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The Behavioral Intention of Perception and Adoption of E-Wallet among Mobile Phone Users in Klang Valley

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ABSTRACT

The rapid development of financial technology has increased the adoption of electronic wallets (e-wallets) as an alternative payment method. This study examines factors influencing behavioural intention to adopt e-wallet applications among mobile phone users in Klang Valley, Malaysia. Specifically, the study investigates performance expectancy, facilitating conditions, social influence, security, and trust based on the Unified Theory of Acceptance and Use of Technology (UTAUT) framework. The study used a quantitative approach, with questionnaires distributed via WhatsApp and Google Forms. A total of 110 respondents from Ampang and Bandar Baru Sentul participated in the study. The questionnaire used a five-point Likert scale, and data were analysed using Statistical Package for the Social Sciences (SPSS) Version 29, including reliability and regression analyses. The reliability analysis showed high internal consistency for behavioural intention, with a Cronbach's alpha of 0.959. The findings indicate significant relationships between performance expectancy, facilitating conditions, social influence, security, and behavioural intention, while trust showed no significant relationship. These findings offer useful insights into factors affecting e-wallet adoption and may help service providers and future researchers promote digital payment usage among Malaysian consumers.

Keywords: *E-wallet, performance expectancy, facilitating conditions, social influence, security, trust, behavioural intention*

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1.0 INTRODUCTION

Everyone's lifestyle has changed since the digital age. The e-wallet is one of the most innovative financial technology solutions to emerge in the digital era. E-wallets, according to Punwatkar and Verghese (2018), are digital payment mechanisms that allow users to complete transactions anytime, anywhere, such as using E-wallet apps on their mobile devices to purchase items at a convenience store.

Meanwhile, the convenience and speed of transactions are crucial factors that encourage users to use an e-wallet when making online purchases (Manikandan & Jayakodi, 2015). Varsha and Thulasiram (2016) cite several key characteristics of E-wallets, including ease of use, low deposit amounts, and the ability to share e-wallet benefits with others. E-wallets are increasingly replacing cash as one of the most significant advancements of this time (Dalimunite et al., 2019).

In line with the global trend towards a technological evolution in electronic payment methods towards a cashless world, Bank Negara Malaysia (BNM) has taken the lead in introducing the Financial Sector Blueprint (FSBP) 2011-2020 as the driving force behind Malaysia's e-payment goals to build a cashless society by the year 2020. On 21 July 2016, the Maybank Group President launched MaybankPay as the first e-wallet payment method via mobile phone or mobile wallet, in connection with the Maybank Treats Fair 2016 in Kuala Lumpur.

Thus, despite the increasing use of smartphones, Shasitiran (2019) noted that many Malaysians still cannot put money into e-wallet accounts, especially as people grumble about rising living costs. Adding money to an e-wallet account is a headache for some Malaysians because they know some industries still use cash rather than e-wallet applications.

In summary, researchers stated that mobile payment service acceptance may differ among cultures and urged a comparable study on E-wallet adoption to better understand the consistency of prior studies in this field (Singh, Srivastava, & Sinha, 2017).

2.0 PROBLEM STATEMENT

This study aims to analyse community views on and adoption of E-wallet apps among mobile phone users in Klang Valley. 'Behavioural intention plays a significant part in choosing the adoption of new technologies,' according to Venkatesh, Morris, Davis, and Davis (2003) research on technological acceptance. It is vital to examine the factors that influence mobile phone users' behavioural intentions towards e-wallet usage across different groups. This study examines the behavioural intentions of Klang Valley mobile phone users regarding e-wallet application use. By understanding these behavioural dynamics, we may devise targeted interventions and methods that not only increase e-wallet use but also contribute to the broader objective of financial inclusion in the digital era. It is vital to examine the factors that shape mobile phone users' behavioural intentions toward e-wallet use across demographics. The objective is to identify the elements that influence users' intentions and, in turn, their actual use of these digital financial instruments. By understanding these behavioural patterns, we may design targeted interventions and strategies that not only enhance e-wallet use but also contribute to the broader goal of digital financial inclusion.

3.0 LITERATURE REVIEW

This section describes the independent and dependent variables in the current study, including performance expectancy, facilitating conditions, social influence, security, trust, and behavioural intention.

3.1 Behavioral Intention

This section describes the importance of behavioural intention for mobile phone users, and many people in the field of technology acceptance and innovation adoption are interested in researching behavioural intention in connection with the use of electronic financial devices such as e-wallet apps. Understanding the factors that influence people's intentions to use such apps is crucial for businesses and regulators seeking to promote financial stability and modernize the financial system. This literature review examines key findings and ideas on behavioural intention in relation to e-wallet uptake among mobile phone users in Klang Valley.

Behavioural intention is commonly defined as an individual's likelihood of taking action or a consumer's readiness to use a new system (Venkatesh, Brown, Maruping, & Bala, 2008). It may be defined as a type of purchasing intention used to forecast customer behaviour. The consumer's behavioural intention to use e-wallet services measures an individual's desire to buy goods and services through digital channels. Emotions and ideas, whether positive or negative, tend to stimulate human attributes or actions. Furthermore, the same variables that drive e-wallet intention, such as perceived utility, perceived ease, perceived trust, and perceived security, may also be used to evaluate customers' behavioural intention to adopt technology. The outbreak's interconnected provisions impacted internal and external digital payment users, as well as users' perceptions (Zhao & Bacao, 2021).

3.2 Theory

This study employs the Unified Theory of Acceptance and Use of Technology (UTAUT) framework. The approach was chosen because it has undergone empirical evaluation and has been shown to be comprehensive and superior to other models. UTAUT is also widely considered as the best practise framework for evaluating customer acceptability, with an emphasis on individuals rather than organisations. As a result, it is better suited to interpreting studies substantially influenced by human factors. The UTAUT framework has been updated to guide the identification of key factors influencing e-wallet acceptability in Klang Valley's cashless culture. The proposed research model consists of six constructs: behavioural intention, performance expectation, facilitating condition, social influence, security, and trust.

3.3 Performance Expectancy

According to Venkatesh et al. (2003) in UTAUT, performance expectation is frequently used to assess the extent to which consumers believe a technology, such as a new mobile device, will benefit their daily lives. In the original model, they found that performance expectancy best predicted intention to use. In the context of mobile payments, performance expectancy has also been shown to affect behavioural intention (Thakur, 2013; Wang & Yi, 2012). It is similar to the TAM concept of perceived utility. Users can make payments using mobile payment systems regardless of their location or time limitations. It offers an alternative for effortless transactions because users may complete transactions using a mobile device with no extra restrictions. As a result, it has grown in popularity in recent years. It has higher potential to become a significant component of adoption because it offers various benefits to customers (Slade, Dwivedi, Piercy, & Williams, 2015). Morosan and DeFranco (2016) also observed a significant association between performance expectancy and behavioural intention to use internet banking.

3.4 Facilitating Condition

Facilitating conditions include the physical surroundings and resources required to accept and use a product or service. The belief that a customer has sufficient resources to use technology is known as an enabling condition, and it is a significant variable in estimating anticipated usage of mobile financial services or mobile purchasing (Madan & Yadav, 2016). In addition, Tusyanah et al. (2021) propose that enabling conditions and experience impact intentions to use an e-wallet. In addition, Havidz, Aima, Ali, and Iqbal (2018) found that favourable conditions and a preference for WeChat mobile payment among Indonesian citizens in China. This matched the findings of Chan, Saodah, Sari, and Abd Muben (2021), which found that enabling conditions were strongly linked to the desire to use the Covid-19 monitoring application. Moreover, See and Goh (2020) discovered that enabling variables affected restaurant customers' propensity to adopt mobile payment considerably.

3.5 Social Influence

Researchers have long acknowledged social influence as a key factor in buyer behaviour, and in this context, no one can completely ignore the effect of others. People modify their attitudes and behaviours to meet a social group's standards (Haderi &

Aziz, 2015). This stems from a person's belief that they must act a certain way to meet societal pressure. According to Stockman (2017), people may choose to engage in behaviour even if the effects are negative if they believe one or more important referents believe they should use the new system, motivating them to comply with those referents. Social influence, according to Zhang et al. (2016)'s social suggestion model, may be classified as local or global. Many aspects of human conduct, including goods and services that we consume, are influenced by social factors. Individuals in a particular social group behave similarly to one another; according to social influence research and the social transmission theory, consumers tend to follow what those closest to them choose (Herrera, Armelini, & Salvaj, 2015).

3.6 Security

Cliquet et al. (2015) describe privacy as an individual's ability to independently monitor self-relevant information. Everybody is aware of the importance of this factor. According to Soodan et al. (2020), security and confidentiality are among the factors influencing e-wallet adoption. A lack of security and privacy is one barrier purchasers face when buying items (Milberg, Smith, & Bruke, 2000). Payment via e-wallet, by contrast, may lead to unauthorized access to confidential information and create lucrative opportunities for cybercriminals to steal personal data (Kaur et al., 2018). According to Marimuthu and Roseline (2020), e-wallets have grown in popularity because of their convenience, but users still lack knowledge and awareness and fear conducting transactions because of security concerns.

3.7 Trust

Trust is defined as the tendency to rely on a service provider based on positive predictions about the provider's future behaviour (Zhou, 2013). In terms of e-wallets, trust is described as someone's positive expectation, showing that they have faith and confidence in using such a service. According to Pham and Ho (2015), in recent years, perceived trust has been emphasised as a critical driver for the development of several new technologies, with a significant relationship observed between considered trust and behavioural intention to use e-wallets. Tang et al. (2002) indicate that confidence is a strong determinant of adoption intentions. Perceived trust is related to mobile phone users' behavioural intention to use e-wallets (Mohd Sah et al., 2021; Chresentia & Suharto, 2020).

4.0 RESEARCH FRAMEWORK

The conceptual framework, adapted from Leihr & Smith (1999), depicts the relationship between the independent variable and the dependent variable in the use of e-wallet apps that influence the perception and adoption of mobile phone users in Klang Valley (Figure 1).

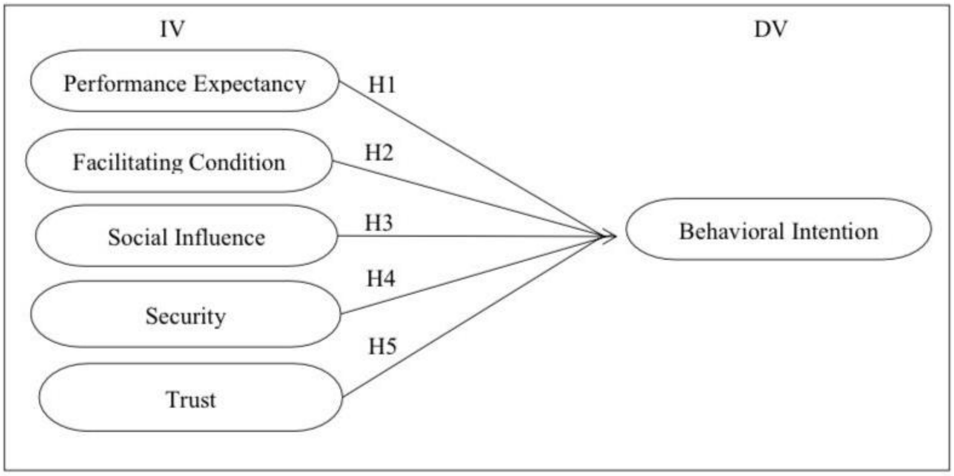

Figure 1: This Conceptual framework Has Been Adapted from Leihr & Smith (1999).

5.0 SIGNIFICANCE OF THE STUDY

The study's title focuses on the variables influencing E-Wallet adoption among mobile phone users. The researcher will examine and determine the responses of the dependent variables, which are elements that affect the community's intention to use the E-Wallet. Independent factors include performance expectancy, enabling situation, social influence, security, and trust. This study aims to examine the community's perceptions of E-Wallet mobile phone users' adoption. However, the research also explores how E-Wallets affect people's transaction use in daily life in Klang Valley. This research will help future academics who want to study E-Wallet uptake. Individuals can learn more about e-wallets and the factors that influence their adoption in Klang Valley areas.

6.0 METHODOLOGY

This section discusses the research design, target population, sample size, data collection techniques, research instrument/questionnaire, and data analysis of the current study. Further details on the process are provided in Table 1 below.

Table 1: Research methodology

Research Design	The research was carried out in many stages, including a review of the relevant literature, data gathering, data analysis, discussion, and conclusion.
Target Population	Consists of 110 communities in Klang Valley, which are the Ampang and Bandar Baru Sentul areas.
Sample Size	A total of 110 respondents were involved in the survey, and valid feedback was collected.
Data Collection	A questionnaire was distributed to the target communities through WhatsApp using the Google Form, as that is the most convenient way to reach the respondents.

Instrument/ Questionnare	The instrument consists of (7) Sections: Section A: Demographic questions (7 Items); Section B: Performance Expectancy (4 Items); Section C: Facilitating Conditions (4 Items); Section D: Social Influence (3 Item); Section E: Security (3 Item); Section F: Trust (3 Item) and Section G: Behaviarol Intention (3 Item). A 5-Likert scale is being used in this study.
Data Analysis	A reliability test was conducted to determine the reliability of the items used to measure each variable using Cronbach's alpha. All data collected were compiled through questionnaire administration, coded, and analysed using the Statistical Package for the Social Sciences (SPSS) Version 29 to address the research question and hypotheses. A regression analysis was conducted to determine the relationship between the independent and dependent variables.

7.0 FINDINGS AND DISCUSSION

This section presents the findings on respondents' demographic information and reliability analysis outcomes.

Demographic data (See Table 2).

Table 2: *The Study Demographic Data*

Demographic Category	Frequency	Percentage
Gender		
• Male	34	30.9
• Female	76	69.1
Total	110	100.00
Age		
• Less than 200	2	1.8
• 20 - 30	86	78.2
• 30 - 40	18	16.4
• 40 - 50	2	1.8
• 50 and above	2	1.8
Total	110	100.00
Occupation		
• Government	6	5.5
• Non-Profit Sector	2	1.8
• Student	34	30.9
• Private	47	42.7
• Other	21	19.1
Total	110	100.00
Level of Education		
• Bachelor Degree	51	46.3
• Diploma	34	30.9
• SPM	17	15.5
• Other	8	7.3
Total	110	100.00

Race • Malay • Chinese • India • Others Total	 107 1 1 1 110	 97.3 0.9 0.9 0.9 100.00
Marital Status • Married • Single Total	 28 82 110	 25.5 74.5 100.00
Experienced • Yes • No Total	 95 15 110	 86.4 13.6 100.00

Reliability Analysis

The questionnaire's dependability was evaluated using reliability analysis. To confirm the data reliability and internal coherence of the Likert scale questions, Alpha Cronbach analysis was used to assess the reliability of all assertions in the scaled questions (Goforth, 2015). Table 1 reports the dependability of the five Likert scale questions.

Reliability Statistics

Cronbach's Alpha	N of Items
.959	3

Figure 4.6: Behavioural Intention

Cronbach's Alpha (a = 0.959) was reported for the dependent variable. As a result, among all variables, the coefficient obtained for these three questions concerning the acceptability and use of e-wallet apps among mobile phone users in Klang Valley was the most dependable.

8.0 CONCLUSION

The data acquired using the Statistical Package for the Social Sciences (SPSS version 29) were further examined, and inferences were drawn based on respondents' replies. Except for trust in e-wallets, the data show significant correlations among performance expectancy, enabling factors, social influence, security, and behavioural intention. As a result, this study aims to support future research on the community's interest in e-wallets.

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