

## CUSTOMERS ATTITUDE TOWARDS USAGE OF E-WALLET

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### Abstract

Changing patterns of behavior in public financial transactions during this pandemic has increased the use of e-wallet services. People's most widely used transaction is e-wallet services. This study aims to determine the effect of perceived usefulness, perceived ease of use, perceived security, and cashback promotion on behavioral intention of e-wallet (a survey of people in the Special Region of Yogyakarta). The sampling technique used is purposive sampling method. The number of samples in this study was 100 respondents with the criteria of people who have e-wallet account for transactions. The analytical technique used is frequency analysis, descriptive analysis and multiple linear regression analysis. Based on the results of this study, it was found that perceived usefulness, perceived ease of use and perceived security together had an effect on usage attitude of the customers. This shows that the variables perceived usefulness, perceived ease of use and perceived security.

**Keywords:** Perceived Usefulness, Perceived Ease of Use, Perceived Security, Cashback, Attitude and E-Wallet

### 1. INTRODUCTION

Digital payments are revolutionizing the entire payment system in India and everywhere around the world. They are rapidly replacing debit cards and credit cards. Smartphone is now our wallet. It is used to pay, receive, transfer and transact in various other ways through these e-Wallets. They are convenient, faster and much secure than our plastic cards. E-Wallets remove the unnecessary step of filling in our bank account details or card number while making an online purchase. They just require you to choose your e-wallet account and input the security code to complete the transaction. This feature has resulted in a spike of e-wallet users upward of 25% of all online transactions. Indian consumers are very quick to adapt new technologies and applications. They started embracing e-wallets like fish to water. Latest study shows that India adopted digital payments at a whopping 1.5 times the global average. Mobile wallet transactions saw an increase of 40 times in the past 5 years. The providers have now flooded the market with a number of options for the consumers to choose from. With attractive discounts and offers, consumers are enjoying multiple e-wallets to make the best use of all the offers. E-Wallets are a form of digital account where the user can save account information for any possible online purchases. e-Wallet is protected by a secure password known only to user. Using an e-Wallet, we can make payments at grocery shops, online e-commerce sites, mobile bills, DTH recharges, flight tickets, among others. An e-Wallet consists mainly of two elements, software and information. The software part stores sensitive information and offers authentication and data protection. The information portion is a database of details input by the customer, including their identity, mailing address, payment process, amounts to be paid, credit or debit card details, etc. It's very quick to set up an e-Wallet account. The user just needs to

install the app on their phone and enter the necessary details. When they reach the payment page, the e-wallet would automatically fill in the user details on the payment form. The customers have to input their password to access the e-wallet. If an online request has been made, the user is not expected to fill out the order form on any other website as the information is stored in the database and processed automatically.

According to the TAM model, it is assumed that a person's behavioral intention and attitude to accept a new technology are influenced by two dominant factors, namely perceived usefulness and perceived ease of use (To and Trinh, 2021). It can be explained that external variables affect perceived usefulness and perceived ease of use. Meanwhile, perceived usefulness and perceived ease of use affect attitude towards using or behavior towards use. Perceived ease of use affects perceived usefulness because a system that is easy to use will not take a long time for an individual to learn it so that the time they have can be used to do other work. Behavioral intention is defined as the interest for a person to perform a certain behavior. The behavior is carried out because someone has the intention or desire to do it. The behavioral intention will determine the behavior. Peter and Olson (2013) that behavioral intention is a proposition that connects oneself and behavior that will be carried out in the future.

## 2. REVIEW OF LITERATURE

Kahar et al., (2018) posited that security is considered as an important risk attribute that effects the customer decision making process when purchasing a product or consuming multiple services. Security is a process of protection during consumers' transactions to reduce their worry of crime and abuse.

Davis (1989) posited that perceived ease of use is the degree to which a person believes that using a particular system would be free of effort. Widjana [11] posited a similar opinion that perceived ease of use is consumer's belief that operating an information technology system will not be troublesome or require extra effort. Based on the definitions above, this study defines perceived ease of use as consumers' consideration that the technology that they use is easy to be understood and operated.

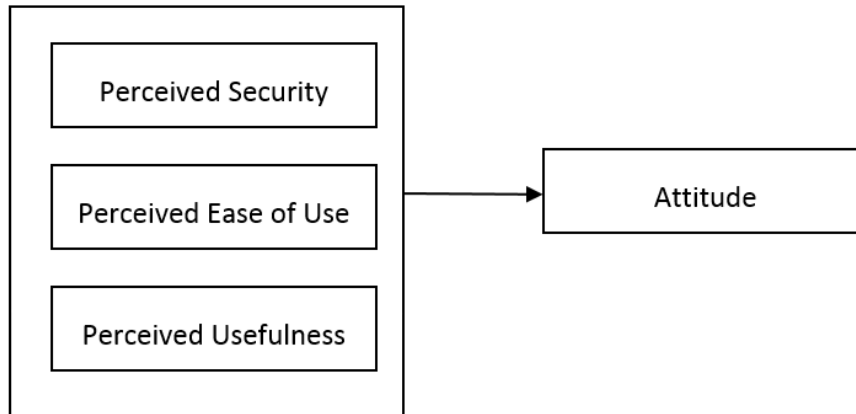
Trilok Nath Shukla (2016) has discussed about mobile wallet, working, types and its advantages and disadvantages. It analysed the perception of consumers and retailers about mobile wallets. It is concluded that mobile wallets used to engage with the customer by the markets and digital businesses. Irrespective of the market status of these mobile wallets, marketers should take advantage of the emerging opportunities.

Kolandaisamy (2022) indicated respondents often use E-wallet, and they would recommend using E-wallet. In addition, the findings revealed that there are no significant differences in the gender and income levels on the effectiveness of E-wallet usage. However, there is a significant difference between age groups and the effectiveness of E-wallet usage.

Yadava and Arorab (2018) made an attempt to study customer satisfaction in use of e-wallet as dependent variable and problems in e-wallets, risk and solution to boost the use of e-wallet as independent variables. 351 respondents were considered duly completing forms and AMOS

graphic is used for further analysis to test the formulated null hypotheses and to check validity of the results. It is found that there is positive relationship of customer satisfaction with solutions in e-wallets and negative relation with problems in using e-wallets.

### 3. FRAMEWORK OF THIS STUDY



### 4. OBJECTIVE OF THE STUDY

- This study aims to analyse the customer attitude towards usage of e-wallet.

### 5. HYPOTHESIS OF THE STUDY

H<sub>1</sub>: Perceived security, perceived ease of use and perceived useful are having relationship with customers attitude towards usage of e-wallet.

H<sub>2</sub>: Perceived security, perceived ease of use and perceived usefulness have influencing the customers attitude towards usage of e-wallet.

### 6. RESEARCH METHODOLOGY ADOPTED

In this research, descriptive research design has been apply. It presents the fact and provides the solution to the problem. This type of research allows the researcher to describe the sample respondent's opinion relating to the research objectives.

#### Research Tool

Questionnaire has been considered as the research tool to collect the primary data from the sample respondents. Questionnaire has been constructed by the research based on previous literature available in this area. Customers opinion has been measured the variables namely perceived security, perceived ease of use, perceived usefulness and attitude has been measured. All the statements measured with five point likerts scale from strongly agree to strongly disagree.

## Sampling Procedure

The customers who are using the attitude towards usage of E-wallet have been considered as sample element. Using convenience sampling method, 200 customers have been approached to participated in the survey. Questionnaire has been distributed to the 180 sample respondents. Out of 180 questionnaire, 160 sample respondents responses fit for further analysis. It shows that the response rate is found to be high.

## Statistical Tools Used

In order to test the stated hypothesis, frequency test, descriptive analysis, correlation and regression analysis have applied.

## 7. RESULTS AND DISCUSSION

In order to examine the consumers' usage of e-wallet frequency analysis is applied. The result is interpreted as below.

**Table 1: Distribution of consumers based on using E-wallet in a week**

Using E-wallet in a week	Frequency	Percentage
1-3 times	40	25.0
4-6 times	48	30.0
7-9 times	56	35.0
10 times or above	16	10.0
Total	160	100.0

Table – 1 shows the frequency distribution of the consumers based on using e-wallet in a week of the respondents. It is noted that 35.0 percent of the respondents use E-wallet 7-9 times in a week, 30.0 percent of the respondents using E-wallet 4-6 times in a week, 25.0 percent of the respondents using E-wallet 1-3 times a week and 10.0 percent of the respondents using E-wallet 10 times or above in a week.

**Table 2: Distribution of consumers based on E-wallet application used by public**

E-wallet application used by Public	Frequency	Percentage
Phone Pay	32	20.0
G-pay	48	30.0
Airtel Money	16	10.0
Pay TM	40	25.0
Bank App	24	15.0
Total	160	100.0

Table – 2 shows the frequency distribution of consumers based on e-wallet application used by public. It is observed that 30.0 percent of the respondents are using the e-wallet application of G-pay, 25.0 percent of the respondents are using e-wallet application of Pay TM, 20.0 percent of the respondents are using e-wallet application of Phone Pay, 15.0 percent of the respondents are using e-wallet application of Bank App and 10.0 per cent of the respondents are using e-wallet application of Airtel Money.

**Table 3: Consumers opinion towards Advantage of E-wallet**

Advantage of E-wallet	Frequency	Percentage
Offers more convenience for many consumers	16	10.0
Offer access to new rewards	48	30.0
Help you with your budget	32	20.0
Can be paid to other services	56	35.0
High availability	8	5.0
Total	160	100.0

Table – 3 portrays the consumers opinion towards e-wallet customers. The using the advantage of e-wallet customers is classified into 5 categories. The frequency analysis shows that 35.0% of the customers are advantage of e-wallet for can be paid to other services, 30.0% of the customers are advantage of e-wallet for offer access to new rewards, 20.0% of the customers are advantage of e-wallet for help you with your budget, 10.0% of the customers are advantage of e-wallet for offers more convenience for many consumers and 5.0% of the customers are advantage of e-wallet for high availability.

**Table 4: Customers opinion towards the perceived security**

Statements	Mean	Std. Deviation
I feel safe to use E-wallet.	4.0000	1.1869
I believe that my transactions are secured when using E-wallet.	4.1000	1.0943
I believe E-wallet system is trustworthy.	3.9000	1.3040
E-wallet service is a reliable payment method.	3.8500	1.1985
I believe E-wallet service providers will secure the money of users.	3.9500	1.1644

Table – 4 display the customers opinion towards the perceived security of e-wallet. Further mean and standard deviation values are calculated for each factor. The mean value ranges from 4.1000 to 3.8500. The standard deviation value lies between 1.0943 to 1.1985. From the values it is found that most of the customers have highly rated that they believe that my transactions are secured when using E-wallet (4.1000) followed by they fell safe to use e-wallet (4.0000), they believe E-wallet service providers will secure the money of users (3.9500), they believe E-wallet system is trustworthy (3.9000) and E-wallet service is a reliable payment method (3.8500). Here it is interpreted that according to most of the customers believed that their transactions are secured when using E-wallet on customers attitude towards usage of e-wallet.

**Table 5: Customers opinion towards the perceived ease of use**

Statements	Mean	Std. Deviation
Learning to operate e-wallet easy for me.	3.7000	1.2326
I find e-wallet easy to use.	3.9474	1.2384
Interaction with e-wallet does not require a lot of mental effort.	3.7500	1.4142
My interaction with e-wallet is clear and understandable	3.9000	1.1826
I find it easy to use e-wallet to do what I want.	3.9500	1.2875

Table – 5 shows the customers opinion towards perceived ease of use on e-wallet. Further mean and standard deviation values are calculated for each factor. The mean value ranges from 3.9500 to 3.7000. The standard deviation value lies between 1.1826 to 1.4142. From the values

it is found that most of the customers have highly rated that they find it easy to use e-wallet to do what they want (3.9500) followed by they find e-wallet easy to use (3.9474), they interaction with e-wallet is clear and understandable (3.9000), interaction with e-wallet does not require a lot of mental effort (3.7500) and learning to operate e-wallet easy for me (3.7000). Here it is interpreted that according to most of the customers find it is easy to use e-wallet to do what they want for perceived ease of use of e-wallet.

**Table 6: Customers opinion towards the perceived usefulness**

Statements	Mean	Std. Deviation
Using e-wallet enables me to do transactions more quickly.	4.2000	1.1260
Using e-wallet makes doing transactions easier.	4.1000	1.0943
Using e-wallet enhances the effectiveness of my transactions.	3.9500	1.1644
Using e-wallet would be useful for my transactions	3.9000	1.4151

Table – 6 shows the customers opinion towards their perceived usefulness usage of e-wallet. Further mean and standard deviation values are calculated for each factor. The mean value ranges from 4.2000 to 3.9000. The standard deviation value lies between 1.0943 to 1.4151. From the values it is found that most of the customers have highly rated that using e-wallet enables me to do transactions more quickly (4.2000) followed by using e-wallet makes doing transactions easier (4.1000), using e-wallet enhances the effectiveness of my transactions (3.9500) and using e-wallet would be useful for their transactions (3.9000). Here it is interpreted that according to most of the customers there is using e-wallet enables them to do transactions more quickly for perceived usefulness on customer attitude towards usage of e-wallet.

**Table 7: Customers opinion towards the attitude**

Statements	Mean	Std. Deviation
I do not need others' help using a e-wallet	4.1000	1.0943
Step-by-step navigation of mobile wallet apps is easy to understand.	4.1500	1.1114
Learning to use a e-wallet is easy.	3.8500	1.3561
I like the fact that payments done through e-wallets require minimum effort.	4.1000	1.3040
It is easy to transfer money through e-wallets as minimum steps are required.	4.0500	1.1644

Table – 7 shows the customers attitude towards usage of e-wallet. Further mean and standard deviation values are calculated for each factor. The mean value ranges from 4.1500 to 3.8500. The standard deviation value lies between 1.0943 to 1.3561. From the values it is found that most of the customers have highly rated that there is step-by-step navigation of mobile wallet apps is easy to understand (4.1500) followed by they do not need others' help using a e-wallet and they like the fact that payments done through e-wallets require minimum effort (4.1000), it is easy to transfer money through e-wallets as minimum steps are required (4.0500) and learning to use a e-wallet is easy (3.8500). Here it is interpreted that according to most of the customers there is step-by-step navigation of mobile wallet apps is easy to understand for attitude on customers attitude towards usage of e-wallet.



**Table 8: Relationship between e-wallet usage factors and attitude**

E-wallet usage factors	Attitude	
	r-value	p-value
Perceived Security	0.119	0.001*
Perceived Ease of Use	0.183	0.001*
Perceived Usefulness	0.252	0.001*

H<sub>1</sub> E-wallet usage variables are having significant relationship with attitude.

Table – 8 shows the relationship between e-wallet usage variables and attitude. In order to check the existence of any significant relationship between perceived securities, perceived ease of use, perceived usefulness and attitude, Pearson correlation test was performed. The calculated p-values are significant at one percent level for the perceived security, perceived ease of use, perceived usefulness and attitude. Hence, it is inferred that perceived security, perceived ease of use, perceived usefulness are having significant relationship with attitude. From the correlation values, perceived usefulness is (r = 0.252) highly correlated with attitude. Perceived ease of use and perceived security are also having significant and positive relationship with attitude. Perceived usefulness is having more level of relationship with attitude. But, perceived ease of use and perceived security are having the least level of relationship with attitude.

**Table 9: Multiple regression analysis for e-wallet variable and attitude**

R-value	R <sup>2</sup> Value	Adjusted R <sup>2</sup> Value	F-value	P-value
0.357	0.128	0.111	7.608	0.001

Predictors	Unstandardized Coefficients		Standardized Coefficients	t-value	p-value
	B	Std. Error	Beta		
Constant	3.613	0.384	-	9.416	0.001
Perceived Security	0.155	0.095	0.135	1.621	0.107
Perceived Ease of Use	-0.233	0.070	-0.266	-3.337	0.001
Perceived Usefulness	0.174	0.055	0.249	3.167	0.002

H<sub>1</sub>: E-wallet usage factors namely perceived security, perceived ease of use and perceived usefulness have been significantly influencing the attitude of the customers.

To verify the above stated hypothesis, multiple linear regression has been applied. The result is displayed in the table – 9. Here perceived usefulness, perceived security and perceived ease of use have treated as independent variables and attitude is taken as a dependent variable. As with multiple regression, the p-value of the F-test, is used to check whether the overall model is significantly fit or not. With p-value of zero to three decimal places, the model is statistically significant (F = 7.608; P < 0.001). The adjusted R<sup>2</sup> is 0.111, meaning that 11.1 percentage of the variability of attitude is accounted by the independent variable in the model.

In this case, the adjusted R<sup>2</sup> indicates that about 11.1 percentage of the variability of attitude is accounted by the model, even after taking into account three predictor variables in the model. The coefficients for each of the variables indicates the amount of change, one could expect in

attitude. For attitude to be one unit there is change in the value of independent variable, given that all other variables in the model are hold constant.

To compare the strength of coefficient of predictor variables refer to the column of beta coefficients, also known as standardized regression co-efficients. The beta coefficients are used to compare the relative strength of the various predictors within the model. Because, the beta coefficients are all measured in standard deviations, instead of the units of the variables, they can be compared to one another.

In other words, the beta coefficients are the coefficients that if the outcome and predictor variables were all transformed to standard scores, also called z-scores, while running the regression. In this regression, perceived usefulness has the largest beta (0.249), perceived security (0.135) and perceived ease of use has the smallest beta (-0.266). For standard deviation increase in attitude is due to the increase of perceived usefulness at 0.249 standard deviation. To have one unit increase in attitude and perceived security is influenced at 0.135 level while other variables are held constant. In turn, perceived ease of use leads to a -0.266 standard deviation decrease in attitude while the other variables in the model held constant.

It is inferred that perceived usefulness and perceived usefulness and perceived security have positively and significantly influenced the attitude of the customers. But, perceived ease of use has negatively and significantly influenced the attitude of the e-wallet usage of customers.

## 8. FINDINGS AND RECOMMENDATIONS

- Majority of the customers using e-wallet for their transaction 7 to 9 times per week.
- G-pay is the popular App among the customer for their one transaction.
- It is found that customers used the e-wallet for paying other services.
- Customer believed that their transactions are secured when they are using e-wallet.
- Customers felt that they found e-wallet easy to use.
- Using e-wallet enables the customers to do their transaction more quickly.
- Customer attitude about e-wallet is that step by step navigation of apps is easy to understand.
- Perceived usefulness is having more relationship with customer attitude to use the e-wallet. Perceived usefulness have positively and significantly influenced the customer attitudes for usage of e-wallet.
- Based on the results of this study, it can be seen that the most dominant variable is the perceived security variable. Therefore, it is hoped that e-wallet can strengthen and improve the quality of its application security so that users will trust and feel safe that their data will be guaranteed. It is also recommended that the company conduct regular evaluations of its application so that all existing problems can be quickly resolved.



## 9. CONCLUSION

It can be concluded that from those three-antecedent factors of the behavioural attitude of e-wallet payment. Perceived usefulness has the largest effect in predicting attitude. The next factor that was significant was perceived security, with or without a mediating variable. However, e-wallet providers have to explore how to increase that trustworthiness from consumers. Trust from the consumer will increase if they are confident in doing online transactions, especially using e-wallet payments. It is concluded that good or higher perceived security will enhance perceived trust from the consumer in intention to use e-wallet payment. Customers just paid more attention to the security of the system that can build the trust of using it.

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