



Determinants of The Intention to Reuse E-Money in Generation

Z

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Abstract—Non-cash money or electronic money (e-money) is a means of payment that has the characteristics of being issued on the basis of the value of money deposited first by the holder to the issuer, the value of money stored electronically in a medium such as a server or chip, used as a means of payment to merchants who are not the issuer of the electronic money and the value of electronic money deposited by the holder and managed by the issuer is not a deposit as referred to in the laws governing banking. This study aims to examine the intention to reuse e-money in generation Z in Denpasar City in terms of the perceived usefulness, perceived ease of use and perceived risk and to find out the influence of perceived usefulness, perceived ease of use and perceived risk on the intention to reuse e-money and to find out which of these three variables has the greatest influence on the intention to reuse e-money. The subjects were e-money users, with a sample of 110 people. The sample was determined using a non-probability sampling method, namely purposive sampling. This study uses quantitative methods with multiple linear regression data analysis techniques with data collection through interviews, documentation and questionnaires. The results of the data analysis showed that simultaneously and partially, the perceived usefulness, the perceived ease of use and the perceived risk influence to the intention of reusing e-money.

Keyword: Benefit; Ease; Perception; Re-Use; Risk

I. INTRODUCTION

Instruments or means of payment have changed starting from payment instruments in the form of cash, conventional metal and paper, into a more practical form, namely electronic payment instruments. In general, people are more familiar with banknotes as a tool for payments. The use of money as a means of payment is already a basic need in almost every community activity (Bank Indonesia, 2016). The widespread use of cash (banknotes) does not mean that this has no drawbacks. The use of banknotes of a large volume will be difficult in terms of carrying them and have a considerable risk of robbery. In addition, increasingly sophisticated technologies increase the risk of counterfeiting banknotes. Based on these things, an electronic payment system in the form of non-cash money was created as a means of payment

which is expected to minimize the weaknesses and risks of cash without reducing the function of the money itself (Bank Indonesia, 2016). The following is statistical data from Bank Indonesia, which shows the growth of the use of electronic money payment instruments in Indonesia:

Table 1. E-Money Circulation and Number of E-Money Transactions in Indonesia in 2016-2021

No.	Year	Amount of e-money circulation (Number of instruments)	The value of the e-money transaction (mio Rp)
1.	2016	51.204.580	7.063.688,97
2.	2017	90.003.848	12.375.468,72
3.	2018	167.205.578	47.198.616,11
4.	2019	292.299.320	145.165.467,60
5.	2020	423.281.380	204.909.170,00
6.	2021	602.290.000	310.290.000,00

Source: Bank Indonesia Statistics, 2021.

Based on Table 1 above, it can be concluded that the use of e-money payment instruments in Indonesia is experiencing positive growth every year. This shows that the e-money payment system in the community is supported by a significant increase in the number of e-money circulation and e-money transactions (Bank Indonesia, 2016).

The benefits that e-money offers can affect the increase in the number of its users. When a product has benefits when used in everyday life, it will be used by more people at large. Likewise, e-money is considered very helpful for the benefit of economic transactions, making people interested in using electronic money (D'Alessandro et al., 2012; Ahmad & Pambudi, 2014; Marchelina & Pratiwi, 2015; Dewi & Warmika, 2016; Ermawati & Delima, 2016; Amadea & Indrawati, 2022).

The perceived ease of use is a factor that can influence the intention to use e-money because of the increasing public assumption that by using e-money, the transactions that will be carried out will be easier than transactions using cash. This can increase people's desire to use e-money (Adiyanti & Pudjihardjo, 2015; Marchelina & Pratiwi, 2015; Wibowo et al., 2015; Dewi & Warmika, 2016; Wicaksono & Maharani, 2020; Putri & Iriani, 2021; Amadea & Indrawati, 2022).

The perceived risk describes consumer perceptions of the uncertainty of results which is mainly related to the search and selection of product and/or service information before making a purchase decision (Marchelina & Pratiwi, 2015; Dewi & Warmika, 2016).

In the generation theory put forward by Codrington & Grant-Marshall (2004), Generation Z is those born between 1997-2009 (also called iGeneration). Generation Z is a native of the digital age who was born in a digital world with complete technology. They spend their free time surfing the web, preferring to stay indoors and play games online (Qurniawati & Nurohman, 2018).

There is an important issue that needs to be studied more deeply, especially regarding the intention to reuse e-money, namely whether Generation Z understands the influence of perceived usefulness, perceived ease of use and perceived risk in the intention to use e-money. In marketing literature, there is still little research that discusses the use of e-money by Generation Z.

Research conducted by Ladkoom &

Thanasopon (2020) reveals that satisfaction and attitude positively impact the reuse intention of e-money. In addition, the research result conducted by Viviana & Mulyono (2022) showed that both Perceived usefulness, perceived ease of use, and trust negate the intention of using electronic money. Therefore, this research is designed to fill the gap by exploring and testing the factors that influence the intention to reuse e-money in generation Z. Thus, this research aims to examine the intention to reuse e-money in generation Z in Denpasar City in terms of the perceived usefulness, perceived ease of use and perceived risk and to find out the influence of perceived usefulness, perceived ease of use and perceived risk on the intention to reuse e-money and to find out which of these three variables has the greatest influence on the intention to reuse e-money

II. CONCEPT AND HYPOTHESIS

The success of e-money can be seen from the behavior of its users in using e-money. If users continue to use e-money for transactions, then of course it will have a positive impact on service provider companies. One way to measure this is by looking at the user's intention to use it on an ongoing basis. Besides being able to influence intention to use continuously, a person's attitude towards a product can also be caused by perceived usefulness, perceived ease of use and perceived risk. Perceived risk is also one of the determining factors for users in their continued use of e-money. Perceived risk is also one of the determining factors for users in their continued use of e-money. Perceived risk refers to the negative results that are inconsistent with expectations that can occur in the process of using e-money. When a user perceives a higher risk, it will reduce the user's intention to trust and reduce the intention to continue using electronic money (Chang, Liu, & Shen, 2017) and (Park & Oh, 2019). This study aims to determine the effect of perceived usefulness, perceived ease of use and perceived risk on the intention to reuse, which is guided by previous theories and empirical research that has been compiled through hypotheses.

Based on the description of the framework mentioned above, the conceptual framework in this study is detailed in picture 1 below:

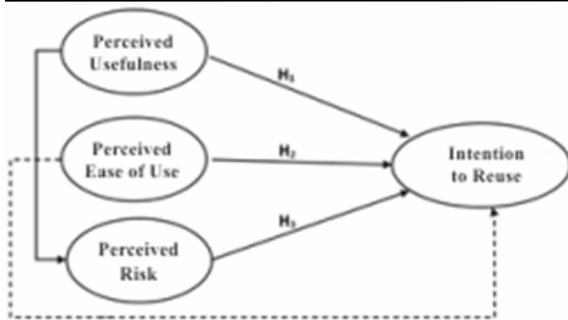


Figure 1. Research framework

Based on the formulation of the problem, literature review, previous research and framework, the following hypotheses can be formulated:

Hypothesis 1: Perceived usefulness partially has a positive and significant effect on the intention to reuse e-money

Hypothesis 2: Perceived ease of use partially has a positive and significant effect on the intention to reuse e-money

Hypothesis 3: Perceived risk partially has a negative and significant effect on the intention to reuse e-money

Hypothesis 4: Perceived usefulness, perceived ease of use and perceived risk simultaneously have a positive and significant effect on the intention to reuse e-money

III. METHOD

This research was carried out using quantitative and qualitative research methods. The analytical technique used is multiple linear regression to determine the influence of perceived usefulness, perceived ease of use and perceived risk on the intention to reuse e-money in Generation Z in Denpasar City.

The dependent variable in this study is reuse intention (Y). Reuse intention is defined as the user's intention to continue using the product or service that is being used (Hong, Lee, & Suh, 2013). Reuse intention is a concept that describes consumers' plans to continue using certain products or services (Hossain & Kim, 2018). While the independent variables are as follows:

Perceived Usefulness (X1)

The perceived usefulness is a measure of how the use of a technology is believed to bring benefits to the people who use it. The benefit is a construct of one's belief that the use of a particular technology will be able to improve their performance (Adiyanti & Pudjihardjo, 2015; Setiawan, 2020; Wicaksono & Maharani, 2020; Putri & Iriani, 2021).

Perceived Ease of Use (X2)

Perceived Ease of Use is the extent to which one believes that using technology will be free from effort. From this definition, it can be seen that the perception of ease is a belief in the decision-making process. If one believes that the information system is easy to use without having to struggle in business (Adiyanti & Pudjihardjo, 2015; Wibowo et al., 2015; Wicaksono & Maharani, 2020; Putri & Iriani, 2021).

Perceived Risk (X3)

When making a purchase or making a decision to choose a product, consumers will consider the possible risks. Perceived risk can be defined as the uncertainty that consumers face when they are unable to see the possibilities that will occur from the purchase decision made (Marchelina & Pratiwi, 2015; Dewi & Warmika, 2016). Related to the perception of consumers, there are perceived risk, perceived quality, perceived sacrifice and perceived value.

Multiple linear regression analysis techniques are used to determine the influence of independent variables (X1, X2, X3) on dependent variables (Y) simultaneously or partially. Before the regression model is used to test hypotheses, classical assumption testing is first carried out which includes normality tests, multicollinearity tests and heteroscedasticity tests. Based on the multiple linear regression analysis model that is used as a data analysis technique, the hypothesis test to be applied is a partial test (t test) and simultaneously using the F test.

Based on its source, the data used in this study are primary data and secondary data. Primary data are data that are directly obtained from the results of interviews with respondents. Secondary data, that is data obtained from documents and written materials, both those derived from government agencies, literature and publication materials. The type of data used is quantitative data which includes data on the value of e-money transactions in 2016-2021 and the number of e-money in Indonesia in 2016-2021, as well as qualitative data in the form of respondents' opinions on statements that include perceived usefulness, perceived ease of use and perceived risk as well as intentions to reuse e-money.

IV. RESULT AND DISCUSSION

Multiple Linear Regression Analysis

Multiple linear regression analysis is one of the stages in the data analysis process to find out whether there is an influence of perceived usefulness, perceived Ease of use and perceived risk to the intention to reuse e-money in Generation Z in Denpasar city and

find out the direction of the relationship between free variables, whether positive or negative. The following are the results of multiple linear regression analysis with SPSS program version 25.0 for Windows presented in Table 2:

Table 2. Results of Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
(Constant)	-1.612	1.455			-1.108	.270		
1 Total X1	.078	.027	.206		2.911	.004	.968	1.034
Total X2	.428	.048	.626		8.902	.000	.975	1.025
Total_X3	-.075	.035	-.151		-2.160	.033	.983	1.018

a. Dependent Variable: Total_Y

Source: SPSS Output

The coefficient values of each research variable in Table 2 are used in formulating the regression equation. Based on the regression result data shown in Table 2, the regression equation can be obtained as follows:

$$Y = a + b_1X_1 + b_2X_2$$

$$Y = -1,612 + 0,078X_1 + 0,428X_2 - 0,075X_3$$

Based on the equation, it can be concluded that:

The constant value of this regression equation is -1.612 which means that if the Perceived usefulness, Perceived Ease of Use and Perceived Risk are valued at 0 (zero) then the Intention of Reuse will be worth -1.612.

The regression coefficient of the variable X1 marked positively indicates a unidirectional relationship. This provides information that the higher the Perceived usefulness, the higher the Intention to Reuse. The value of the coefficient of the results of the multiple linear regression test on the variable X1 is 0.078 indicating that if the Perceived usefulness increases by one unit, the Intention to Reuse will increase by 0.078 units. In this case, another factor that has contributed to the Intention to Reuse is considered to be zero.

The regression coefficient X2 marked positively indicates a unidirectional influence between the Perceived Ease of use and the Intention to Reuse. This shows that the higher the Perceived Ease of use, the more the Intention to Reuse follows i.e. the value increases. The coefficient value of the multiple linear regression test results on the variable X2 is 0.428, which shows that if the Perceived Ease of use rises by one unit, the Intention to Reuse will increase by 3,579 units, or vice

versa if the Perceived Ease of use decreases by one unit, the Intention to Reuse will also decrease by 3,579 units. In this case, another factor that has contributed to the Intention to Reuse is considered zero.

The regression coefficient X3 marked negatively indicates a counter-directional influence between Perceived Risk and Intention to Reuse. This suggests that the higher the Perceived Risk, the more the Intention to Reuse will fall. The value of the coefficient of the results of the multiple linear regression test on the variable X3 is 0.075 which shows that if the Perceived Risk rises by one unit, the Intention to Reuse will decrease by 3,579 units or vice versa if the Perceived Risk falls by one unit, the Intention to Reuse will also increase by 3,579 units. In this case, another factor that has contributed to the Intention to Reuse is considered zero.

T Test

The T-test is useful in determining the partial significance of the influence of independent variables on dependent variables.

Table 2 shows that the t1-count for the variable perceived usefulness (X1) is 2.911 and the value of t-table is 1.982 (t1-count > t-table) with a significance value of 0.004 which is less than the signification level of 0.05. Thus it can be concluded that the Perceived usefulness partially has a positive and significant influence on the Intention to Reuse.

Table 2 shows that the t2-count for the variable Perceived Ease of use (X2) is 8.902 and the value of t-table is 1.982 (t2-count > t-table) and with a significance value of 0.000 which is less than the signification level of 0.05. Thus it can be concluded that the Perceived Ease of use partially has a positive

and significant influence on the Intention to Reuse.

Table 2 shows that the t3-count for the Perceived Risk variable (X3) is -2.160 and the t-table value is -1.982 (t3-count < t-table) and with a significance value of 0.033 which is less than the signification level of 0.05. So it can be concluded that the Perceived Risk partially has

a negative and significant influence on the Intention to Reuse.

F Test

The F-test is used to determine the significance of the influence of independent variables on dependent variables simultaneously.

Table 3. ANOVA

ANOVA ^a						
	Model	Sum of Squares	df	Mean Square	F	Sig.
	Regression	234.283	3	78.094	33.708	.000 ^b
1	Residual	245.580	106	2.317		
	Total	479.864	109			

a. Dependent Variable: Total_Y
 b. Predictors: (Constant), Total_X3, Total_X2, Total_X1

Based on Table 3 above, the significance value of 0.00 is less than 0.05, it can be concluded that Perceived Usefulness, Perceived Ease of Use and Perceived Risk simultaneously have a significant effect on the Intention to Reuse.

This analysis is used in determining what percentage of contribution the free variable Perceived Usefulness, Perceived Ease of Use and Perceived Risk to Intention of Reuse. In this study, the analysis of the coefficient of determination used the Adjusted R Square value.

Coefficient of Determination Analysis

Table 4. SPSS Results, coefficient of determination analysis

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.699 ^a	.488	.474	1.52210	

a. Predictors: (Constant), Total_X3, Total_X2, Total_X1
 b. Dependent Variable: Total_Y

Source: SPSS Output, 2022

The Adjusted R Square value is 0.474, which means that the contribution to the influence of Perceived Usefulness (X1), Perceived Ease of Use (X2) and Perceived Risk (X3) of Intention to Reuse (Y) is 47.4%. The remaining 52.6% was influenced by variables that were outside the study model.

V. CONCLUSION

Based on the results of the research and discussion, it can be concluded that a) perceived usefulness, perceived ease of use and perceived risk have a simultaneous significant influence on Intention to Reuse. This proves that if perceived usefulness, perceived ease of use and perceived risk experience changes in value, it will have an impact on the intention to reuse e-money. b) Perceived usefulness has a positive and partially significant effect on the intention to reuse e-money. This result means that if the value of the perceived usefulness increases it will cause the intention to reuse e-money to

increase, and if the perceived usefulness decreases it will cause the intention to reuse e-money also decrease significantly. c) Perceived Ease of use has a positive and partially significant effect on the Intention to reuse. This result means that if the value of perceived Ease of use increases it will cause the intention to reuse e-money to increase, and if the perceived ease of use decreases it will cause the intention to reuse e-money also decrease significantly. d) Perceived risk has a partial negative and significant effect on The Intention to Reuse. This result means that if the Perceived risk value increases, it will cause the intention to reuse e-money to decrease, and if the perceived risk decreases, it will cause the intention to reuse e-money to also increase significantly.

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