

The Effect of Perceived Ease of Use, Perceived Usefulness, and Trust on Decisions to Use E-Wallet in Financial Transactions

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Abstract: This study aims to obtain empirical evidence about the effect of perceived ease of use, perceived usefulness, and trust on decisions to use electronic wallets (e-wallet) in financial transactions in Denpasar City. The sample used is 100 respondents. The analytical technique used in this research is multiple linear regression analysis. Based on the results, perception of ease of use had no effect on the decision to use an e-wallet, while the perceived usefulness and level of trust had a positive and significant effect on the decision to use an e-wallet.

Keywords: Perceived Ease of Use, Perceived Usefulness, Trust Level, Usage Decision.

I. INTRODUCTION

Every human activity today is almost entirely influenced by technology. Technological developments in the financial sector have led to new innovations in financial technology services such as digital payment, which is an online transaction payment service. The payment gateway service is the most frequently used on a daily basis, because it provides convenience by offering online transaction payments so that the process can be more practical, fast, and inexpensive. One of these services is in the form of an electronic wallet (e-wallet), which is one of the most widely used financial services in Indonesia. The existence of e-wallet products has changed people's traditions in making financial transaction payments, especially in today's technology literate society (Surya & Usha, 2019). An electronic wallet or e-wallet can be used by the public to make purchases and payments only through smartphones (Karim et al., 2020). This e-wallet payment system provides convenience in transactions, increases payment efficiency, increases customer loyalty, and increases effectiveness (Taylor, 2016). Based on data from Bank Indonesia, 45 digital payment companies in the form of server based have received permission from the Indonesian government. In 2014 Bank Indonesia launched the National Non-Cash Movement to form the Less Cash Society in Indonesia. In May 2019, the Indonesian government issued QRIS (Quick Response Indonesian Standard), to increase the use of cashless payments.

As stipulated in Bank Indonesia Regulation No. 18/40/PBI/2016 concerning processing of payment transactions, electronic wallet or e-wallet is an electronic service for storing data on payment instruments including payment instruments using cards and/or electronic money, which can also accommodate funds, and for making payments. E-wallet is a form of financial technology that helps consumers to make payments easier. E-wallet is also a payment instrument that makes payments using a mobile phone, so that e-wallet can also be a payment in the form of mobile or m-payment (Rantung dkk., 2020). This e-wallet is different from e-money, where e-wallet is for storing data on payment instruments such as debit cards and e-money for payments, while e-money is a non-cash payment instrument that is stored in a server-based e-wallet (Bank Indonesia, 2016).

From a study released by Visa in 2020 regarding Consumer Payment Attitudes in Southeast Asia, 73% of Indonesian respondents already use digital payment systems with cards and mobile payment systems. (The Asian Banker, 2020). This means that many people have switched to digital payment systems, although it is not evenly distributed because there are still many people who are not yet fluent in using smartphones and the various applications available. The digital system will make it easier to carry out financial transactions, especially in the midst of the global Covid-19 (Corona Virus

Diseases 2019) pandemic that has occurred since March 2020 in Indonesia. People are required to reduce direct contact with objects that are easily exposed to the virus, such as money because it is one of the objects that change hands the most. This is also evident from the results of a survey conducted by Jakpat regarding Indonesia Digital Wallet 1st Semester of 2020, which shows that most users prefer to use digital wallets as a payment method during the corona virus pandemic due to ease of use, promotions, to reduce the use of cash to avoid the spread of the corona virus, guarantee security, easy to see usage history, and others. In addition, because the public has the awareness to reduce activities outside the home if there is no interest, so that they carry out more financial transaction activities online using the e-wallet application. (Jakpat, 2020).

Denpasar City has supported the digitization of the non-cash payment system with the Quick Response Indonesian Standard (QRIS) which began in early 2020. With the implementation of a digital payment system, it is important to know how people make decisions regarding the use of e-wallet. The model that can be used to find out how to accept the development of e-wallet technology in society is the Technology Acceptance Model. There are two variables that influence technology acceptance in this model, namely perceived ease of use and perceived usefulness. In addition, it is also important to know how the level of public trust in the use of e-wallet technology. Therefore, the ease of use and usability of e-wallet will affect the level of decision to use by people in everyday life. The level of trust also greatly influences the decision to use e-wallet, to ensure the security and confidentiality of user data. So that when e-wallet digital financial transaction services provide convenience, benefits, and trust, more and more users will be interested in using these services.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

This study uses the Technology Acceptance Model (TAM) theory which explains in general about technology acceptance which leads to an explanation of user behavior in various information technology developments. The Technology Acceptance Model (TAM) was developed by Fred D. Davis in 1986, which is based on two basic theories regarding the technology acceptance model that had been developed previously, namely The Theory of Reasoned Action (TRA) and Theory of Planned Behavior (TPB). There are two main variables in TAM theory that affect individual acceptance of the development of information technology and systems, namely perceived usefulness where a person feels confident that using the system will improve job performance whose measurement is based on the frequency of use and the variety of applications used and perceived ease of use, where if someone finds it easy to use the system then the system will be useful (Davis, 1989).

Perceived ease of use focuses on the extent to which a person believes that using a technology will be free of great effort and expense. This perception relates to how individuals feel that using technology is easy, so they will be more interested in using the technology (Lwoga & Lwoga, 2017). This perception of ease of use of e-wallet means that consumers or users can use services that are easy to understand and easy to use without great effort and cost. So that consumers or users can make e-wallet financial transactions well and will be happy to use it (Adharsh et al., 2018). Perceived usefulness is the belief that a system will provide benefits and improve job performance (Safitri & Zakky, 2019). The usefulness of using mobile payments is seen from the extent to which consumers believe that they will get the same benefits if they use payments via smartphones as they do with other payment methods (Bailey et al., 2017).

Trust is the process of forming a person for a service based on an understanding of the service provider (Rahmad et al., 2017). Trust is a condition for maintaining the relationship between customers and service providers because customers make purchasing decisions before actually using them (Saqib, 2019). In digital payment systems, the level of trust is the expectation that individuals have when interacting with other parties and not taking undue advantage of dependence on other parties (Wiradimaja & Rikumahu, 2019). Trust in online transactions must be able to make users believe that using the service can maintain security in transactions. The use or purchase decision is a decision about the brand to be purchased and there are two factors that influence the purchase intention and decision, namely the attitude of others and situational factors such as income, price, and expected benefits (Yunanto, 2016). Thus, the hypothesis can be drawn:

H1 : Perceived ease of use has a positive effect on decisions to use e-wallet

H2 : Perceived usefulness has a positive effect on decisions to use e-wallet

H3 : The level of trust has a positive effect on the decision to use e-wallet

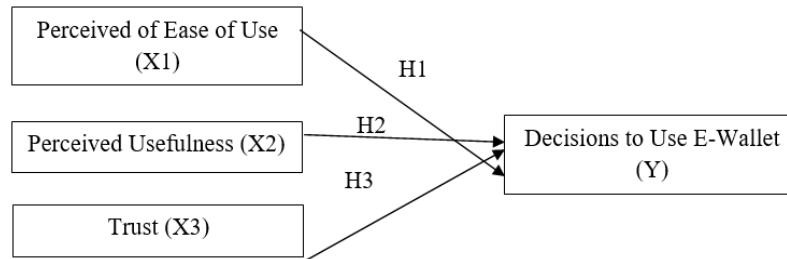


Figure 1: Conceptual Framework

III. RESEARCH METHODS

This study uses exploratory research with a quantitative approach. This research is located in Denpasar City. The population in this study are e-wallet users in financial transactions in Denpasar City. The exact number of population in this study is not known, because there is no accurate data that explains the number of e-wallet users in Denpasar City. Therefore, the researchers used data on the number of residents in Denpasar City which is included in the productive age group, amounting to 696,800. To determine the sample in this study using non-probability sampling by purposive sampling with the criteria that the population aged 15-64 years, owns and uses an e-wallet application in financial transactions. Determination of the sample size using the Slovin formula with an error limit of 10% which results in a total sample of 100 respondents.

IV. RESULTS AND DISCUSSION

The research data was obtained through a google form questionnaire which was distributed to 100 respondents in Denpasar City. The distribution of the google form questionnaire was carried out online through social media.

Table 1: Feasibility Test Results (F Test)

Model		Sum of Square	Df	Mean Square	F	Sig.
1	Regression	298.802	3	99.601	20.442	0.000
	Residual	467.758	96	4.872		
	Total	766.560	99			

Based on the results of the model feasibility test (F test) shows the Fcount coefficient value of 20.442 with a significance of 0.000 which is smaller than alpha 0.05 ($0.000 < 0.05$) which means that the regression model made is feasible to use to explain the effect of perceived ease of use, perceived usefulness, and level of trust in the decision to use e-wallet.

Table 2: Results of the Coefficient of Determination Analysis (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.624	0.390	0.371	2.20737

The value of Adjusted R Square (R²) is 0.371, which means that 37.1% of the variation in e-wallet usage decisions is influenced by the variables of perceived ease of use, perceived usefulness, and level of trust, while the remaining 62.9% is influenced by other factors. not included in the research model.

Table 3: Multiple Linear Regression Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	1.875	1.963		0.955	0.342
	Perceived Ease of Use (X1)	0.091	0.096	0.103	0.949	0.345
	Perception of Usefulness (X2)	0.198	0.088	0.243	2.248	0.027
	Trust (X3)	0.521	0.124	0.396	4.212	0.000

Perception of Ease of Use on Decisions to Use E-Wallet

The regression coefficient value is 0.091 with a significance value of 0.345 (> 0.05) so that the **first hypothesis (H1) is rejected**. This shows that even though the e-wallet is easy to use, it will not affect a person's decision to use it. This is because people will continue to switch to e-wallet due to changing trends in society, especially during the Covid-19 pandemic where every financial transaction is attempted using a digital payment system. Based on research data, most of the respondents agree that the e-wallet application is easy to use. It is expected that e-wallet service providers will continue to use a simple user interface so that it can be easier to use by all users. This is in accordance with Suleman et al. (2019)

Perception of Usefulness on Decision to Use E-Wallet

The regression coefficient value is 0.198 with a significance value of 0.027 (< 0.05) so that the **second hypothesis (H2) is accepted**. This shows that the higher the benefits of using e-wallet, the higher the number of people who decide to use e-wallet in financial transactions. The results of this study are in accordance with the Technology Acceptance Model which states that someone will tend to use a system if the system can provide benefits and make work easier. If the benefits obtained when using an e-wallet increase, the public's decision to use an e-wallet will also increase. This is due to the fact that people receive benefits when making financial transactions with e-wallet compared to cash. The use of e-wallet makes it easier to make payments because it can make the payment process easier, it can reduce the payment queue at the cashier, its use is more effective and efficient, and can speed up payment settlement. This is in accordance with Roy & Sinha (2017), Seetharaman et al., (2017), Malik & Annuar (2019), Hutami & Septyarini (2019), and Legi & Saerang (2020) which shows that perceived usefulness has a positive effect on the use of electronic payment systems.

Trust in the Decision to Use E-Wallet

The regression coefficient value is 0.521 with a significance value of 0.000 (< 0.05) so that the **third hypothesis (H3) is accepted**. This shows that the greater the level of trust, the higher the public's decision to use e-wallet in financial transactions. Trust is very influential when making a decision to use an e-wallet, especially for issues of security guarantees and protection of users' personal data, because although financial transactions with e-wallet provide many conveniences and benefits there will also be risks that may occur so that service providers must provide security guarantee and users of e-wallet services must have a sense of trust, so users will decide to use e-wallet. This is in accordance with Wiradimaja & Rikumahu (2019), Saqib (2019), Suastini & Mugiono (2020), Malik & Annuar (2019), Legi & Saerang (2020)

Research Implication

This study describes the support for the Technology Acceptance Model (TAM). The Technology Acceptance Model explains a person's acceptance of technological developments which is influenced by how easy it is and the benefits obtained when using the technology. The ease of using a technology does not affect a person's decision to use an e-wallet. This is because someone will continue to use a technology if it is felt that the technology provides benefits, especially for daily activities. The existence of security guarantees in a technology also ultimately increases a person's sense of trust so that they decide to use the e-wallet technology.

Based on the results of the research questionnaire on perceived usefulness, statements regarding the use of e-wallet making it easier to make payments have the highest average value among other statements. This means that respondents feel that transacting using e-wallet will make it easier for them to process payments. So that to increase the number of users and decisions to use e-wallet, e-wallet service providers must pay attention to the convenience of users when transacting using e-wallet such as providing convenience in the payment process, guaranteeing data security, user interface that is easy to understand, and types of transaction services that are easy to understand. more complete. For the results of the research questionnaire on the level of trust, the statement regarding the belief that the e-wallet provider will provide the best service to users has the highest average value among other statements. This means that respondents believe that e-wallet service providers provide the best features that can be used for daily financial transactions. So that e-wallet service providers can increase the number of transaction features and provide security guarantees to improve e-wallet usage decisions.

Regarding the decision to use, the results of the research questionnaire show that statements about respondents deciding to use e-wallet because there are needs and objectives that must be met have the highest average among other statements. This means that respondents use e-wallet not only out of necessity but also because of the benefits, especially during the

Covid-19 pandemic, most people decide to shop online and make digital payments to avoid direct contact with cash and other people. So that e-wallet service providers must continue to socialize and intensify the use of e-wallet and provide attractive promotions so that people are more interested and decide to use e-wallet often.

V. CONCLUSION

The public is expected to use a digital payment transaction system with an e-wallet because it is easy to learn and use on a daily basis, can simplify the payment process and can reduce queues at the cashier, its use is more effective and efficient because it only uses a smartphone, and there is guaranteed security. either from the e-wallet service provider. That way, people will get used to using e-wallet in their daily financial transactions. For e-wallet service providers, it is expected to increase collaboration with e-commerce, retail stores, and MSMEs to make it easier for the public in daily financial transactions and provide a user interface with features that are easy to use by all ages. user data so that people have more confidence in the use of e-wallet and minimize the risks that may occur.

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