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# E-Wallet Effects on Community Behavior

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**Abstract.** The purpose of this study is to discuss the effect of using E-Wallet on people's lives. This research used a qualitative research method because this study describes the events that are taking place in the present. The results of this study show how much influence the E-Wallet on community behavior, which ultimately the community experienced many changes one of which is a change in consumer behavior in daily life. Nowadays, social life cannot be separated from information system technology, where technology has entered into all aspects of social life. As for the background of this writing is the number of a startup that develops and offers E-Wallet information system technology to the public as a substitute for wallets and cash. With a variety of business strategies that startups have done, this E-Wallet is easily accepted by the general public.

## 1. Introduction

Nowadays, information technology has changed the face of the world from the real to the cyber world [1]. Technological developments exist to answer various challenges in the digital age. With the various facilities offered, technology has now become a part of everyday life. One technology product that is popularly used by the public is a mobile application. Mobile applications are considered faster developing because mobile or smartphones are more widely used by the public. Financial Technology (Fintech) is a service sector that uses Information Technology focused on cellular technology to improve financial system efficiency. Fintech is a service sector that uses mobile-centered IT technology to enhance the efficiency of the financial system. Fintech is a compound of "finance" and "technology" and collectively refers to changes in the industry forged from the convergence of financial services and Information Technology [2,3]. Generally, electronic payment can be defined as a platform used in making payments for goods/services purchased online through the use of the internet [4]. Electronic wallet (e-wallet) is one form of development of technology in the field of financial systems. E-Wallet develops along with the emergence of e-commerce and marketplaces in Indonesia, such as Shopee, Tokopedia, and Bukalapak [5]. Not a few startups that develop products in the field of Fintech, especially in the form of e-wallets, such as Ovo, Dana, GoPay, and others.

Some research that discusses E-Wallet or Electronic payment (e-payment), which is a product of Information Systems Technology, has been widely discussed. The development of information technology, especially in the field of Fintech, has provided the needs of the community where anyone who does not have a bank account can still access their finances using the technology in the form of cellular technology. As for some parties, taking advantage of this opportunity to develop technologies such as Electronic wallet (e-wallet) or Electronic payment (e-payment) [6,7]. However, changing people's minds and habits is not easy, especially using cash payments, which are still the most popular



form of money transfer [8]. Moreover, in the end, this E-Wallet service provider provides some more benefits for the public to make and choose to make transactions using E-Wallet rather than making transactions manually or in cash. Until in the end, we as a society feel the benefits of the development of these technologies.

Some of us have used technology because by utilizing technology, some community activities can be helped. With integration with several other information technology products, Electronic wallet (e-wallet) or Electronic payment (e-payment) has been very difficult to reject in all aspects of social life [9,10]. The aims of this to find the effect E-Wallet for transaction activities. This research used a qualitative method.

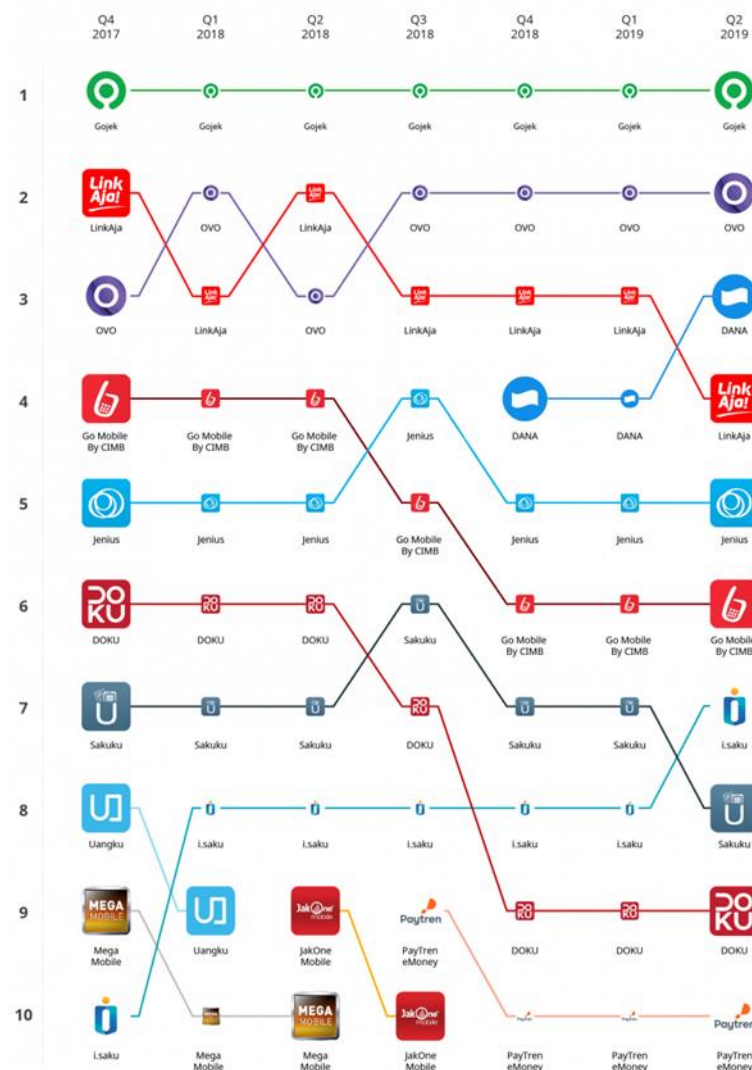
## **2. Method**

In this study, the authors used a qualitative research method that is a research method, which is based on subjective data that is subjectively or objectively accurate from various views about Electronic wallet or Electronic payment as well as observing the effect of this Electronic wallet or Electronic payment in social life by distributing questionnaires to E-Wallet users. Therefore, in the end, it can be seen the influence of this technological development on the consumptive behaviour of the community.

## **3. Results and Discussion**

Electronic wallet (E-Wallet) has been well received by the people, especially Indonesian. Cellular technology is becoming increasingly common nowadays. However, mobile payment is surprisingly not among the frequently used mobile services [7]. Mobile payments are gaining consumer acceptance in many economies due to the high infiltration on mobile phones [8]. Meanwhile, cash and checks are still commonly used in various parts of the world as a tool for transactions.

Mobile-based payments or E-Wallet is very acceptable to people in various parts of the world, including Indonesia. In Indonesia, E-Wallet has been integrated with several marketplaces. For example, Tokopedia has been integrated with OVO and Bukalapak has been integrated with DANA. This has shown that E-Wallet users have been very accepted in the community. The following is an illustration of the development of E-Wallet in Indonesia from 2017 to 2019 based on active monthly users (Figure 1).



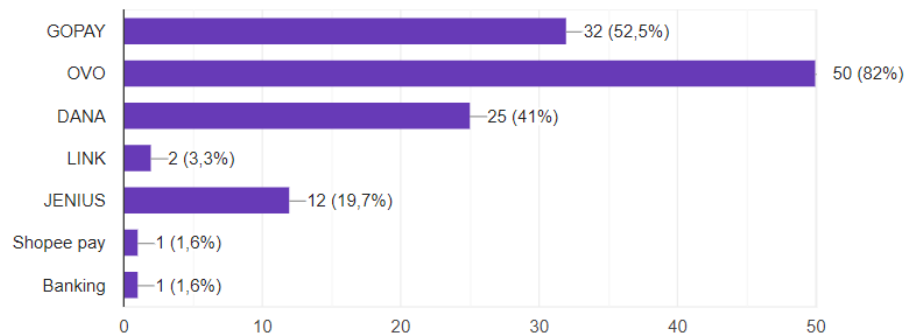
**Figure 1.** Development of Electronic Wallet

In Indonesia, there are a lot of startups that provide Electronic wallets or Electronic payments. Moreover, users who use it are relatively considerable. With the advent of Electronic wallet or Electronic payment, it is believed that it will facilitate the community to make payments or financial transactions, which we already know if payments and financial transactions are very complex in the current era. E-Wallet is not only used for buying and selling, but also can be used as a medium of payment for all the needs of the community, such as payment for electricity, the internet, and others.

This study aims to find out as well as to identify the influence of E-Wallet on consumer consumptive behaviour, researchers distribute questionnaires using Google forms to target E-Wallet users and target students in the city of Bandung. And this is the result of distributing the survey (Figure 2).

What e-Wallet / E-Payment you use most often

61 responses



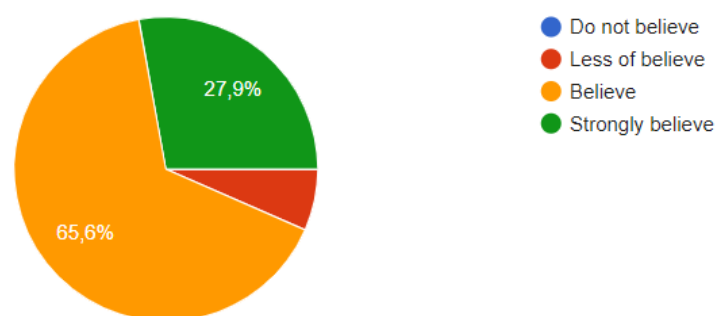
**Figure 2.** Use of E-Wallet / E-Payment Respondents

Figure 2 shows that most students in Bandung use OVO and GoPay. This is most likely due to the two startups, namely OVO and GoJek, which both become unicorn startup. This causes many conveniences offered to attract consumers, including the rise of promos and discounts when making payments using OVO or GoPay.

Figure 2 shows the diagram of the survey results. Respondents who believe in security, believe strongly, and feel less trust with the use of E-Wallet are 65.6, 27.9, and 6.5%, respectively. It is reasonable because basically, there is no 100% secure information system. However, none of the respondents chose to distrust the security of transactions using the E-Wallet. E-Wallet service providers must eliminate consumer worries and should further promote customer trust in service trust [9]. By promoting the level of security of E-Wallet service providers, it will certainly reduce the anxiety of consumers relating to security when making transactions (Figure 3).

How trusting are you with security when transacting using E-Wallet / E-Payment

61 responses



**Figure 3.** Level of trust of respondents

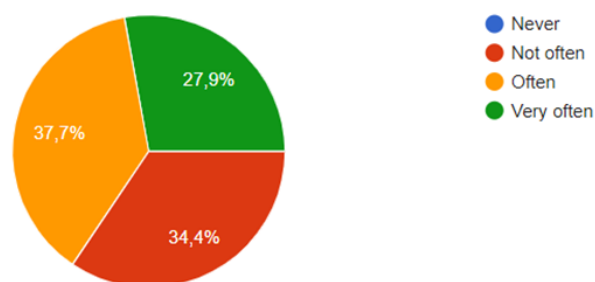
With the development of e-commerce in Indonesia, almost all e-commerce has been able to make transactions using E-Wallet. The trust of e-commerce users becomes essential. In a transaction, customer trust and control are very important usually, it can be written as:

$$\text{Party Trust} + \text{Control Trust} = \text{Transaction Trust [10].}$$

The design of the application is very influential for user convenience because designing mobile applications is challenging. It is because of the variety of mobile devices differentiated by operating systems, features, and sizes [11]. The design of the application itself is something that should not be ruled out because the better the design, the more user convenience will be. In this case, after distributing the questionnaire, we got the data if the good UI / UX application design from the E-Wallet chosen by the respondents mostly got a comfortable, very comfortable, and uncomfortable value of 63.9, 27.9, and 8.2%, respectively. The user convenience in making transactions using the E-Wallet application will certainly have an impact on how long the user will use the application (Figure 4).

How often do you transaction using E-Wallet / E-Payment

61 responses

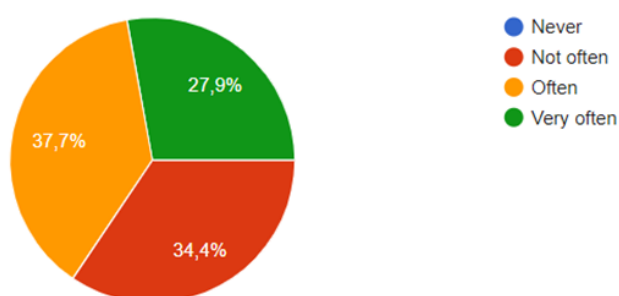


**Figure 4.** Comfort level of respondents

From the previous data, it is said if convenience will affect how long the respondent will use an application. From the results of distributing the questionnaire, all respondents had conducted transactions using the E-Wallet. It is obtained that 27.9, 37.7, and 34.4% of respondents respectively did transactions very often, frequently, and rarely. This has shown that E-Wallet has been accepted in the community, and the respondents who are students have all made transactions using this E-Wallet (Figure 5).

How often do you transaction using E-Wallet / E-Payment

61 responses



**Figure 5.** The level of dependency of the respondent

Figure 5 shows most of the reasons respondents use E-Wallet for their transaction needs because the use of E-Wallet is considerably easier and more practical, just by using a cell phone connected to the internet, all payments can be made, from food purchases to bill payments such as internet and electricity. Aside from being practical, the use of E-Wallet is also considered more benefits in terms of the promo it offers (Figure 6).

#### Reasons to use E-Wallet / E-Payment

61 responses

Practically, more promos. Prevent losing money or falling wallets.
Simplify transactions without having to carry cash or into ATMs
When you don't have cash, you can replace it with e-payment transactions and process it faster
So it's not complicated like this :(
No hassle, lots of promos, get cash back
easy to use
Because of its simplicity and so that it does not hold a lot of cash that can make me keep snacks to stall
Simplify transactions and don't need to bring a lot of money with extra often cashback so it's cheaper
Because it is very helpful for students who are begging, and there are many promos

**Figure 6.** Respondents reason

## 4. Conclusion

With various facilities offered, E-Wallet is easily accepted in the community. From the results, it has been proven that all respondents use E-Wallet. Moreover, 65.6% of respondents frequently doing transactions in E-Wallet. This is evidence of changes in consumer consumptive behavior. With so many promos and offers, many people are switching from doing transactions using cash payments to E-Wallet. This is also supported by several other Information System products that have been integrated with E-Wallet, such as marketplaces and e-commerces in Indonesia.

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