CHAPTER I

INTRODUCTION

1.1 Research Background

In the last 5-6 years cashless transactions have grown rapidly. Realizing a digital society in the sale and purchase of goods and services or a cashless society is the Government's agenda (Bank Indonesia, 2019). Along with technological advances, people are forced to familiarize themselves with digital transaction activities, such as digital wallets (*e-wallets*).

The development of information technology late changes most of the lifestyles of Indonesians so that they are more likely to use smartphone devices in their daily lives. Almost everyone uses a smartphone to interact and communicate, either through cellular channels or using social media. Almost all daily activities are inseparable from smartphones because they are already connected to the internet. Activities carried out by the public using smartphones start from just calling and short message services, talking on social media, doing business, and doing financial transactions online (Hendarsyah, 2016).

The development of advanced technology and information will help the growth of the digital economy and accelerate the inclusion of a country's sovereignty. Technological advances in the payment system have also shifted the role of cash to non-cash which is more efficient and economical (Ningsih et al., 2020). So, people switched from conventional payments to digital payment models with the assumption that this digital payment model provides convenience and benefits.

Electronic money is not the same as e-wallet. In the context of electronic money services, as regulated in Bank Indonesia regulation no. 20/6/PBI 2018 article 1 point 3 concerning: (a). issued on the basis of the value of money that was deposited in advance to the issuer; (b). the value of money is stored electronically in a media server or chip; and (c). the value of electronic money managed by the issuer is not a deposit as referred to in the Law governing banking. Meanwhile, e-wallet is an electronic service for storing data on payment instruments such as payment instruments using cards and/or electronic money which can also accommodate funds for making payments, according to Bank Indonesia Regulation Number 18/40/PBI/2016 article 1 number 7 concerning Processing Operations (Bank Indonesia, 2019).

The transaction process using electronic money only takes 2-4 seconds. Currently, the value that can be stored in the form of electronic money is limited to no more than Rp.2 million for unregistered cards and Rp.10 million for registered cards. This has been regulated in Bank Indonesia Regulation Number 20/6/PBI/2018 concerning electronic money (Bank Indonesia, 2019). In Indonesia, several e-wallet applications are widely used among the public, such as GoPay, Shopee Pay, LinkAja, OVO, DANA, etc.

Sellers need to provide various QR code services for each digital wallet application, this makes it difficult for consumers to scan the QR code because the terms and conditions are different for each application. To make it easier for consumers and to achieve a nationally integrated system, Bank Indonesia as the holder of the National Payment Gateway (GPN) regulation has set a standard for

digital payment QR codes in Indonesia called QRIS or Quick Response Code Indonesian Standard (Bank Indonesia, 2019).

According to Bank Indonesia (2019), QRIS is a QR code developed by the regulator together with the Indonesian Payment System Association (ASPI) on 17 August 2019 and implemented on 1 January 2020, QRIS can be used on digital wallets and mobile banking applications. In the mobile banking application, there is something called a QR code that helps the device transfer a certain amount of money so that the activities carried out can be carried out quickly, efficiently, and simply. In addition, this digital payment is very useful during the current pandemic because it can reduce the use of cash. However, the development of this e-payment application poses a security risk, giving rise to security & privacy concerns that may affect users' intentions when making payments.

This study aims to determine public interest, especially for consumers who make digital payments for payment instruments in the form of a QR code (QRIS). To find out what factors dominate the reasons for consumer interest, whether perceived usefulness, perceived security, trust, satisfaction, or confirmation affect consumer interest. According to Sutiadi Chairil (2019), three factors can influence public perception, namely: (1) perceptual actors, interpretations made by individuals who are influenced by individual personalities; (2) targets and objects, individual tendencies to group objects or objects that are close together; (3) the situation, the elements of the environment around the individual. These three factors will shape the individual's perception in deciding.

Due to several factors that influence consumers to use digital payments with QR codes or QRIS, the authors are interested in researching the factors that influence consumers to use these digital payments. QRIS (Quick Response Code Indonesian Standard) was chosen as the sample in this study because QRIS is a QR code provided for all types of digital payment transactions. So, the author conducted a study with the title "Analysis of Models of Factors Influencing Consumers Using QRIS (Quick Response Code Indonesian Standard) to Reduce the Use of Cash During the Covid-19 Pandemic".

1.2 Research Question

Based on the description above, the researcher formulates the problem of this research as follows:

1. Does the Perceived Usefulness have a positive effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment?

2. Does the Perceived Security have a positive effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment?

3. Does the Trust have a positive effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment?

4. Does Satisfaction have a positive effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment?

5. Does the Confirmation have a positive effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment?

1.3 Research Objectives

Based on the research problem above, the researcher's aims are:

1. To see whether Perceived Usefulness has an effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment.

2. To find out whether Perceived Security has an effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment.

3. To analyze whether Trust has an effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment.

4. To see whether Satisfaction has an effect on consumers' intention to use QRIS (Quick Response Code Indonesian Standard) as electronic payment.

5. To evaluate whether Confirmation has an effect on consumers' intention in using QRIS (Quick Response Code Indonesian Standard) as electronic payment.

1.4 Research Benefits

The benefits of the results of this study is divided into two parts, namely theoretical significance, and practical significance.

1. Theoretical significance

The results of this study are expected to add knowledge and are expected to add insight in factors influencing consumers to use QRIS (Quick Response Code Indonesian Standard).

2. Practical Significance

As the realization of the final project to complete studies at Andalas University in order to obtain a bachelor's degree.

1.5 Writing Systematic

The systematic of writing in this study consist of five chapters with detail as follows:

1. Chapter I: INTRODUCTION

This chapter consists of the background of the problem, research question, research objective, research significance, and writing systematic.

2. Chapter II: LITERATURE REVIEW

This chapter explained the theories that form the basis of preparation for this research. Previous research related to research that will be discussed is also described in this chapter. This chapter consists of the theoretical basis, previous study, conceptual frameworks, and hypothesis development.

3. Chapter III: RESEARCH METHODS

This chapter will describe the research method which includes research design, population and sample, method of collecting data, operational definition and measurement variable, and data analysis method.

4. Chapter IV: ANALYSIS AND RESULT

This chapter will discuss the results of the research conducted and will answer a question from the initial problem formulation.

5. Chapter V: CONCLUSION

The last chapter contains conclusions from the research that has been done and advice that will be given for subsequent research related to this research.