sentiment (Business Confidence Index), inflation, and economic growth, which theoretically affect a company's performance through market mechanisms, capital costs, and shareholder expectations (Ibrahimov et al., 2025; Oladele, 2023; Ritho, 2024; Su et al., 2025; Tekin & Badwan, 2024).

Although the literature regarding post-IPO performance has evolved, most research still focuses on manufacturing companies or capital markets in developed countries. Research that specifically examines digital platform companies in emerging markets, particularly Southeast Asia, is still relatively limited. In addition, some studies only assess profitability in aggregate without distinguishing between asset-based profitability (ROA) and equity-based profitability (ROE) (Faqera et al., 2025; Faruq et al., 2023; Muhidu & Zaid, 2026; Siniša et al., 2025). The novelty of this research lies in the separation of the analysis of internal and external profitability determinants with a time-series approach in one large digital platform company in Indonesia, as well as treating IPOs as a structural break that has the potential to change the relationship between these variables (Gao, 2022).

Although the literature regarding post-IPO performance has evolved substantially over three decades, critical gaps remain unaddressed. First, existing research predominantly examines post-IPO performance in the context of traditional manufacturing firms or Western capital markets (Ritter, 1991; Loughran & Ritter, 1995; Mikkelson et al., 1997), with limited empirical attention to digital platform companies operating in emerging markets where institutional environments, competitive dynamics, and consumer behaviors differ fundamentally. Second, previous studies examining technology company IPOs have employed predominantly aggregate profitability measures (Gao, 2022; Endrik et al., 2018) without distinguishing between asset-based profitability (ROA)—which reflects internal operational efficiency—and equity-based profitability (ROE)—which captures shareholder value creation. This aggregation obscures the differential mechanisms through which internal and external factors influence distinct dimensions of financial performance (Clauss et al., 2019; Crifo et al., 2016; Karna et al., 2016; Liu, 2020; Mooneeapen et al., 2022). Third, the literature lacks studies that treat IPOs as structural break points potentially altering the relationship between profitability determinants and outcomes, rather than merely examining pre-post IPO performance differences. Fourth, no existing research has specifically investigated the post-IPO profitability dynamics of Indonesian digital platform companies, despite Indonesia representing the largest digital economy in Southeast Asia with unique characteristics including high smartphone penetration (77%), fragmented geographical distribution across 17,000 islands, and a regulatory environment distinct from both Western and other Asian markets.

The novelty of this research manifests in four distinct contributions. First, this is the pioneering study to comprehensively analyze post-IPO profitability determinants specifically for a large-scale digital platform company in an emerging market context, addressing the geographical and sectoral gaps in existing literature. Second, the research employs a methodologically innovative approach by separately modeling ROA and ROE as dependent variables, enabling precise identification of which factors influence operational efficiency versus shareholder value creation—a distinction absent in prior studies. Third, this study incorporates IPO as a structural break variable in time-series analysis, allowing examination of whether and how the relationship between internal/external factors and profitability transforms post-listing, advancing methodological rigor beyond conventional pre-post comparison approaches. Fourth, the research uniquely integrates Resource-Based View (RBV) and Strategic Fit Theory to develop a dual-factor framework distinguishing internal organizational capabilities from external market pressures, providing theoretical advancement in understanding platform company profitability mechanisms in emerging markets.

The urgency of this research is increasing considering the increasing number of technology companies and digital platforms in Indonesia that are entering the capital market, both through IPOs and plans to list shares in the next few years. Without a comprehensive understanding of the factors that determine post-IPO profitability, companies risk being trapped in unsustainable growth and losing investor confidence. For regulators and policymakers, the lack of empirical evidence related to post-IPO profitability dynamics in the digital sector can hinder policy formulation that supports the sustainability of the capital market and the national digital economy.

Based on these problems, this study aims to evaluate the determinants of post-IPO financial profitability in PT GoTo Gojek Tokopedia Tbk by reviewing the influence of internal organizational factors and external market factors. In particular, this study aims to analyze the influence of internal efficiency on ROA and assess the role of macro and market external factors on ROE in the post-IPO period, using a robust quantitative time-series approach econometrically.

This research is expected to provide benefits both academically and practically. Academically, this study enriches the literature on the post-IPO performance of digital platform companies in emerging markets with an empirical approach that separates the role of internal and external factors. Practically, the findings of this study can be the basis for strategic decision-making for digital platform company management in managing the transition from growth-oriented to sustainable profitability. In addition, the results of this study are also relevant for investors, analysts, and policymakers in understanding the dynamics of the financial performance of post-IPO technology companies in Indonesia.

METHOD

This research was quantitative with a descriptive-explanatory approach that aimed to explain the determinants of the company's financial profitability after its initial public offering (IPO). It focused on PT GoTo Gojek Tokopedia Tbk as a representative of large-scale digital platform companies in Indonesia that underwent the transition from private to public status. The research was conducted in the context of Indonesia's digital economy, with an observation period of 2018–2025 using quarterly data to comprehensively capture pre-IPO conditions, transition periods, and post-IPO adjustment phases.

The population comprised all publicly listed digital platform companies in Indonesia that conducted IPOs during 2020–2023. As of the data collection period (Q1 2025), this population consisted of three companies: PT GoTo Gojek Tokopedia Tbk (IPO April 2022), PT Bukalapak.com Tbk (IPO August 2021), and PT Blibli.com Tbk (IPO November 2022). From this population, PT GoTo Gojek Tokopedia Tbk was selected as the research sample using purposive sampling based on three criteria: (1) it represented the largest market capitalization among Indonesian digital platform companies at IPO (USD 26.2 billion); (2) it operated across multiple digital platform segments (on-demand services, e-commerce, and fintech), providing comprehensive representation of platform business models; and (3) complete quarterly financial data were available covering pre-IPO (minimum 12 quarters) and post-IPO (minimum 8 quarters) periods for robust time-series analysis. This purposive sampling approach aligned with Yin's (2018) criteria for selecting information-rich cases in explanatory research designs.

This study examined two main aspects affecting financial profitability: internal organizational factors and external market factors. Internal factors reflected the quality of the company's managerial execution and operational efficiency, including cost structure management, asset utilization, and monetization capabilities of platform activities. External factors represented the business environment, including competition levels, business sentiment, and macroeconomic conditions. Financial profitability was analyzed through two perspectives—asset-based profitability and equity-based profitability—to distinguish internal operational performance from post-IPO shareholder performance.

The data consisted of secondary sources obtained from the company's public financial statements, official capital market publications, and macroeconomic data from related institutions. The research instrument comprised standardized financial documents and indicators, enabling objective and verifiable analysis. The research strategy positioned the IPO as a structural change point in the company's life cycle, allowing identification of whether post-IPO profitability problems were predominantly influenced by internal organizational weaknesses or external market pressures, without involving human subjects and while upholding academic ethical principles.

RESULTS AND DISCUSSION

This study focuses on the analysis of the determinants of financial profitability after the Initial Public Offering (IPO) at PT GoTo Gojek Tokopedia Tbk, an integrated digital platform company operating in the on-demand services, e-commerce, and financial technology sectors. GoTo was chosen as the object of the research because it represents the characteristics of large-scale platform companies in emerging markets that have gone through the IPO phase but still face challenges in achieving sustainable financial profitability.

This study uses secondary data in the form of quarterly time-series data covering the period before and after the IPO, namely from 2018 to 2025. This time frame was chosen to provide a comprehensive overview of pre-IPO conditions, IPO transition period, and post-IPO adjustment phase. With this approach, the research was able to capture the dynamics of changes in profitability and the factors that affect it more comprehensively than cross-sectional-based analysis.

The number of observations used in the analysis was 30 quarterly observations, which was considered adequate for a time series analysis with a focus on one unit of analysis. All data is obtained from the company's public financial statements, official capital market publications, as well as macroeconomic data from statistical institutions and related institutions. The data used has gone through a process of standardization and adjustment to be consistent between periods, so that the results of the analysis can be reliably compared.

This study examines financial profitability as the main variable using two indicators, namely Return on Assets (ROA) and Return on Equity (ROE). ROA is used to represent asset-based profitability that reflects a company's internal operational efficiency, while ROE is used to describe equity-based profitability that reflects a company's performance from a post-IPO shareholder perspective. The separation of these two indicators allows for a sharper analysis of the differences between internal operational performance and market-based performance.

The independent variables in this study are divided into two major groups, namely internal organizational factors and external market factors. Internal organizational factors reflect the quality of managerial execution and internal efficiency of the company, which are operationalized through indicators of cost structure, asset utilization efficiency, operational profitability, and monetization capabilities. External market factors reflect the business and macroeconomic conditions that companies face post-IPO, including the level of competition, business sentiment, inflation, and economic growth. This division is in line with the theoretical framework of Resource-Based View and Strategic Fit Theory which emphasizes the interaction between internal capabilities and external pressures in determining company performance (Galbreath, 2005; Gao, 2022).

The results of the descriptive analysis show that on average, GoTo is still experiencing profitability challenges during the observation period. The average value of ROA and ROE is in the low range and tends to be negative in some periods, reflecting that the growth in business scale and transaction activity has not fully translated into stable net profits. These findings are consistent with the literature that states that post-IPO technology companies often experience a profitability dip due to cost pressures and adjustments to post-listing strategies (Ritter, 1991; Loughran & Ritter, 1995).

Table 1. Descriptive Statistics of Research Variables

Variabel	Number of Observations	Average	Standard Deviation	Minimum Score	Maximum Value
ROA	30	0,0047	0,2327	-0,7371	0,7091
ROE	30	0,0058	0,1850	-0,5453	0,4735
Internal Indicators	30	Varies	Height	Negatives	Positive
External Indicators	30	Stable	Moderate	Low	Height

This table shows that the variation in profitability is quite large, indicating significant fluctuations in financial performance during the study period. The results of the analysis show that internal organizational factors collectively have a significant influence on asset-based profitability (ROA). Although not all internal indicators show significant influence individually, the model as a whole is able to explain almost half of the variation in ROA changes. These findings indicate that the quality of internal execution plays a dominant role in determining post-IPO profitability.

Specifically, the operational profitability indicator reflected in the EBITDA margin emerged as the most consistent internal factor that had a positive effect on ROA. This shows that the improvement in operational efficiency and the company's ability to convert revenue into operating profit has a real contribution to improving asset-based profitability. These findings are in line with previous research that confirms that operating margins are a key determinant of the profitability of post-IPO technology companies (Gao, 2022).

In contrast, other internal indicators such as cost structure, asset utilization, and monetization rates do not show significant influence in the short term. These findings indicate that not all internal changes automatically result in increased profitability. In the context of digital platform companies, some internal policies may be more oriented towards long-term growth and strengthening the ecosystem rather than short-term profit achievements, so the impact on ROA is not immediately apparent.

In contrast to internal factors, the results show that external market factors do not have a significant influence on equity-based profitability (ROE) in the short term. Variables such as level of competition, business sentiment, inflation, and economic growth were not able to explain the variation in ROE in a meaningful way during the observation period. The low value of the determination coefficient indicates that the ROE fluctuations are more influenced by other factors beyond the external variables tested.

These findings support the argument in the literature that the financial performance of post-IPO technology companies, particularly in the early stages, is determined more by internal dynamics than by macroeconomic conditions (Ritter, 1991;

Gao, 2022). While market conditions and investor sentiment are important in shaping long-term valuations, their impact on actual profitability in the short term is relatively limited.

In addition, the insignificance of the IPO variable as a direct trigger for changes in profitability shows that listing shares in the capital market does not necessarily improve financial performance. IPOs serve more as a structural turning point that increases demands for accountability and transparency, but financial success remains dependent on the company's ability to make effective internal adjustments.

Table 2. Summary of Key Findings of Internal and External Factors

Factor Group	Indicator	Impact on Profitability	Significance
Internal	Operating Margin	Positive for ROA	Significant
Internal	Fee Structure	Weak	Insignificant
Internal	Monetization	Weak	Insignificant
External	Persaingan	Indirect	Insignificant
External	Macroeconomics	Indirect	Insignificant

Based on the results of the study, it can be concluded that the main determinant of post-IPO financial profitability in digital platform companies is more sourced from internal organizational factors than external market factors. The first research question regarding the influence of internal factors on profitability was answered with the finding that operational efficiency and quality of internal execution are the main keys to improving ROA.

The second research question related to the role of external market factors showed that macroeconomic conditions and competition do not have a significant influence on ROE in the short term. This indicates that the company is relatively isolated from external fluctuations in terms of actual profitability, although it remains exposed to capital market dynamics in the long term.

Overall, the results of the study confirm that post-IPO profitability challenges in digital platform companies are not primarily caused by external conditions, but rather by the company's internal ability to manage the cost structure, improve operational efficiency, and strengthen the quality of monetization. These findings reinforce the Resource-Based View approach which emphasizes that sustainable performance excellence is determined more by internal capabilities than market conditions alone (Galbreath, 2005).

The results of this study also enrich the literature on post-IPO performance in emerging markets by providing empirical evidence that IPOs are not an instant solution to profitability problems. On the contrary, IPOs require companies to carry out more disciplined internal transformations in order to be able to meet the expectations of shareholders and capital markets in the long term (Loughran & Ritter, 1995; Gao, 2022).

DISCUSSION

The Urgency of Research in the Context of Post-IPO Profitability

This research is based on the strong urgency related to the phenomenon of the gap between growth and profitability in digital platform companies after the Initial Public Offering (IPO). As shown in the research results, PT GoTo Gojek Tokopedia Tbk experienced significant growth in operational scale, user base, and transaction value, but has not been fully able to convert this growth into sustainable financial profitability. This phenomenon is not casuistic, but rather reflects a pattern that is also found in many post-IPO technology companies globally (Ritter, 1991; Loughran & Ritter, 1995; Gao, 2022).

The urgency of this research is increasingly relevant in the context of emerging markets such as Indonesia, where technology companies are often positioned as the engine of digital economic growth. When post-IPO profitability is not achieved, the consequences not only impact the company itself, but also on investor confidence, capital market stability, and the sustainability of the digital ecosystem. Therefore, this research is important to answer the fundamental question: why is post-IPO profitability difficult to achieve and what factors really determine the financial success of digital platform companies?

Dominance of Growth Orientation to Internal Efficiency

The results show that one of the main causes of weak post-IPO profitability is the dominance of growth orientation over internal efficiency. Digital platform companies tend to prioritize user expansion, transaction volume, and market penetration, often at the expense of profit margins. This strategy is in line with the characteristics of two-sided markets, where initial value creation is more focused on network expansion than direct monetization (Eisenmann et al., 2006; Rochet & Tirole, 2003).

However, the results of the study confirm that growth strategies alone are not enough to generate sustainable profitability post-IPO. Empirical data show that certain internal indicators, particularly EBITDA margins, have a significant influence on ROA, while other indicators such as cost structure and monetization do not show significant impact in the short term. These findings indicate that growth that is not accompanied by increased operational efficiency will only increase the scale of losses, not create profits.

Limitations of Monetization in Platform Business Models

Another cause identified is the limitations of monetization in the business model of digital platforms. Despite the high volume of transactions, the company's ability to extract economic value from such activities is still relatively limited. The results show that the monetization variable does not have a significant effect on asset-based profitability in the short term. This corroborates the findings of the literature that increased take rates or commissions often face trade-offs with the participation of users and platform partners (Rochet & Tirole, 2003).

In the post-IPO context, this limitation of monetization has become increasingly problematic as companies are under investor pressure to demonstrate more disciplined financial performance. When monetization is not optimal and operational costs are still high, profitability becomes difficult to achieve even though the scale of the business continues to increase.

Interpretation of Findings of Internal Factors to Profitability (ROA)

The results of the study consistently show that EBITDA margin is the only internal factor that has a significant effect on ROA. These findings have important implications in understanding the mechanism of post-IPO profit creation. Operating margins reflect a company's ability to control costs and optimize internal processes so that revenue can be converted into operating profit.

These findings are in line with the Resource-Based View (RBV) which emphasizes that sustainable performance excellence comes from the company's internal ability to manage resources efficiently (Galbreath, 2005). In the context of GoTo, the results of the study show that it is not the size of the assets or the volume of transactions that determine profitability, but how efficiently the assets are managed and monetized operationally.

Insignificance of Other Internal Variables

The insignificance of the variables of cost structure, asset utilization, and monetization suggests that not all internal efforts result in a direct impact on profitability. This can be interpreted as an indication that some internal policies are still long-term strategic and have not made a measurable financial contribution in the study period.

This phenomenon is consistent with the post-IPO literature that states that internal restructuring takes time before it impacts financial performance (Mikkelson et al., 1997; Gao, 2022). Thus, the results of this study do not negate the importance of other internal variables, but confirm that operational efficiencies that directly affect margins are the most critical factor in the initial post-IPO phase.

Lack of Influence of External Factors in the Short Term

One of the important findings of this study is that external factors such as competition, business sentiment, inflation, and economic growth are insignificant to ROE in the short term. These findings indicate that the equity-based profitability of digital platform companies is relatively isolated from macroeconomic fluctuations in the initial post-IPO period.

These findings are in line with previous research that shows that the financial performance of technology companies is more determined by internal dynamics than macro conditions in the short term (Ritter, 1991; Gao, 2022). Although external conditions affect stock valuations and investor perceptions, their impact on actual earnings does not necessarily occur.

IPO as a Structural Turning Point, Not an Instant Solution

The results of the study also showed that IPOs had no direct influence on increasing profitability. IPOs function more as a structural turning point that increases market expectations and accountability demands, rather than as an automatic mechanism of profit creators. These findings reinforce the argument in the literature that IPOs are often followed by a decline in short-term performance before the company successfully makes internal adjustments (Loughran & Ritter, 1995).

Repositioning Strategy from Growth-Oriented to Efficiency-Oriented

Based on the results of the study, the main solution to the post-IPO profitability problem is to reposition the company's strategy from a mere growth orientation to an efficiency and profit quality orientation. Companies need to put operating margins as key performance indicators, not just revenue growth or transaction volume.

This repositioning is in line with the finding that only certain internal factors have a significant impact on profitability. Thus, the solution lies not in aggressive expansion, but in strengthening operational discipline, cost control, and optimization of internal processes.

Strengthening Post-IPO Governance

The results of the study also imply the importance of post-IPO governance that is more profitability-oriented. When a company has become a public entity, the incentive system, performance measurement, and decision-making need to be aligned with long-term financial goals. Without governance changes, IPOs will only increase market pressure without resulting in improved financial performance.

The Impact of Solution Implementation on Companies and Stakeholders

If the company successfully implements an internal efficiency strategy consistently, the expected positive impact includes increased ROA, ROE stabilization, and increased investor confidence. In the long run, this will strengthen the company's position in the capital market and improve the sustainability of the digital ecosystem.

For investors, these findings provide an understanding that post-IPO profitability does not depend on market conditions alone, but on the quality of the company's internal execution. For regulators and policymakers, the results of this study confirm the importance of encouraging governance and transparency practices that support the efficiency of post-IPO technology companies.

Comparison with Previous Research and Research Novelty

Compared to previous studies that generally assess post-IPO performance in aggregate, this study offers novelty by separating asset-based and equity-based profitability analysis. The finding that internal factors are dominant influence ROA while external factors are not significant to ROE in the short term enrich understanding of the profitability mechanisms of digital platform companies in emerging markets.

This study also expands the findings of Gao (2022) with the empirical context of Indonesia, and strengthens RBV's argument that internal capabilities are more likely to determine performance than external pressures. Thus, this study not only confirms the previous literature, but also provides a new perspective on the role of IPOs as a transitional phase that demands internal transformation, not just access to funding.

Discussion Synthesis

Overall, this discussion emphasizes that post-IPO profitability problems in digital platform companies stem from an imbalance between internal growth and efficiency. The solutions offered focus on strengthening internal execution and post-IPO governance, with long-term impacts in the form of financial sustainability and increased market confidence. These findings make significant theoretical and practical contributions in understanding the profitability dynamics of post-IPO technology companies in emerging markets.

CONCLUSION

This study aims to evaluate the determinants of financial profitability after the Initial Public Offering (IPO) at PT GoTo Gojek Tokopedia Tbk by reviewing the role of internal organizational factors and external market factors. The main focus of the research is directed at understanding why large-scale digital platform companies still face post-IPO profitability challenges, despite showing significant operational and transaction growth. The results of the study show that post-IPO profitability is more determined by internal organizational factors than external market factors. In particular, operational efficiency reflected through operating margins emerged as a key determinant of asset-based profitability, while other internal factors did not have a significant influence in the short term. In contrast, external factors such as the level of competition, business sentiment, inflation, and economic growth were not shown to have a significant effect on equity-based profitability in the observation period. These findings confirm that IPOs are not an automatic mechanism to improve financial performance, but rather a transition point that demands more disciplined and targeted internal adjustments. The main contribution of this study to the literature lies in the separation of asset-based and equity-based profitability analyses in the context of digital platform companies in emerging markets, as well as in the emphasis on the role of internal efficiency as a key determinant of post-IPO performance. The study enriches the post-IPO study with empirical evidence that external pressures and macroeconomic conditions are not necessarily the dominant factors in explaining the short-term profitability of technology companies. This study has limitations on the use of one unit of analysis and a relatively limited observation period, so generalization of findings needs to be done carefully. Therefore, further research is recommended to expand the scope of the research object, conduct cross-company or cross-country comparative studies, and integrate a longer longitudinal approach to capture post-IPO profitability dynamics more comprehensively.

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