Factors Influencing the Intention to Use E-Wallet Among Millennials

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Abstract
For the past 10 years, the Malaysian government has encouraged more usage of electronic payments (ePayments), and the COVID-19 situation looks to be hastening a larger move towards a cashless society. More Malaysians are abandoning cash in favour of contactless payments, including the use of smartphone-embedded electronic wallets (eWallets) to fund online and in-store transactions, as a result of government financial incentives and COVID-19 lockup limitations. This study aims to identify factors affecting e-wallet adoption intention among Millennials in Sarawak. The study focuses the perceived security, perceived usefulness, perceived ease of use, and social influence on e-wallet adoption. Quantitative research is used by developing survey questionnaires through Google Form. 386 valid responses were collected and analysed using SPSS. The statistical results have demonstrated that perceived security, perceived usefulness, perceived ease of use, and social influence have significant positive relationship with e-wallet adoption among Millennials in Sarawak. The findings of this study allow digital payment providers to continuously enhance their e-wallet platforms or systems, and better undestand Millennials perception on e-wallet.
Keywords: E-wallet, Millennials, Sarawak, Malaysia.

Introduction
The e-wallet phenomenon has had a considerable influence on business practises, the financial industry, and payment systems in Malaysia. Since March 2020, Malaysian government enforced a Movement Control Order (MCO) to prevent the spread of Covid-19. Individuals were told to maintain social distance and avoid interacting with one another. The fear of contracting the coronavirus has had a huge influence on how people work and communicate. To minimise personal touch, most businesses are moving to internet sites rather than physical ones. Most physical locations allow digital payments to eliminate the interaction of cash transactions. Electronic payments benefited consumers since it is faster and more efficient, and the most important is contactless connection (Kasavana, 2008). Moreover, the Malaysian government has set aside RM 750 million to encourage the use of

electronic wallets in the country in year 2020, including ePenjana programme and eTunai Rakyat credit scheme. As a result, knowledge of electronic payments and e-wallet usage has expanded dramatically throughout the epidemic (Bavel et al., 2020; The Star, 2020b). However, e-wallet adoption among Malaysian consumers is still at an early stage and the rate of adoption is comparatively lower. Malaysia may need longer journey to become a cashless society. Therefore, more research study is needed in Malaysia in order to transform it to become a cashless nation

According to Sticpay, in Sarawak, Generation Z is the most enthusiastic e-wallet user, with 71 percent using such services in Q3 2020. Followed by Millennials, also known as Generation Y 60 percent, Generation X 59 percent, and Baby Boomers 43 percent. Generation Y or Millennials are those who born from 1981 to 1996. The generation is characterised by a high level of internet, mobile device, and social media usage and familiarity. However, the percentage of e-wallet usage is only 60% in Sarawak. Many individuals in today's environment have a negative impression about electronic wallets (Alfred, 2021). E-wallets continue to be viewed as ineffectual by consumers. Despite this, they are ignorant of the benefits of e-wallets in addition to cash and credit cards. As a result, the vast majority of them still use credit cards for online shopping and significant transactions (Alfred, 2021). They also have a low level of trust in e-wallets (Alfred, 2021). Mobile wallet has been one of the primary targets for hackers and fraudsters following the growth in the adoption of e-wallet making the security concern as one of the factor affecting the intention to adopt e-wallet. Also, as digital native, millennials are exposed to more varieties of social influence like social media, influencers on top of friends and family members. Therefore, this study aim to investigate the factors influencing Millennials or generation Y's intention to use e-wallet in Sarawak by extending technology acceptance model (TAM) with perceived security and social influence.

Literature Review
Underpinning Theory
The TAM (Davis, 1986) is the theory that underpins this research. It is based on two key independent variables: perceived utility and perceived ease of use. TAM has been frequently utilised in studies of people's adoption of new technologies since its publication. TAM was chosen as the supporting theory for this study because numerous empirical studies show that it is an effective theoretical framework in understanding the implementation of e-commerce, including consumer behavioural intention and actual behaviour toward online trade (Thi et al., 2019).

Intention to use e-wallet
In general, intention can be defined as the amount of effort or how hard someone is inclined to try in their acts. According to Chatterjee and Bolar (2019), intention is the behaviour that drives a person's willingness to adopt a technology or system depending on what they have been supplied. Each person's intention could be described as a move that he or she intends to take (Zhao et al., 2010). An e-wallet is indeed a relatively new type of payment mechanism in Sarawak that has gained widespread acceptance especially during Covid-19 pandemic in order to avoid direct contact when the transaction is made. Understanding people's intents is essential in ensuring the long-term success of any businesses, including e-wallets providers.

Perceived Security

Perceived security is the degree to which a mobile payment user believes that transactions on a mobile payment platform are secure in terms of money and personal information (Zhang, 2018). Perceived security has been proved to have a direct impact on the intention to use technology (Voronenko, 2018). While Kumar (2018) stated that security is in fact a crucial signal that leads towards the intention of mobile wallet payment choices, Moradi (2013) found that perceived security does have a positive connection with users' e-wallet intentions. For systems with private information, safety features to secure activities play a big role in whether or not a consumer is eager to use technology (Wong et al., 2021). Indeed, security concerns play a significant role in the adoption of e-wallets for digital payment transactions (Siew et. al., 2020). Therefore, the hypothesis below is developed:

H1: Perceived security has positive influences in the intention to use e-wallet among millennials.

Perceived Usefulness

The perceived utility of TAM is one of its most important features. Perceived utility is the degree to which a user thinks that using the services offered by e-wallet systems will be advantageous to them (Goh, 2017). Numerous studies have indicated that users' intentions to utilise online payment systems including e-payment, e-banking, and e-wallet are significantly influenced by perceived usefulness (Liu & Tai, 2016). Customers believe that by utilising a particular system, they would be able to accomplish their professional or personal objectives while also improving the efficiency with which they carry out transactions (Yang et. al., 2021). In view of the literature, it is hypothesised that:

H2: Perceive usefulness is positive and significantly influencing the intention to use e-wallet among millennials.

Perceived Ease of Use

The degree to which consumers perceive how easy it is to utilise the technology is known as "perceived ease-of-use" (Davis et al., 1989). When dealing with e-wallet systems, perceived ease-of-use is defined as being free from complexity and problems (Sunny & George, 2018). If consumers think the service is easy to use and understand, they are more likely to use it (Liu & Tai, 2016) as it will be less stressful and time consuming to set up the system (Makanyeza, 2017). Users can rapidly embrace new systems when their level of complexity is low. On the other hands, when something is challenging to operate and has a confusing user interface, no one gets a positive view of it. Therefore, the perception of ease of use has a positive and significant impact on behavioural intentions to utilise technologies (Siew et al., 2020; Cheng et. al., 2018; Kelvin et. al., 2020; Wong et. al., 2021). As the literature shows perceive ease of use has a positive and significant influence on e-wallet adoption, the hypothesis below is developed:

H3: Perceive ease of use is positive and significantly related to the intention to use e-wallet among millennials.

Social Influence

Social influence refers to deliberate or unintentional efforts to alter someone's opinions, routines, or behaviour (Gass, 2015). There is evidence that social influence has an impact on people's desire to accept a system (Megadewandanu et al., 2017; Cheng et al., 2018; Marvello et al., 2021). Social impact enhances the possibility that the behaviour intention to use an e-

wallet will occur when others in the social setting concur that a particular system is easy to use and successful (Siew et al., 2020). Since the literature shows that social influence have an impact on e-wallet adoption, it is thus hypothesised that:
H4: Social influence is positive and significantly related to the intention of e-wallet adoption among millennials.

There are four independent variables including perceived security, perceived usefulness, perceived ease of use, and social influence; and how these variables affect the e-wallet adoption among millennials in Sarawak has been investigated.
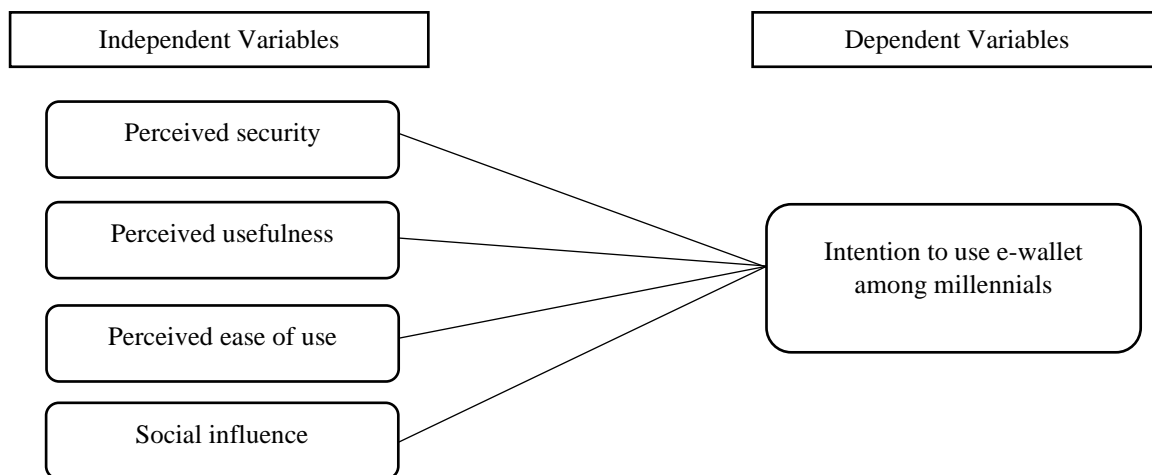

Figure 1: Conceptual Framework
Source: Author developed

Research Methodology
Quantitative survey method has been used for this study and primary data has been collected. The target respondents of this study are Millennials or Generation Ys in Sarawak. According to Krejcie and Morgan's table, a sample size of 381 is sufficient for a population more than 500,000 and less than 750,000.

A close-ended questionnaire which consists of two sections has been developed and were emailed to target respondents. Section A consists of a total of 25 observed variables constitute the measurement of the independent variable of five items of intention, five items for perceive security, five items of perceived usefulness, five items of perceived ease of use, and five items of social influence. A five-point likert scale was utilised, with responses ranging from strongly agree to strongly disagree. Section B is to collect demographic information of the respondents.

Convenience and non-probability sampling method was used, meaning the collection of information from members of the population who are conveniently available to provide it (Sekaran & Bougie, 2013). In total, 386 useable responses were collected. SPSS version 26 had been used for descriptive analysis and also to examine the measurement and structural models.

Findings

Descriptive statistics has been conducted by using SPSS version 26 to obtain the general information of the 386 respondents. A complete demographic profile of the respondents is presented in Table 1.

Table 1

Demographic Profile of Respondents

Profile	Groups	Frequencies	Percentage (%)
Gender	Male	204	52.8
	Female	182	47.2
Age	26-30 years old	126	32.6
	31-35 years old	106	27.5
	36-41 years old	154	39.9
Ethnicity	Malay	88	22.8
	Chinese	180	46.6
	Indian	53	13.7
	Bidayuh	4	1.0
	Melanau	4	1.0
	Iban	57	14.8
Education level	High school	151	39.1
	Bachelor's Degree	181	46.9
	Master's Degree	40	10.4
	PHD or above	14	3.6
Income level	Less than RM2,000	106	27.5
	RM2,001-RM4,000	160	41.5
	RM4,001-RM6,000	92	23.8
	RM6,001-RM8,000	17	4.4
	RM8,000 and above	11	2.8
The number of e-wallet in use	Not the user of any e-wallet	44	11.4
	Only one e-wallet	117	30.3
	Two-three	165	42.7
	Three and above	60	15.5
The most preferable e-wallet in use	Sarawak Pay	162	42.0
	Boost	142	36.8
	Grab Pay	66	17.1
	Touch 'n Go	16	4.1
Frequency to use e-wallet	Almost everyday	146	37.8
	Sometimes	133	34.5
	Seldom	66	17.1
	Never	41	10.6

Source: Own developed for the research used

The total number of respondents was 386, with 204 males (52.8%) and 182 females (47.2%). The majority of the age group were 36 to 41 years old, almost 40%; followed by 26 to 30 years old about 32%. Most of the respondents were Chinese (47%), followed by Malay (23%). 61% of respondents poses tertiary education. For the income level, 42% of respondents have

monthly income between RM2000 to RM4000. 43% of respondents are using at least two to three e-wallets, and 11% of them are not using any e-wallet. The most preferable e-wallet is Sarawak Pay (42%), followed by Boost (37%). 38% of respondents using e-wallet almost every day.

Cronbach's Alpha was used to analyse the internal reliability of 25 items in this study. As shown in table 2, the Cronbach's Alpha for all the five variables showed more than 0.9 and closer to 1, which indicates the inner consistency is high.

Table 2
Reliability Test

Variables	Cronbach's Alpha	Number of Items
Intention to use e-wallet	.997	5
Social influence	.996	5
Perceived ease-of-use	.996	5
Perceived security	.995	5
Perceived usefulness	.994	5

Assessment of the Measurement Model
The assessment of the measurement shows in Table 3. All independent variables seem to have a significant direct association with the dependent variable. It indicates that the four independent variables of perceived security, perceived usefulness, social influence, and perceived ease-of-use have strong correlation with the dependent variable of intention to use e-wallet among Millennials.

Table 3
Results of Correlation Analysis

		Intention to use e-wallet	Social influence	Perceived ease-of-use	Perceived security	Perceived usefulness
Intention to use e-wallet	Pearson Correlation	1	.978**	.973**	.946**	.930**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	386	386	386	386	386
Social influence	Pearson Correlation	.978**	1	.969**	.953**	.924**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	386	386	386	386	386
Perceived ease-of-use	Pearson Correlation	.973**	.969**	1	.935**	.928**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	386	386	386	386	386
Perceived security	Pearson Correlation	.946**	.953**	.935**	1	.927**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	386	386	386	386	386
Perceived usefulness	Pearson Correlation	.930**	.924**	.928**	.927**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	386	386	386	386	386

**. Correlation is significant at the 0.01 level (2-tailed).

Based on the results of multiple linear regression analysis in Table 4, it shows that the value of perceived security (Sig. = .029; t = 2.192), perceived usefulness (Sig. = .004; t = 2.921), perceived ease-of-use (Sig. = .000; t = 9.334), social influence (Sig. = .000; t = 11.085) was all less than 0.05. Thus, all the hypothesis supported. From the table 4, it also shown the strongest variable is social influence and follow by perceive ease of use, perceived security and lastly perceived usefulness.

Table 4
Results of Multiple linear regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	-.344	.059		-5.799	.000
	Social influence	.503	.045	.482	11.085	.000
	Perceived ease-of-use	.395	.042	.364	9.334	.000
	Perceived security	.077	.035	.072	2.192	.029
	Perceived usefulness	.085	.029	.080	2.921	.004

Discussion
This study attempts to determine the effect of the perceived security, perceived usefulness, perceived ease of use, and social influence on e-wallet adoption of millennials in Sarawak. 386 valid responses were collected and analysed. The findings indicate that every element has a big impact on whether or not e-wallets are adopted, in other words, the perceptions of security, usefulness, ease of use, as well as social influence, all appear to have a significant influence on intention to use e-wallets among Millennials in Sarawak.

From the study, the impact of social influence outweighs other variables such as perceived ease-of use, perceive usefulness as well as perceived security. In other words, Millennials' intention to use the e-wallet has been most strongly influenced by social influence.

Family members, close friends, relatives, lovers, and influential celebrities are all potential sources of social influence. The result inlines with findings from Megadewandanu et. al (2017); Cheng et. al (2018); Siew et. al (2020); Marvello et al (2021) that social influence has a favourable impact on consumer purchasing decisions regarding the use of mobile wallets.

The second strongest variable to influence the intention of e-wallet adoption among Millennials is perceive ease of use. The result is consistent with TAM theory as perceived ease of use is one of the variable that influence people to adopt a new technology. Therefore, e-wallet developers should make sure the e-wallet system is free from complexity and problems (Sunny & George, 2018) as well as less effort required to use it. If consumers think the service is easy to use and understand, they are more likely to use it (Liu & Tai, 2016). Because system setup will be less unpleasant and time-consuming, consumers may find it easier to administer, utilise, or execute an e-wallet that aims to be straightforward (Makanyeza, 2017). Therefore, making an e-wallet simple of easier to use could increase Millennials' desire to use e-wallet.

The results also showed that Millennials of Sarawak are positively influenced by perceived usefulness when deciding whether or not to use an electronic wallet. The perceived usefulness is also one of the important features in TAM theory. When utilising an e-wallet, perceived usefulness is important since it can help you save time and make it simpler for you to do daily chores. Customers think that by utilising a particular system, they will be able to achieve their professional or personal goals while also becoming more productive. The result

is consistent with the study that perceived usefulness does have a significant impact on users' intents to use online payment services like e-payment, e-banking, and e-wallet (Liu and Tai, 2016; Kelvin et al., 2020; Hendy et al., 2020).

The results showed that Millennials of Sarawak are positively influenced by their perception of security when deciding whether or not to utilise an electronic wallet. A consumer's propensity to use technology is influenced by a variety of factors, one of it is the systems' ability to secure activities as systems carrying private information (Wong et al., 2021). The security variable is less stronger compare to other variables may be because there are less security issue as digital wallet systems use stringent KYC and AML oversight together with PINs, biometrics, and other security measures to ensure the protection of their users.

Conclusions

More and more businesses now employ e-wallets as a contemporary method of accepting customer payments as businesses' checkout procedures become more user-friendly. For entrepreneurs who are interested in creating e-wallet services or for those who have engaged in the development of e-wallet services, this study is helpful as it offers stakeholders quantifiable information about the e-wallet that may be used to gauge customer adoption and business prospects especially in Sarawak, Malaysia. The result of this study enable e-wallet providers thoroughly undertand the key factors affecting e-wallet adoption among Millenials, i.e. making the checkout process as simple and painless as feasible is crucial for a business according to this study. The findings of this study would, in practise, allow digital payment providers to continuously enhance their e-wallet platforms or systems. It would also provide advice to e-wallet service providers on how to acquire a competitive edge in the cutthroat e-wallet market by luring new customers and keeping hold of current ones.

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