CONSUMER INTENTION OF USING E-WALLET SYSTEM AMONG STUDENTS IN PUBLIC HIGHER INSTITUTION

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ABSTRACT

The cashless technology known as e-Wallet or electronic wallet is new and increasingly popular among consumers in Malaysia especially among the student. They are heavy smartphones users and always like to adopt new technology and system. Through e-wallet system, user just need to have the application in their smartphones and it help them to spend without having to carry any credit card and cash in hand. Therefore, this study aims to determine the factors that influence consumer intentions of using e-wallet system among public higher institution student in Shah Alam, Malaysia by applying Unified Theory of Acceptance and Use of Technology (UTAUT). The UTAUT model consists of performance expectancy, effort expectancy, social influence, culture and perceived risk. Data were collected from 380 respondents from Politeknik Sultan Salahuddin Abdul Aziz Shah (PSA) and Universiti Teknologi MARA (UiTM) and quantitative research was conducted by means of a structured questionnaire. Simple random sampling technique as chosen in collecting data of this study. Pearson correlation analysis showed that performance expectancy, efford expectancy, social influence, culture and perceived risk were positively influential with the consumer intention towards e-wallet. For future researches, a proposition of sampling in other areas is advised for expansion of e-wallet user and gaining a more in-depth view in the significance of factors affecting consumer behavior to use e-wallet system in Malaysia.

Keywords: Consumer intention, e-wallet, UTAUT Model, performance expectancy, effort expectancy, social influence, culture and perceived risk

INTRODUCTION

The evolution of the industry towards digital technology is now leading to a paradigm shift in the technology world including the global payments service industry. While cash is the payment method of choice among consumers in the world, shifting dynamics have opened up opportunities for digital payment adoption (John, 2017). A rise in smartphone penetration, increased internet access, and government fraud prevention efforts have all played a role in streamlining digital payments. Base on Bank Negara Malaysia report, Malaysia nowadays are in three waves of reform measures for payment system since 2018 which focus on mobile payment rather to cash and cheque (Li, 2018). Its mean that Malaysia still needs to jump further to achieve cashless society status. The cashless society is a situation where cash flow in society is minimal and all transactions are performed through electronic media channels such as direct debit, credit and debit cards, and electronic wallets (John, 2017). According to YAB Prime Minister, Tun Dr. Mahathir Mohamad ,being a cashless society, its reduces the risk of carrying hard cash, reduce instances of tax evasion, reduce corruption and keeps the record of all transactions which will help to reduce illegal monetary transaction (Commission, 2018).

E-wallet is one of the technologies through smart phones to enable users to perform safe and secured payment transaction. It's like a physical wallet which used to store many customer information such as owner identity, telephone number, credit card number, debit card number including customers address and etc. However, e-wallet adoption within the Malaysian consumers are still at the beginning stage. The adoption rate in Malaysia is comparatively lower compared with other countries such as China, India and Singapore (Li, 2018). Mobile payment services or e-wallet represents a tremendously interesting paradox in the telecommunication world. Although, they are convenient, quick and easy but there is not still enough evidence on how successful this practice is. Based on research by Malaysian Communications and Multimedia Commission (Commission, 2018), the percentage of online shoppers among Internet users in Malaysia increased, from 48.8% in 2016 to 53.3% in 2018. The e-commerce market in Malaysia is showing a positive trend, with e-commerce gross value added contributed 6.3% to nation's gross domestic product (GDP) in 2017 compare with 4.6% in 2010. The adoption of electronic and mobile wallet has also contributed to the increasing number of online shoppers and banking users.

In European Journal of Scientific Research (Soomro, 2013), state that many university students use smartphones widely whether for business, education, health and social life. (Teh, 2014) in his research also said that growth of smartphones also gives positive impact to the university student and have transformed people's lifestyles by allowing them to digitally connect with their digital live. The traditional ways of making and receiving payments, doing shopping, paying bills etc. were already changing especially through mobile wallets. Students belong to Generation-F has grown up in a world with technology, connected with social media networks using their smart phones and tablets (Rana S. S., 2017). Hence, this study aims at narrowing the gap in prior literature and providing a perspective on increasing knowledge and understanding the factors that influencing consumer intention to use e-wallet system in Malaysia. This study applies The Unified Theory of Acceptance and Use of Technology (UTAUT) (Viswanath Venkatesh, 2003) to determine the factors influencing consumer intention of using E-Wallet among students in public higher institution in Shah Alam, Selangor.

3. METHODOLOGY

3.1 Data Collection

This was a correlation study (S.Sekaran, 2016) which attempted to investigate the statistical relationship between the consumer intention to use e-wallet system with few independent variables such as performance expectancy, effort expectancy, social influence, culture and perceived risk. According to (Stephanie, 2017), sampling frame is a list of all target in the selected population. It is a complete list of everyone or everything wanted to be studied. The main difference of population and sampling frame is population is more general which include every single person in the population while sampling frame is more specific. 380 samples of students were attained from the student population. Based on (John T. Roscoe. Holt, 1975), the following rules of thumb for determining sample size is that the sample sizes must be larger than 30 and less than 500 which are appropriate for most research. The sample size also determine based on the Krejcie and Morgan's sample size calculation using the Krejcie and Morgan's sample size determination table (Krejcie, 1970). As for this study, the respondents were used survey online and distributed questionnaires. The questionnaires survey were posted randomly using Google Form or distributed manually and respondents were encouraged to complete the form. The reliability test was conducted to ensure that each of the scales employed are being assessed to establish the internal consistency of the present study. Cronbach's alpha for the scales are presented in Table 2.

Table 2 : Reliability Analysis

NO	CONSTRUCTS	CRONBACH'S ALPHA	NO OF ITEMS
1	Performance Expectancy	0.903	5
2	Effort Expectancy	0.907	6
3	Social Influence	0.904	5
4	Culture	0.842	4
5	Perceived risk	0.864	4

According to (Nunnally, 1978), the reliability coefficient of not less than 0.7 is usually acceptable. As shown in Table 2, the reliability coefficient of the study variables exceeded the minimum acceptable level of 0.70.

3.2 Data Analysis

Statistical Package for Social Sciences (SPSS) was used for descriptive analysis in order to identify the level of mean for each variable and Pearson Correlation analysis was tested in order to examine the five variables in relation to the consumer intention to use e-wallet among students in public higher institutions in Shah Alam, Selangor. A Pearson Correlation (r) will indicate the direction, strength and significance of the bivariate relationship. The (r) between 1.0 which indicate positive relationship and (r) -1 indicate negative correlation.

4. RESULTS AND DISCUSSION

Table 1 shows 55% of the respondents were male whereas 45% of the respondents were female. Other than that, table 1 also show 51% of the respondents were at 21 years old to 23 years old, 28% between 18 years old to 20 years old and 21% between 24 years old to 26 years old. In education level, 54% were diploma holder, 36% were degree holder and 10% were master holder. 60% of them were student from Politeknik Sultan Salahudddin Abdul Aziz Shah (PSA) and 40% were from University Teknologi MARA (UiTM), Shah Alam Selangor. In level of respondent income, 64% were had RM500 and below, 28% were RM501 to RM999 and 8% were RM1000 and above.

Table 1: Summary of Respondents' Demographics

Response		Frequency	Percentage (%)
Gender	Male	208	55
	Female	172	45
Age Group	18-20	108	28
	21-23	194	51
	24-26	78	21
Education Level	Diploma	136	36
	Degree	206	54
	Master	38	10
Institution	PSA	229	60
	UiTM Shah Alam	151	40
Income	RM500 and below	244	64
	RM501-RM999	106	28
	RM1000 and above	29	8

Table 3 shows the level of mean interpretation according to Landell, (Landell, 2007). Factors that influencing respondents intention either strongly agree, agree, neutral, disagree or strongly disagree are based on the table.

Table 3 : Level of Mean Interpretation

Interpretation	Low	Moderate	High
Mean	100-2.33	2.34-3.67	3.68-5.00

Table 4 perform that the performance expectancy of e-wallet. Most respondent felt satisfied high that performance expectancy by e-wallet with mean score 4.18. Meanwhile, the achievement relatively low mean score 3.89 is I believe e-wallet services are useful for buying products. The average on mean for performance expectancy is 4.07.

Table 4 : Mean Analysis: Level of Consumer Intention of Performance Expectancy

Item	N	Mean	Level
I believe e-wallet services are useful for buying products.	380	3.89	High
Using e-wallet services would make me better customers	380	4.04	High
Using e - wallet service improves my efficiency as a customers.	380	4.11	High
It would be easy to purchase products using e - wallet service	380	4.18	High
E-wallet service would help me to save time while shopping.	380	4.15	High
Average Mean		4.07	

Table 5 perform that the effort expectancy of e-wallet. Most respondent felt satisfied high that effort expectancy by e-wallet with mean score 4.27. Meanwhile, the achievement relatively low mean score 4.10 is use of e - wallet would not require a lot of mental effort. The average on mean for performance expectancy is 4.19.

Table 5 : Mean Analysis: Level of Consumer Intention of Effort Expectancy

Item	N	Mean	Level
Use of e - wallet would not require a lot of mental effort.	380	4.10	High
E - wallet would be easy to use.	380	4.16	High
I would find it easy to use e - wallet service in buying what I want.	380	4.24	High
I think that I am able to use e - wallet service without the help of an expert.	380	4.17	High
It would be easy for me to become skilful at using e - wallet services.	380	4.18	High
E - wallet service gives me cash back/rebate/points.	380	4.27	High
Average Mean		4.19	

Table 6 perform that the social influence of e-wallet. Most respondent felt satisfied moderate that effort expectancy by e-wallet with mean score 4.08. Meanwhile, the achievement relatively low mean score 3.97 is I would use e - wallet service because my friends do so. The average on mean for performance expectancy is 4.04

Table 6 : Mean Analysis: Level of Consumer Intention of Social Influence

Item	N	Mean	Level
People important to me think I should use e - wallet services.	380	4.02	High
People who influence my behaviour think I should use e - wallet services.	380	4.08	High
Using e - wallet service would reflect my personality to others.	380	3.92	High
I would use e - wallet service because my friends do so.	380	3.97	High
I will use e - wallet services if the service is widely used by people in society.	380	4.20	High
Average Mean		4.04	

Table 7 perform that the culture of e-wallet. Most respondent felt satisfied high that culture by e-wallet with mean score 4.17. Meanwhile, the achievement relatively low mean score 3.95 is use of e - wallet would not require a lot of mental effort. The average on mean for performance expectancy is 4.06.

Table 7 : Mean Analysis: Level of Consumer Intention of Culture

Item	N	Mean	Level
I believed that I am able to use E-wallet without having any experience in using computer.	380	3.95	High
The government encouragements make me think the best way to make payment is through using e-wallet payment service.	380	4.06	High
Social media make me aware of the concept of e-wallet payment.	380	4.17	High
People who are important to me would recommend using e - wallet payment service.	380	4.16	High
Average Mean		4.06	

Table 8 perform that the perceived risk of e-wallet. Most respondent felt satisfied high that perceived risk by e-wallet with mean score 4.17. Meanwhile, the achievement relatively low mean score 4,02 is the risk of an unauthorized third parties overseeing the payment process low. The average on mean for perceived risk is 4.08.

Table 8 : Mean Analysis: Level of Consumer Intention of Perceived Risk

Item	N	Mean	Level
The risk of abuse of confidential information is low when using e - wallet payment service.	380	4.05	High
The risk of an unauthorized third parties overseeing the payment process low.	380	4.02	High
I would find e - wallet payment service secure in conducting my payment transaction.	380	4.13	High
I believed the risk when making payment using e-wallet is low.	380	4.13	High
Average Mean	4.08		

4.2 Pearson Correlation Analysis

Pearson's correlation analysis was used to examine the bivariate relationships among the variables

Table 9 : Pearson Correlation Analysis

		PE	EE	SI	CL	PR
PE	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	380				
EE	Pearson Correlation	.639**	1			
	Sig. (2-tailed)	.000				
	N	380	380			
SI	Pearson Correlation	.531**	.637**	1		
	Sig. (2-tailed)	.000	.000			
	N	380	380	380		
CL	Pearson Correlation	.521**	.602**	.680**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	380	380	380	380	
PR	Pearson Correlation	.487**	.504**	.501**	.571**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	380	380	380	380	380
**. Correlation is significant at the 0.01 level (2-tailed).						

Table 3 shows the correlation between independent variables which include performance expectancy, effort expectancy, social influence, culture and perceived risk with dependent variable which was consumer intention toward using e –wallet in purchasing. Overall all the variables above had positive linear relationship whereby all the values were less than 0.9 which indicates that there is no multicollinearity problem. The correlation between independent variables is less than 0.9 which was between 0.487 and 0.639. According to Cohen (Cohen, 1988) an absolute value of r of 0.1 is classified as small, an absolute value of 0.3 is classified as medium and of 0.5 is classified as large.

5. CONCLUSIONS

This study was conducted with the purpose of measuring consumer intention in using e-wallet system. The objective was to examine the relationship between consumer intention in using e-wallet system and performance expectancy, effort expectancy, social influence, culture and perceive risk aspects. As the result, all the independent variables have significant relationship with the consumer intention in using e-wallet among the public higher institution's student in Shah Alam Selangor. Thus, it is suggested that researchers to do research more on other relevant factors that might affects consumer intention in using e-wallet among all the Malaysian

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