

## **E-MONEY AS A PAYMENT METHOD: “ANALYSIS OF MATARAM CITY PEOPLE IN USING ELECTRONIC MONEY”**

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### **Abstract**

The research was conducted with the aim of identifying the factors influencing people's interest in using electronic money (e-money) using a quantitative descriptive approach. The researcher uses the technology acceptance model (TAM) as a conceptual framework that focuses on Perceived Usefulness, Perceived Ease of Use, Perceived Risk, and there are additional variables, namely Customer Attitude (Perceived Benefit) and behavioural intentions to use electronic money. An empirical data test was conducted based on data collected from 384 respondents, reliability analysis (Cronbach's Alpha Coefficient), validity test and multiple regression analysis were conducted to see the relationship between all variables. The final results show that perceived usefulness (PU), perceived ease of use (PEOU), perceived risk (PR), and customer attitudes (CA) have a significant positive effect on people's intentions to use electronic money (E-money).

**Keywords:** E-money, Technology Acceptance Model, perceived usefulness, perceived ease of use, perceived risk, customer attitude, behaviour intention to use.

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### **INTRODUCTION**

Existing technological advances have been able to initiate E-banking and digitalization of the global payment system (Singh & Malik, 2019), so that it has a very large impact, namely being transparent following the exploration of opportunities in the technology era. Over time the payment system continues to develop and various forms of innovation have been found in terms of payments (Padmawidjaja et al., 2020), Indonesia is one of the countries that has benefited from technological advances and innovations from payment systems that can bring Indonesia into the digital and information era. Technological developments that continue to experience improvements have been able to provide innovative facilities for payment systems (Tee & Ong, 2016) that convert cash into a set of cards or mobile (E-Money). Electronic payments have substantially replaced check payments but have not led to a cashless society (Liao & Handa, 2010). The growth of innovative platforms is growing due to technology in developed markets, but access is limited in emerging markets. However, the availability of telecommunications infrastructure has been able to increase the widespread use of E-Money (Kazachenok & Lavrentyeva, 2019).

The world today is faced with a very rapid technological development, which causes changes to the challenges of life. Almost all lines of life are affected by technological developments. From continuous development to the present day, it provides facilities that can be utilized by humans. In line with that, the pattern of life in the social line of society has changed, especially in the payment system in economic transactions. Money has a strategic role in economic activity, so that money continues to experience changes in monetary processes that have a major impact on exchange, production and credit (Dehghan & Haghighi, 2015). This is in line with developments that occur, electronic commerce carried out online, stimulates various online payment mechanisms. E-money as a more effective and efficient payment method certainly has many advantages offered to the public when compared to cash payments to make electronic payments, send mobile payments, or use electronic money (Widayat et al., 2020). Perceived benefits, ease of use, risks involved in electronic money, and perceived benefits are selling points that can be offered to the public to use electronic money as a payment method. The utilization of technology is an important component that determines the success of innovation in society. What innovators and entrepreneurs think, feel, and do in the form of platform designs (e-money) are not always aligned and able to fulfil what users want (Widayat et al., 2020). The factors that become aspects to attract people's interest in using electronic money in terms of effective and efficient use are not necessarily the same as what is experienced and felt by users. Therefore, this study was conducted to identify and examine the factors that attract people's interest to use electronic money as a payment method in the city of Mataram using the Technology Acceptance Model (TAM) theory.

TAM is a theory developed by Fred & Davis (1998) which was adopted from several models that were built to analyze and understand the factors owned, influence on acceptance, use of new technology (Bertagnolli, 2011). So TAM is a model that can be used as a conceptual in describing accurately the acceptance of technology. TAM theory is a formidable model in various technology studies because it provides substantial and empirical evidence. Perceived Usefulness, Perceived Ease of Use, Perceived Risk, and Perceived Use Intention are the variables used in this TAM theory (Padmawidjaja et al., 2020). TAM theory is a technology acceptance model (TAM) that is widely accepted as a model in explaining the phenomenon of new technology adoption (Leong et al., 2020).

## **METHOD**

This study uses descriptive quantitative as a design in conducting research. The purpose of using this quantitative descriptive design is to discuss the research conducted in the research location, who, what, where, when and where the events used for this research object occurred (Saunders, 2016). The process of collecting data by distributing online questionnaires to 384 respondents using whats-app social media. The questionnaire is a collection of data given to respondents in the form of questions related to the theme in the

study so that respondents are the main data source used in research. The questionnaire itself is one method that is often used to obtain data, both research in the fields of business and management, social sciences and other sciences (Rowley, 2014). The questionnaires that were distributed were made using the Likert scale. So that respondents are required to fill in one of the five Likert scales provided; namely, strongly disagree, disagree, neutral, agree, and strongly agree. In processing and analyzing the data, this research uses the SPSS version 26 computer program, the SPSS program is a statistical program. a tool developed by IBM and often used by researchers and academics around the world (Hanafi & Fadilah, 2017).

## RESULTS AND DISCUSSION

### Descriptive Analysis Of Independent and Dependent Variables

The table below shows the value of the descriptive analysis on the independent and dependent variables. the average value of all variables ranges from 4.3120 to 3.9104 which indicates that most of the respondents agree with the statement on each variable.

**Table 1: Descriptive Statistics**

	N	Mean	Std. Deviation
PU	384	4.3120	0.57271
PEOU	384	4.2688	0.58284
PR	384	3.9104	0.60812
CA	384	4.0589	0.72261
BITU	384	4.0698	0.67443
Valid N (listwise)	384		

### Validity and Reliability Testing

Validity and reliability tests are carried out to test the extent to which each item in the construction is interrelated, by looking at the values contained in the Cronbach Alpha coefficient. The value contained in each variable shows a significance value of 0.000; this is because the value of sig < 0.05, therefore the researcher can conclude that every statement on each variable is declared valid. In addition, the indicator of an instrument can be said to be reliable if the Cronbach's Alpha value is > 0.6 (Padmawidjaja et al., 2020). The results of the validity and reliability test are as follows; Perceived Usefulness (0.865), Perceived Ease of Use (0.877), Perceived Risk (0.863), customer attitude (0.741) and Behavioral Intention to Use (0.914). So it can be concluded that each variable is consistent and reliable.

### Multiple Linear Regression Analysis

Based on table 4.1 the R-value shows 0.791 which indicates that the independent variable and the dependent variable have a positive relationship. While the value of R square is 0.626 which means 62.6%. From these data, the researcher can conclude that there is a variation in the proportion between Perceived Usefulness, Perceived Ease of Use, Perceived Risk, and Customer attitude towards people's intentions to use Electronic Money (E-Money) as a payment method.

**Table 2: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.791 <sup>a</sup>	0.626	0.622	2.07348	1.667
a. Predictors: (Constant), CA, PU, PR, PEOU Dependent Variable: BITU					

Furthermore, as shown in Table 3, showing the relationship between the F-test ANOVA on the independent variables, there is sufficient evidence to conclude that at least one of the independent variables can predict the dependent variable. This can be seen in the probability value (p-value) listed in the Sig column. From the data above, the probability value is  $0.00 < 0.05$

**Table 4.2: ANOVA Results**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2725.805	4	681.451	158.503	.000b
	Residual	1629.435	379	4.299		
	Total	4355.240	383			
a. Dependent Variable: BITU b. Predictors: (Constant), CA, PU, PR, PEOU						

Table 4 shows that all variables have significant positive determinants that affect people's intentions to use Electronic Money (E-Money) as a payment method. the value of the standard coefficient and the value of P (sig.) is used as a reference to determine the most influential factor ( $p < 0.05$ ). The table below shows that customer attitudes have the highest beta values; = 0.414, then the customer's attitude has the most influence on the intention to use electronic money as a payment method. Next, Perceived ease of use = 0.201, followed by perceived usefulness, = 0.163 and lastly Perceived Risk = 0.130

**Table 4.3: The Coefficients of This Study**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.587	0.845		0.695	0.487		
	PU	0.192	0.069	0.163	2.783	0.006	0.289	3.464
	PEOU	0.233	0.067	0.201	3.466	0.001	0.293	3.408
	PR	0.144	0.055	0.130	2.622	0.009	0.402	2.486
	CA	0.387	0.042	0.414	9.217	0.000	0.488	2.047
a. Dependent Variable: BITU								

The results showed that PU had a significant positive effect on the intention to use EMoney. This is in line with the research conducted by (Ghazali et al., 2018; Leong et al., 2020; Oztruk, 2016; Padmawidjaja et al., 2020). From various information obtained from this research, it is stated that people's intention to use new technology will be influenced by how a system or technology that will be applied can be used and helps improve and facilitate the application of new technology.

PEOU has a significant positive effect on the intention to use E-Money. These results are in line with the results of previous studies (Leong et al., 2020; Oktaviani et al., 2019; Shankar & Datta, 2018). So the results of this study provide an overview of the financial sector that uses Fintech to be able to provide services that are easy for users, can be learned easily, and can improve transaction processes.

PR has a significant positive effect on the intention to use E-Money. This is similar to previous authors such as (Padmawidjaja et al., 2020). Therefore, in this study, the researcher describes that the level of security or risk that will be faced when people use Fintech E-Money as a payment method has the lowest level of significance among all the variables that researchers use, which is 0.130. so the researcher concludes that risk or security is not the most important consideration for the public interest in using e-money this is in line with research conducted by (Miliani & ., 2013).

The results of CA (Perceived Benefit) have a significant positive effect on the intention to use E-Money. This is similar to previous authors such as (Ghazali et al., 2018)(Mentari et al., 2019)(Miliani & ., 2013). The results of CA (Perceived Benefit) have the highest level of significance among all the variables that the researcher uses to see the factors that influence people's interest in using e-money as a payment method. Therefore, the presence of fintech, in this case, e-money as a substitute for cash used for transactions, can provide solutions to customers in terms of transactions or losing money due to crime.

## CONCLUSION

From the above results, it can be concluded that the variables studied in this study have an influence on the public's interest in using electronic money as a payment method.

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