

The Attractiveness of Price Discounts, Convenience, and Benefit: Observation of the Decision to Use E-wallet as A Substitute for Cash Transactions

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Abstract: *The increasing growth of online transactions has led to the emergence of various new technologies in the financial sector, one of which is the e-wallet. E-wallets, or digital wallets, have been widely adopted by consumers in Indonesia. The various conveniences and benefits offered by digital wallets are immediately enjoyed by consumers. The convenience and comfort that have been felt have made consumers continue to use digital wallets. Apart from that, the many promotions offered and the perceived benefits have made this e-wallet or digital wallet more and more in demand. This study aims to determine the affect of discounts, convenience, and benefits on the decision to use e-wallets as a means of transaction to replace cash. The research method used in this study is a quantitative research method. A total of 100 respondents use the stratified random sampling to collect responses. Data processing uses multiple linear analyses. This study concludes that price discounts, convenience, and benefits affect the decision to use e-wallets as a substitute for cash in money transactions.*

Keywords: benefit, convenience, decision to use, discounts, e-wallet

I. INTRODUCTION

The Non-Cash National Movement was launched by Bank Indonesia in 2014, which aims to form a Less Cash Society (LCS) in Indonesia by observing that the use of currency circulating in Indonesia is still problematic in terms of efficiency. In addition, there are risks in cash payment transactions, namely theft and the widespread circulation of counterfeit money in Indonesia. Financial technology (fintech) companies in Indonesia are starting to get excited, with the development of e-commerce and the emergence of various kinds and types of marketplaces such as Tokopedia, Lazada, Sociolla, Blibli, Shopee, and others starting to provide electronic wallet (e-wallet) payment instruments. or commonly called a "digital wallet", that makes it easier for consumers to pay as well as offers discounts and cashback when using the e-wallet. Digital wallets, also known as e-wallets, have been widely adopted by consumers in Indonesia. The various conveniences and benefits offered by digital wallets are immediately enjoyed by consumers. The convenience and comfort that have been felt have made consumers continue to use digital wallets. Promotion seems to be the main attraction, but it is starting to be reduced slowly and directed toward the development of quality products (Ipsos, 2020).

The presence of digital wallet products by provider companies such as ShopeePay, OVO, Go-pay, Dana, and LinkAja (Jaka, 2021) reflects that they have been accepted by the public. Indonesia, with a high population, has the potential to widely access digital wallet services, increasing the use of e-wallets (Badri, 2020). Public perception has become a factor in the decision to use a digital wallet. In addition, marketing strategies such as discounts and promotions (Widiyanti, 2020) and the ease of making transactions on digital wallet applications encourage people to switch to payment transactions via e-wallets. Based on the Momentum Works report, ShopeePay was the most widely used digital wallet in 2021. This is reflected in the penetration rate of ShopeePay users, which reached 76% in March 2021. The second position is occupied

by Gopay, with a penetration rate of 57%. Then, the penetration rate of OVO users is 54%. The penetration rate of fund users was recorded at 49%. Meanwhile, LinkAja! is in fifth place with a user penetration rate of 21%.

In addition, based on research from the ShopeePay SnapCart, it is a new digital wallet but is currently experiencing the fastest growth, with a transaction frequency of up to 9.1 times in one month. ShopeePay is a digital wallet application brand with the largest user base, namely 68 percent. This rapid growth cannot be separated from the incessant strategy undertaken by ShopeePay to reach and make it easier for new consumers. ShopeePay is superior because it offers many promotions and can be used for online and offline payments. The visible advantage is from the completeness of the features contained in ShopeePay and increasing the reach of merchants throughout Indonesia. ShopeePay is superior because it offers lots of promos and can be used not only for online payments but also for offline payments at outlets. Theoretically, various advantages and conveniences provided by ShopeePay have been able to change the mindset of people to switch from using cash transactions (banknotes) to non-cash transactions.

II. LITERATURE

2.1 Decision to use

A decision is the termination of the thought process about a problem to answer the question of what must be done to solve the problem by choosing an alternative (Pratiwi et al., 2020). The decision-making process, according to (Kotler & Keller, 2012), includes the following stages: 1) Problem Recognition; 2) Information Search; 3) Evaluation of Alternatives; and 4) Purchase Decision. The usage decision is the stage in the buyer's decision-making process where the consumer actually buys. This purchase decision will later become a decision for e-wallet users making payment transactions.

2.2 E-wallet

A digital wallet is a place or container for storing a number of electronic money owned by the public (Nasution et al., 2021). Digital wallets or e-wallets can be interpreted as money that is used with a mobile phone or device via the internet (Rangkuty, 2021).

2.3 Discounts

According to Amir (2013), promotions in the form of consistent discounts will result in an increase in consumer buying interest. Umah (2022) explains that promotion has a positive influence on the decision to use e-wallets, it is explained that the more promotions carried out by electronic money issuers, the more people decide to use electronic money.

H₁: Discounts affects the decision to use an e-wallet.

2.4 Perceived Convenience

Perceived ease of use can convince users that the information technology to be applied is something that is easy and not a burden for them. Information technology that is not difficult to use will continue to be applied by companies. Perceived ease of use is how someone thinks the information system can be easily understood, and when using the information system, the user will reduce his effort both in time and effort, and it is not a hassle to use (Sari & Pradnyanika, 2020). Dirwan (2020) explains that perceptions of convenience have a positive effect on decisions to use digital money (e-wallets). This is because with digital money, people don't need to carry large amounts of banknotes.

H₂: Convenience affects the decision to use e-wallets.

2.5 Perceived Usefulness

According to (Prakosa & Wintaka, 2020), perceived usefulness is the user's sense of confidence that using an information system will provide benefits, increase productivity, and provide an increase in performance. Widiyanti(2020), explains that the perception of usefulness has a positive effect on the decision to use.

H₃ : Benefits affects the decision to use an e-wallet.

III. INDENTATIONS AND EQUATIONS

3.1 Population and Sample

This population consist of Shopee users in Karanganyar District, Central Java, Indonesia. The sample for this research is ShopeePay e-wallet users domiciled in Karanganyar District, with a total of 100 respondents. The sampling technique is carried out using a non-probability sampling technique by distributing the Google Form questionnaire link, which is distributed via WhatsApp or other social media.

3.2 Measurement of Operational Variables

This study uses a questionnaire, and each of these variables will be measured using a Likert scale. The Likert scale is used to measure a person's attitudes, opinions, and perceptions. Using a checklist or multiple-choice format is usually the best way to fill out this type of questionnaire. The questions in the questionnaire are on a scale of 1 (Strongly Disagree / STS) to 5 (Strongly Agress / SS).

Table 1. Operational Variable Measurement

Variable	Indicator	Scale
Discounted Price (DP)	Advertising, Sales Promotion, Public Relations and Publications, Personal Selling	1-5
Perceived Convenience (PC)	Easy to learn, Easy to operate, The job is simple to complete, It doesn't take much effort to interact	1-5
Perceived Usefulness (PU)	Work is easier, Useful , Increase productivity, Enhance effectiveness, Develop job performance	1-5
Decision to use (DTU)	Problem Recognition, Information Search, Alternative Evaluation, Purchase Choice	1-5

3.3 Data Analysis Techniques

This study uses multiple linear regression analysis techniques, where the regression analysis aims to explain the pattern of relationships between variables. The multiple linear regression equation is as follows:

$$DTU = a + b_1DP + b_2 PC + b_3 PU + e$$

This study used instrument tests in the form of validity (for each item) and reliability tests. Classical assumption tests in the form of normality tests, heteroscedasticity tests, multicollinearity tests, are analyzed before and hypothesis testing.

IV. DATA ANALYSIS AND DISCUSSION

4.1 Descriptive Statistical Analysis

The following are the results of research data that has been processed:

Tabel 2. Respondents Based on Gender

Gender	Total	Percent	Age	Total	Percent
Male	8	8%	< 17 years	2	2%
Female	92	92%	> 17 years	98	98%
Total	100	100%	Total	100	100%

Source : Data process, 2023

From the table above can be concluded that there are 8 male respondents and 92 female respondents with 2% is under 17 years old and 98% respondents are above 17 years old.

1. Validity and Reliability Test Result

The questionnaire containing the questions are tested for feasibility using validity and reliability tests, the results of which are as follows:

Table 3. Validity Test Results

Variable	Number of Items	r value	Sig.	Result
Discounted Price (DP)	10	0.610 - 0.757*	0.05	All items are valid
Perceived Convenience (PC)	4	0.843 - 0.872*	0.05	All items are valid
Perceived Usefulness (PU)	4	0.825 - 0.861*	0.05	All items are valid
Decision to use an -wallet (DTU)	10	0.656 - 0.850*	0.05	All items are valid

Source: Data process, 2023

* significance at 0.05

Based on the data that has been processed, the results of the validity test are obtained as listed in Table 3, and questions on all variables are valid. The Table 4 are obtained the reliability test results for all variables "are reliable". This can be seen from the results of Cronbach's alpha for each variable, which is above 0.7.

Table 4. Reliability Test Results

Variable	Cronbach's Alpha	Number of Items	Result
Discounted Price (DP)	0.874	10	Reliable
Perceived Convenience (PC)	0.873	4	Reliable
Perceived Usefulness (PU)	0.866	4	Reliable
Decision to use an e-wallet (DTU)	0.920	10	Reliable

Source: Data process, 2023

2. Classical Assumption Test

Testing multiple linear regression statistics requires testing the classical assumptions. The results of the normality test using the Kolmogorov-Smirnov test show a significance value of 0.65. These results show a value that is greater than the significance level in this study, which is 0.05, it means the data is normally distributed. The multicollinearity test results for the regression equation model show a value inflation factor (VIF) between 1.854 and 2.254 (below 10), and a tolerance value between 0.444 and 0.539 (above 0.1), and there is no multicollinearity problem in the regression equation. The results of the heteroscedasticity test with the Glejser test show that the significance value of each research variable is above 0.05, and there is no heteroscedasticity problem in the regression equation of this study. The results of the heteroscedasticity test can be seen in table Table 5.

Table 5. Heteroscedasticity Test Results

Variable	Sig.	Result
Discounted Price (DP)	0.348	There is no heteroscedasticity.
Perceived Convenience (PC)	0.378	There is no heteroscedasticity.
Perceived Usefulness (PU)	0.717	There is no heteroscedasticity.

Source: Data process, 2023

The regression equation in this study is a fit model with a value of $F = 104.825$ and a significance level of 0.000. The value of the coefficient of determination (adjusted R^2) shows the number 0.759. Testing the hypothesis using multiple linear regression analysis models shows the following equation:

$$DTU = 0.546 + 0.344 DP + 0.527 PC + 1.041 PU + e$$

3. Hypothesis Test

The results of testing the partial hypothesis of this study can be seen in Table 6 below:

Table 6. Hypothesis Results

Variable	Regression Coefficient	Sig.	Information
Discounted Price (DP)	0.344	0.000*	H ₁ is accepted
Perceived Convenience (PC)	0.527	0.002*	H ₂ is accepted
Perceived Usefulness (PU)	1.041	0.000*	H ₃ is accepted

Source: Data process, 2023

* significance at 0.05

The results of discounted price statistical tests show a regression coefficient value of 0.344 with a significance level of 0.000. If the significance value is less than 5%, or 0.05, then H₁ is accepted. This study shows that price discounts affects usage decision to use an e-wallet. These results are consistent with the research of Umah & Siswahyudianto (2022), and also the research of Annisa (2021), where the results obtained that promotions (discounts) had a significant and positive effect on the decision to use e-wallets. This is due to the fact that the more intensive promotions offered by the e-wallet, the more it will attract users to use it.

The convenience test result show a regression coefficient value of 0.527 with a significance level of 0.002. If the significance value is less than 5%, or 0.05, then H₂ is accepted. This study shows that convenience affect the decision to use e-wallet. These results are consistent with Widiyanti (2020) and Dirwan (2020), where it was also found that convenience has a significant and positive effect on decisions to use e-wallets. Ease of operation is also one of the factors that influence users' decisions about using e-wallets.

The results of the statistical test of benefits show that the regression coefficient is 1.041 with a significance level of 0.000. The significance value shows a number less than 5%, or 0.05, and can be interpreted that H₃ is accepted. It means that benefit affects the decision to use an e-wallet. These results are supported the research of Sari et al. (2022). The many benefits that users will experience are also an important factor in users' decisions about using e-wallets. This research is also in line with the research of Ningsih et al. (2021), which states that perceptions of usefulness have a positive effect on decisions to use electronic money.

V. CONCLUSION

Based on the findings of the research described above, this study is able objectives by demonstratie that there is a significant and positive effect between discounts, ease of use, and benefits on the decision to use e-wallets as a cash substitute. Respondents who believe that the price discounts offered by e-wallets are very appealing to users, leading them to use e-wallets as a transaction tool, are indicated in the price discount variable. In addition, promotions carried out by e-wallets through social media also make it easier for users to find information more quickly, which is one of the reasons respondents make decisions about using e-wallets as a substitute for cash transactions. The convenience variable is shown by respondents who feel that the way to operate an e-wallet is easy to understand and also practical. Not only that, respondents felt helped by the existence of an e-wallet that can be an alternative to cash and they no longer need to carry cash when traveling. It is enough to scan the e-wallet application used, and the transaction can run. The e-wallet network is also very broad, both in the e-commerce sector and in offline shops, culinary shops, and transportation. This is one of the reasons respondents made the decision to use e-wallets as a substitute for cash transactions. The expediency variable is shown by respondents who like the speed of transactions when using e-wallets and also the accuracy of making payments to the smallest nominal amount and the refunds are no longer needed. This is one of the reasons respondents made the decision to use e-wallets as a substitute for cash transactions. Even though e-wallets have many benefits, they also have drawbacks, one of which is that the system often has errors, sometimes takes a long time for it to return to normal. With this problem, it is hoped that publishers can further minimize the error system and users feel more comfortable and safe when using e-wallets. This problem can be extended for the next study to give more insight about the use of e-wallet.

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