

Perspective to Cashless Society: An Intention among Millennials and X Generation in Malaysia.

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Submission date: 15-Nov-2022 05:12PM (UTC+0800)

Submission ID: 1954634067

File name: turnitin_cashless.docx (56.87K)

Word count: 2283

Character count: 12249

Perspective to Cashless Society: An Intention among Millennials and X Generation in Malaysia.

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ABSTRACT

A cashless society deems important and has become the aim of a financial institution in Malaysia. Recently, Central Bank; Bank Negara Malaysia should be satisfied with a mushrooming growth of e-wallet types in Malaysia. However, this cashless thing related to new technology and rapid changes in technology creates anxiety and fear for many people. Some say it would seem embedded in the lives of younger generations, but it is quite cold and unaccepted in older generations. However, this assumption is yet to be proved regardless of the recent technophobia which has become a phenomenon that might result from security issues. Nevertheless, the social interpretation would give more impact as well as an emergent modern lifestyle among young consumers. Thus this study is aiming at examining the consumer intention towards cashless applications. This cross-sectional study would investigating lifestyle compatibility, social influence, and security level towards cashless applications and would be conducted towards younger consumers from Islamic Banking students. Specifically, the adapted instruments will be distributed primarily for peer review before embarking on a pilot test. This study is hoped to invites new perspectives to the young consumer intention towards e-wallet which might reconceptualize the Islamic education towards financial issues.

Keywords: e-wallet, consumer intention, lifestyle, security level, financial education.

1. Introduction

A cashless society deems important and has become the aim of a financial institution in Malaysia. Central Bank; Bank Negara Malaysia should be satisfied with a mushrooming growth of e-wallet types in Malaysia recently. At present, there are more than 50 types of accelerated growth of financial technology in Malaysia. This so-called digital wallet has been supported by participating merchants which offers a wide range of rewards and cashback. To propel the cashless agenda, the government has initiated a variety of programs including injecting cash into youth financial accounts and adhere non-government organizations to boost the cashless society and digital economy.

However, in the situation which witness most countries are reaching for a cash-free country, there are some possible negative consequences (Rivera, 2019). Cashless society probably sounds like a dream for the past years, but several powerful forces have moved its effort towards rationalizing it to make it on its way.

The cashless society is not meant to go cash-free however with its challenges, a cashless society becomes an aim of most countries. This is due to its advantages such as it would lower the rate of criminal towards tangible money. A cashless society brings a few challenges like; (1) security and privacy concerns. There is an increasing fear of security solutions. An increasing rate of crimes involving an organized and sophisticated gang had worsened the worrying wave. (2) Resilience where there is always a need to cash especially in a natural disaster such as flooding, earthquake, etc. (3) Tracking spending is quite uncontrollable and leaves people with less money due to uncontrollable spending via non-cash. (4) Unwilling consumers were in whatever circumstances, there will always people who are not tech-savvy as their younger peers who still prefer cash for several reasons. (5) Loss of control where cash notes and coins always become their comfort and security.

However, there are few benefits like less time and costs associated with storing, handling, and depositing cash notes. Cashless also would strongly recommend lowering the crime rate associated with paper money. Nevertheless, cashless would probably expose breach of personal information. Similarly, if hackers successfully do their job, they will drain the bank account of the victims.

New and rapid changes in technology create anxiety and fear for many people. It would seem embedded in the lives of younger generations, but it is quite cold and unaccepted in older generations. Now technophobia is a phenomenon that might result from security issues. Lifestyle is also a factor to determine purchase decision and young consumers are called 'new prosumers' (Adnan et al., 2017). Not to mention that social influence would also give a great influence on decisions especially on online busin¹² (Shen et al., 2016). Thus it is important to measure the actual impact of these factors on intention to use an e-wallet. Essentially this study aims for three objectives which are (1) to examine the lifestyle compatibility towards e-wallet use among X Gen and millennial in Malaysia, (2) to determine social influence towards e-wallet application, and (3) to measure security level as perceived by X Gen and millenials in Malaysia

2. Literature Review

Recently technology has dominated lifestyles and put a huge impact on everything, from the second one starts their life and wake up from the bed until we return to the bed again.

Lifestyle is a tax relief in Malaysia in which individual can relieve their tax by purchasing tools like a smartphone. This reflects and portrays its meaning. Lifestyle is a way of living and doing things (Ryan, 2018). Lifestyle influences consumer intention to buy both online businesses (Belanche et al., 2020) and brick and mortar businesses (Chairy, 2017). Thus lifestyle might give some influence on the intention to use the e-wallet application. Other factors might be a factor to consumer intent. Social influence would give some impact on the intention to use the e-wallet application. Social influence refers to the level of a person perceives about people who are important of self-believe that he or she should adopt new technology (Venkatesh et al, 2003). Theoretically, social influence concerns the way how individuals change their behavior to meet the social environments at that particular time. According to the Theory of Social influence, it has two essential elements, normative and informational which enhance the need to be liked and to be right (Deutsch & Gerald, 1955). This theory would give some weight to the consumer intention.

New and rapid changes in technology create anxiety and fear for many people. It would seem embedded in the lives of younger generations, but it is quite cold and unaccepted in older generations. Now technophobia is a phenomenon that might result from security issues. Security especially financial security would be a vital factor to consumer intent.

The definition of consumer intention has been explained (Bagozzi, 2010). However, the intention has a clearly defined meaning. The intention is a person's commitment, plan, and decision to act to achieve a goal (Eagly & Chaiken, 1993). Most of the time Theory of Planned Behaviour and Theory of Reasoned Action was used to measure intention (Harsanto & Jatnika, 2017), (Saved Elhoushy, 2020). However this study concern with three factors to be analyzed; lifestyle, social influence, and security. These factors are believed to be the factors to intention towards intention to use the e-wallet. Some studies predict their factors to dependent variables (Akman & Mishra, 2017) even demographic factors (Omar et al, 2016). In this study, marketing theory will be used in which various factors will be determinants to dependent variables including demographic details which would be best to solve the problems.

3. Methodology

The main sample are X Gen and Millennials consumers in Malaysia. The main reason is this study is to measure the intention towards using a cashless application from educated consumers. These adult consumers are supposedly aware and well versed with all sorts of cashless tools. To measure the consumer intention on cashless, this study intends to measure adult consumers with at least a knowledge background in finance.

Simultaneously, these adult consumers are the demographic group who are eager and have a gut to try new trends in financial.

This cross-sectional study plan is as follows: First, we provide the literature to describe the underpinning theory to support this study. Second, a set questionnaire is designed to measure how independent variables; lifestyle compatibility, security, and social influence are influencing consumer intention to use e-wallet among adult consumers in TVET institutions. Thirdly, the item has been developed and adapted from various scholars and can be referred to in the below table. This Likert scale questionnaire uses a 4-point scale ranging from Definitely False to Definitely True. The dependent variable in this study is consumer intention and the instrument was adapted from Venkatesh (2003). After this stage of writing, the item will be sent for peer-reviewed and then undergone a pilot test. 30 samples of the pilot test will be used. The sample frame would be the name list of all students in TVET institutions in Malaysia which will be acquired from each institution. Below is the conceptual framework for this study.

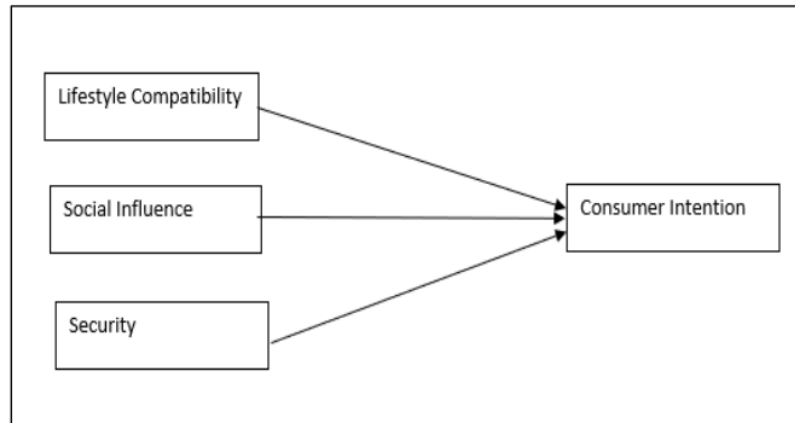


Figure 1: Theoretical Framework

After the pilot test, the Cronbach Alpha would be used to see the reliability test. The original set of the questionnaire has been showing an overall internal consistency above 0.6. All items to measure three independent variables and a single dependent variable would be conducted online in this yet ending pandemic.

4 1.	Research Methodology	Quantitative Study (Creswell, 2013)
2.	Research Design	Cross-Sectional Descriptive Research (Hair, 2007)
3.	Research Method	Survey Method

4.	Population	22 795 500 (Jabatan Perangkaan 2019)
5.	Reliability	Cronbach Alpha
6.	Sample Size and Design	2401 respondents Simple Random Sample, in which each individual in the population has an equal probability of being selected (Creswell, 2014)
7.	Instruments	Questionnaire (5 construct and demographic section)
8.	Data Analysis	Descriptive Statistics and Correlation
9.	Instruments	Questionnaire adapted from Venkatesh et al (2003), Moore and Benbasat (1991), Xian (2018)

Table 1 : Methodology

The above table simplify the methodology utilised in this study. This study is a cross sectional study which employs four constructs to examine the variables. The adapted instruments will then distribute to more than 2401 respondents. Below is the table on the instruments which will be used to reach research objectives.

Bil	Variables	Questions	Sources
1	Dependent Variable Consumer Intention	<ol style="list-style-type: none"> 1. I would like to do transactions using an e-wallet (mobile wallet) shortly. 2. I will likely use my smartphone to pay at the point of sale 3. I will frequently use e-wallet in the future 4. I intend to recommend others to use an e-wallet 5. I plan to use an e-wallet in all my financial transaction 	Venkatesh et al, (2003)
2	Independent Variables Lifestyle Compatibility	<ol style="list-style-type: none"> 1. I believe that using an e-wallet will fit in my lifestyle 2. I believe that using an e-wallet is suitable for me 3. I believe that my mobile wallet is compatible with the way I shop online 4. I think the mobile wallet is more suitable for me since I spend more time on mobile apps than on desktop 5. Keeping a record of transaction and receipts is my habit and I believe mobile wallet fulfills them 	Moore and Benbasat (1991)

3	Independent Variables 6 Social Influence	1. People who influence my behavior think that I should use an e-wallet	Xian (2018)
		2. People who are important to me think that I should use an e-wallet	
		3. People who see me using an e-wallet would think of me as technology-savvy consumers	
		4. People in my surrounding has been using the e-wallet system	
		5. In general, this society has supported the use of the e-wallet system	
4	Independent Variables Security	3 1. I will be confident making payments through an e-wallet system	Xian, (2018)
		2. I believe technology used in e-wallet is very secure.	
		3. I believe the service has the potential to be safer than traditional payments options such as credit card and cash	
		4. I believe that transactions conducted through e-wallet are secure	
		5. I believe the chances of losing money stored in an e-wallet system are low	
		6. I believe the e-wallet applications users have freedom from danger, risk, and doubt about the security	
		7. E-wallet is advanced cyber security	
		8. The security factor is the main factor for e-wallet adoption	

Table 2 : Instruments

All of the instruments have been tested on the reliability statistics using Cronbach Alpha Coefficients. Below is the reliability coefficient value from the test.

Variables	Cronbach Alpha Coefficients	Number of items in a construct	Reliability Coefficient
Consumer Intention	0.904	5	High
Lifestyle Compatibility	0.960	5	High
Security	0.943	8	High
Social Influence	0.897	5	High

Table 3 : Reliability Analysis

All instruments exhibited high level of internal consistency. This shows a very good indicator to pursue the study into actual data collection. Demographic status has been

evaluated and below table show the detail. This preliminary study utilizes online questionnaire and collects 40 responses.

Criteria	Description	Frequency	Percentage
Gender	Male	8	20
	Female	32	80
Marital Status	Single	8	20
	Married	32	80
Education Level			33.3
	Diploma	3	7.5
	First Degree	17	42.5
	Postgraduate	20	50
Races	Malay	37	92.5
	Indian	3	7.5
Working Status	Working	40	100
	Pensioners	0	0

Table 4 : Demographic Detail

4. Discussion and Conclusion

This pilot study is formally designed to detect plausible errors such as typing errors, meaning the questions brings and to undertake any action to ensure the meaning of the questions reach the respondents. This preliminary finding signals a good stage of data collection to pursue. The demographic details are good to go with the variables and would comprehend the actual data collection.

However, several challenges has been identified in data collection such as challenges in online responds which shown that the methods of data collection may best to use personally administered questionnaire

E-wallet is the cashless application that would be deemed important to be analysed. The cashless application would be considered an engine of growth of a country and the factors to it would be enhanced or avoided to make it become a reality to be a cashless country. By analysing the given independent variables, it is hoped that this study would solve the problems related to consumer intention among young consumers.

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