

The Effect of Social Influence, Perceived Usefulness, and Financial Risk on Intention in Using OVO

Marcelina Audrina Tiffany¹ Nuryasman M. N.^{1*}

¹*Faculty of Economics and Business, Universitas Tarumanagara, West Jakarta - 11470, Indonesia*

^{*}*Corresponding author. Email: nuryasman@fe.untar.ac.id*

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ABSTRACT

The purpose of this study was to examine the effect of social influence, perceived usefulness and financial risk, as well as age-moderated social influence on the behavioural intention in using OVO from Universitas Tarumanagara students. This study uses data collected from 68 respondents. The method used in this study is cross-sectional with a sample selection technique using purposive sampling. The data in this study were obtained by distributing online questionnaires which were then processed using SmartPLS software version 3.3.3. The results of this study are that social influence and perceived usefulness have a positive influence on behavioural intention in using OVO, and age successfully moderates social influence on behavioural intention in using OVO. Meanwhile, financial risk has no effect on behavioural intention in using OVO.

Keywords: *Social Influence, Perceived Usefulness, Financial Risk, Behavioural*

1. INTRODUCTION

The impact of the Covid-19 pandemic has been felt by the whole world. As quoted in *bisnisnews.id* in February 2021 that the Indonesian economy in the fourth quarter of 2020 compared to the fourth quarter of 2019 experienced a growth contraction of 2.19% [1]. On the other hand, digital payment users in Indonesia continued to increase. One of the digital payments in Indonesia, namely OVO, has increased performance and market share to 38,2% in 2020, which was an increase of 20% previously in 2019 [2]. According to a survey conducted by [3] that the majority of digital payment users are teenagers under the age of 25, which is almost 37% of the total users in Indonesia.

Digital payments are a part of financial technology that is expected to have an impact on monetary stability and the financial system [4]. Financial technology refers to the application of relevant computers and digital technologies in financial services [5]. The government issued Bank Indonesia Regulation Policy Number 20/6/PBI/2018 regarding electronic money, in which the policy urges the public to use digital payments as their payment [6] This is also supported by the Covid-19 pandemic which requires people to reduce direct physical contact.

Besides that, based on the research of [7], social influences directly affect the behavioral intention of digital payments. On the other hand, [8] say that social influence does not have a significant effect on intention in using digital payments. Therefore, this research wants to prove whether social influence does not affect intention in using digital payments.

In addition, research conducted by [9] reveals that perceived usefulness has a positive effect on intentions to use digital payments. Perceived usefulness refers to the advantages or benefits that users will get from using certain services or applications [9]. There are also results from research conducted by [11] showing that perceived ease of use and perceived usefulness affect the intention to use.

Digital payments have several benefits that will be obtained by users, such as offering transaction services that are easier and more practical, as well as safer and more convenient transactions.

Another variable that influences behavioral intention of digital payment is financial risk. The study conducted by [10] said that financial risk influences the behavioral intention to continue using

FinTech mobile payments. Financial risk refers to the potential for financial losses in online transactions using digital payments [11]. The elevation of online loan fraud in Indonesia is increasing along with the increase in digital payment users. As of June 2021, 447 online loan services were detected as illegal and blocked [14]. The increase in illegal online loan services will certainly increase the financial risk of digital payment users, therefore financial risk will be one of the variables in this study.

This study also used a moderating variable, namely age. according to research conducted by [12] the moderating variable of age has an effect that strengthens the relationship between social influence and behavioural intention. According to a survey conducted by [3] that the majority of digital payment users are teenagers under the age of 25, which is almost 37% of the total users in Indonesia.

1.1. Our Contribution

This research presents information regarding the relationship between intention in using digital payments and social influence, perceived usefulness, financial risk, and age that moderates social influence. In addition, this research is also expected to be a reference for other researchers who also want to research digital payments, social influence, perceived usefulness, and financial risk.

This research is expected to provide benefits for digital payment companies, especially OVO, to find out how social influence, perceived usefulness, financial risk, and age that moderate social influence can affect intention in using digital payments to improve the service strategy and company performance.

In addition, this research is expected to provide benefits for students so that they can understand the influence of social influence, perceived usefulness, financial risk, and age which moderates social influence, on the use of digital payments.

This research is expected to provide benefits for the government by providing data and information on the influence of social influence, perceived usefulness, financial risk, and age that moderates social influence, on intention in using digital payments.

2. THEORETICAL REVIEW

2.1. Technology Acceptance Model

The Technology Acceptance Model (TAM) is a model to predict and explain how technology users accept and use technology related to user work [13] According to this theory, new technology will be accepted if the technology is easy to use and has uses that can provide more benefits to its users. TAM explains the behavior of information technology users based on perceived usefulness and perceived ease of use with a mediating attitude toward the use of the technology.

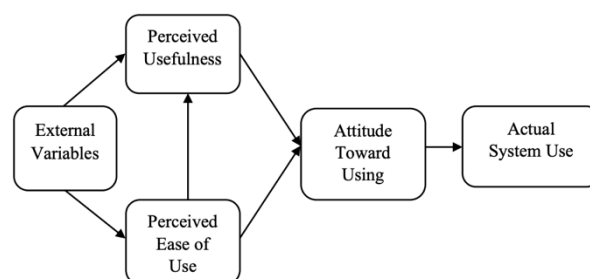


Figure 1. Technology Acceptance Model

2.2. Unified Theory of Acceptance and Use of Technology

Unified Theory of Acceptance and Use of Technology (UTAUT) is a technology acceptance model developed by [17]. This theory has eight theories of technology acceptance, namely theory of

reasoned action (TRA), technology acceptance model (TAM), motivational model (MM), theory of planned behaviour (TPB), combined TAM and TPB, model of PC utilization (MPTU), innovation diffusion theory (IDT), and social cognitive theory (SCT). Of the eight theories, [17] formulated four constructs that are direct determinants and have a significant effect on behavioural intention and usage behaviour. These constructs are performance expectancy, effort expectancy, social influence, and facilitating conditions. In this study, UTAUT can explain how behavioural intention and usage behaviour can affect the acceptance and use of technology.

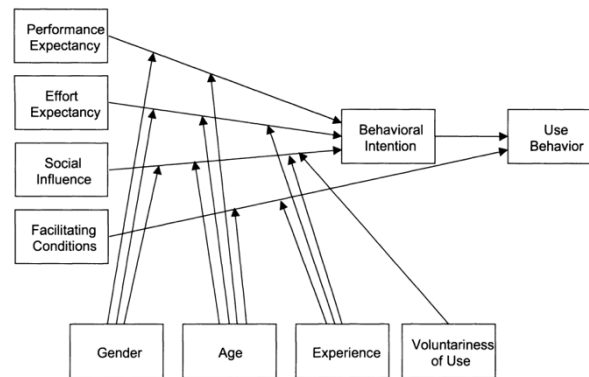


Figure 2. Unified Theory of Acceptance and Use of Technology

2.3. Developing Hypothesis

The impact of the Covid-19 pandemic has been felt by the whole world, especially in Indonesia. Many companies have to go bankrupt because they do not have sufficient income, but on the contrary, intention in using digital payments continues to increase.

The escalation of usage intention on digital payment is caused by several factors. One of them is the social influence which is the first independent variable in this study. Social influence refers to how other people can influence the decisions of those users. When someone has a social environment that mostly uses digital payments, this will increase the intention of the user. Social impact comes from the influence of important and rewarded people for using a system [18]. When consumers observe others derive pleasure from using a new product or innovation, the product is more likely to be distributed more quickly than its competitors [18]. So, it can be formulated that H1 of this research is there is an effect of Social Influence on behavioural intention.

Perceived usefulness can also be one of the factors that cause increased behavioural intention in using digital payments. Perceived usefulness refers to the perception that technology can provide benefits to its users. When digital payments can provide benefits and meet the needs of their users, the intention in using digital payments will increase. Cashless payment, which is one of the benefits of digital payment, is one of the factors that encourage increased intention in using digital payments at this time. This is supported by the Covid-19 pandemic, which requires people to minimize physical contact. Based on that, H2 of this research is that there is an effect of perception of Usefulness on behavioural intention

Everything has risks, as well as digital payments. The risk of using digital payments can be in the form of financial risks, namely the risk of financial losses when someone transacts using digital payments. Financial risks can be in the form of data theft, fraud, additional administrative costs, etc. The more financial risks posed by the use of digital payments, the lower the behavioural intention of users. Financial risk is the most consistent indicator in research on the behavior of online and mobile service users [20]. Accordingly, from the statement above, H3 of this research is that there is an effect of financial risk on behavioural intention.

Social influence can be influenced by several factors, one of which is the age factor. The moderating variable of age can strengthen or weaken the influence of social influences on intention in using digital payments. The social influence of using digital payments can weaken older people because they are supposed to be more mature, so they are more opinionated and less easily influenced.

On the other hand, the moderating variable of age may strengthen in younger people because they tend to be more easily influenced by their peers. Because of that, H4 of this research is age moderates the effect of social influence on behavioural intention.

3. RESEARCH METHODS

This study uses a descriptive type of research to describe an event or phenomenon that occurs. In addition, this study also used a cross-sectional method. While the sampling technique in this study is non-probability sampling with purposive sampling type which is a limited design for specific people who can provide information under the criteria set out in the study [21].

This study will distribute online questionnaires to respondents using google Forms. The questionnaire will use an ordinal scale in the form of a Likert scale. The social influence variable is measured using three indicators by [18]. Meanwhile, the perceived usefulness variable is measured using three indicators by [22]–[24]. Financial risk variables were measured using 3 indicators from [25], [26]. Finally, the variable behavioural intention was measured using three variables from [18], [27]. After collecting 68 respondents from Universitas Tarumanagara students who are OVO users, the data will be processed using SmartPLS software version 3.3.3. The analysis consists of the analysis of the outer model and the analysis of the inner model. The outer model analysis consists of a convergent validity test, discriminant validity test, indicator reliability test, and internal consistency reliability test. After the outer model test is adequate, it will be tested for coefficient of determination test, effect size test, predictive relevance test, and goodness of fit. Hypothesis analysis includes path coefficient analysis, p-value, and t-statistics. Then, there is also an analysis of moderating variables which were analysed using multiple group analysis or PLS-MGA.

4. RESULTS

4.1. Respondent Profiles

This study uses data from the answers of 68 respondents obtained through an online questionnaire. The subjects in this study were Universitas Tarumanagara students who became OVO users. Respondents in this study have been grouped based on their age and whether the respondents are OVO users or not. Characteristics of respondents based on age were divided into two groups, namely respondents aged under 20 years and respondents aged 20 years and over. Respondents aged 20 years and over were 35 (51.5%) people and respondents aged under 20 years were 33 people (48.5%). Next, the characteristics of respondents are also divided based on OVO users or not. Of the 68 respondents, all respondents are OVO users.

Table 1. Validity and Reliability Instruments

Variables	Indicator	Loading	Status	AVE	Composite Reliability	Status
Social Influence	SI1	0.895	Valid	0.770	0.910	Valid
	SI2	0.885	Valid			Valid
	SI3	0.852	Valid			Valid
Perceived Usefulness	PU1	0.896	Valid	0.805	0.925	Valid
	PU2	0.892	Valid			Valid
	PU3	0.904	Valid			Valid
Financial Risk	FR1	0.776	Valid	0.576	0.803	Valid
	FR2	0.778	Valid			Valid
	FR3	0.722	Valid			Valid
Behavioural Intention	BI1	0.923	Valid	0.710	0.897	Valid
	BI2	0.865	Valid			Valid
	BI3	0.728	Valid			Valid

Table 2. Heterotrait – Monotrait Result

Variable	Behavioural Intention	Social Influence	Perceived Usefulness
Social Influence	0.551		
Perceived Usefulness	0.539	0.360	
Financial Risk	0.195	0.237	0.411

4.2. The Result of Validity and Reliability Testing

The data was then tested for validity and reliability. Judging from the results of the convergent validity test in Table 1, all variables in this study can be said to be valid because they have an AVE value that exceeds 0.50 [28]. Next is the discriminant validity test which is seen from the results of the heterotrait – monotrait ratio. According to Table 2, all indicators in this study are valid because they have met the requirements, namely having an HTMT value of less than 0.90 [29]. The results of the loading factor in Table 1 show that each variable indicator has a value of more than 0.60. So it can be said that all indicators in this study are reliable and reliable because they meet the requirements for a loading factor value of more than 0.60 [29]. The results of composite reliability that are considered valid are those that show a value of more than 0.70 but not exceeding 0.95 [29]. Based on Table 1, all variables in this study have composite reliability values above 0.70 but not more than 0.95. Therefore, it can be said that each variable is reliable and reliable because it has met the requirements of the internal consistency reliability test.

Table 3. Hypothesis Result

Path Analysis	Path Coefficients	t-Statistics	p-Value	Effect Size
Social Influence → Behavioural Intention	0.369	3.812	0.000	0.184
Perceived Usefulness → Behavioural Intention	0.381	3.357	0.001	0.182
Financial Risk → Behavioural Intention	-0.077	0.552	0.581	0.008
GoF: 0.4988; Q ² : 0.217; R ² : 0.348				

Table 4. PLS MGA Result

Social Influence → Behavioural Intention	t-Statistics	p-Value
Age below 20 years old	1.819	0.069
Age 20 years and above	2.444	0.015

4.3. The Result of Hypothesis Testing

After the test of the outer model is adequate, then the inner model test will then be carried out. The first inner model test is the coefficient of determination test. From Table 3 shows that the result of the analysis from the coefficient of determination shows the number 0.348, which means 34.8% of the variable behavioural intention can be explained by the variables of social influence, perceived usefulness, and financial risk. While 65.2% can be explained by other variables not examined in this research. According to [28], the results of the analysis of the coefficient of determination are divided into three parts, namely, 0.75 is large, 0.5 is medium and 0.25 is small. Thus, social influence, perceived usefulness, and financial risk have little effect on behavioural intention in this study because it has a value below 0.5.

Next, there is an effect size analysis shown in Table 3. According to these results, the variables of social influence and perceived usefulness have a moderate influence on behavioural intention because they have values above 0.15 but below 0.35, which is 0.184 and 0.182. While the financial risk variable does not affect behavioural intention because it has a value below 0.02, which is 0.008.

The results of the analysis of predictive relevance can be said to be good if it has a Q-square value above 0 [28]. In Table 3, the results of the analysis show that Q-squared is worth 0.217 which

means that the variables of social influence, perceived usefulness, and financial risk can be used to predict behavioural intention in this study because it has a value above 0.

Based on Table 3, it can be said that the research model of This study has great stability because it has a goodness of fit value above 0.36.

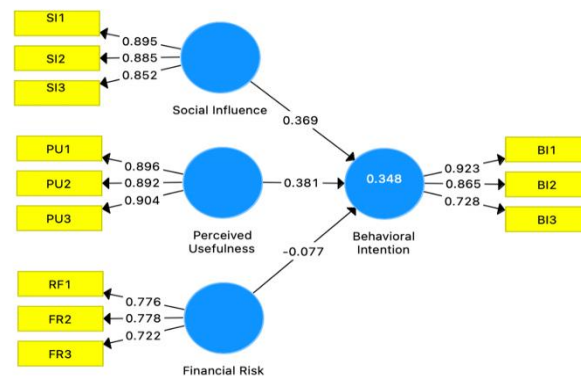


Figure 3. The Result of Path Analysis

The results of the hypothesis test indicate whether the hypothesis in this study is accepted or not. The hypothesis can be accepted if it has path coefficients that range from -1 to +1, then a p-value that does not exceed 0.05 and a t-statistic that is not greater than 1.96 [29], [30].

From the results of hypothesis testing, the following equation is obtained:

$$MP = 0.369 (PS) + 0.381 (PK) - 0.077 (RK)$$

Based on the results of testing the first hypothesis in Table 3, the value of the path coefficient is 0.369, it can be said that social influence has a positive influence on behavioural intention in using OVO. In addition, the results of testing the first hypothesis also show a t-statistic value greater than 1.96, which is 3.812, and a p-value that does not exceed 0.05, which is 0.000. So it can be said that the first hypothesis is accepted and has a significant effect. The results of the path coefficient in the second hypothesis show a value of 0.381, which means that perceived usefulness has a positive influence on behavioural intention in using OVO. The t-statistic also shows a value greater than 1.96, namely 3.357, and a p-value less than 0.05, namely 0.001. So it can be concluded that the second hypothesis is accepted and has a significant effect. The value of the path coefficient in the third hypothesis is -0.077. In addition, the value of the t-statistic is less than 1.96, which is 0.552 and the p-value is more than 0.006, which is 0.581. This means that financial risk has a negative and insignificant effect on behavioural intention in using OVO. Then the third hypothesis is rejected.

There is also a moderation test on the fourth hypothesis. The moderation test on the social influence variable in this study used PLS-MGA analysis by dividing the respondents into two groups, namely those under 20 years old and aged 20 years and over. From the results of the moderation test in Table 4, it can be said that age can moderate the influence of social influences on behavioural intention in using OVO. This is because, in the age category of 20 years and above, the t-statistic shows a value greater than 1.96 and a p-value of 0.015. Meanwhile, the t-statistic of the age category under 20 years is only 1.819 and the p-value is 0.069. So, it can be said that the fourth hypothesis is accepted.

4.4. Discussions

The results of the first hypothesis test indicate that there is a positive influence of the social influence variable on behavioral intention in using OVO, which means that the greater the influence from social, the more behavioral intention in using OVO from a person also increases. This is supported by the first indicator which has the greatest influence on interest in using OVO. The indicator says that people who influence a person's behavior encourage them to use OVO. This is

because the influence and encouragement of the people around a person will directly or indirectly affect the individual, in this case, the use of OVO. If everyone around the individual is already using OVO, then they will also encourage this individual to use OVO as well. These findings can have implications, namely providing information that the social environment greatly influences the interest in using OVO from a person, especially for students. This can provide information to the OVO company in making decisions and strategies, especially if the target is students. The results of these findings are in line with research conducted by [31] which says that social influences can affect interest in using digital payments in India.

Testing the second hypothesis shows that there is a positive influence of perceived usefulness on behavioral intention in using OVO, which means that the greater the perceived usefulness of a person, the greater the intention in using OVO from a person. The most influential indicator is where people feel that using OVO is profitable. This is because OVO's digital payment offers many benefits such as being able to make transfers between accounts or banks, being able to pay utility bills, etc. In addition, OVO also provides cashless transaction benefits, which is an important feature during a pandemic like this. Based on the findings of the second hypothesis, it can provide information that perceived usefulness can affect a person's interest in using OVO. In addition, the implication can also provide information to the OVO company that the more features and benefits that can be provided by OVO, the higher the interest in using OVO from someone. These findings are supported by research conducted by [9] which says that ShopeePay can maximize the productivity of its users so that perceived usefulness influences behavioral intention in using ShopeePay.

The results of testing the third hypothesis indicate that financial risk does not affect behavioral intention in using OVO. This can happen because OVO has succeeded in gaining the trust of its users so that they believe that OVO can provide them with security from all financial risks when using digital payments. Various security in the form of guarantees and a good call center can be a factor for OVO users to feel safe when transacting using OVO. Based on the findings of the third hypothesis, this finding can provide information to the readers that financial risk has a negative and insignificant effect on the interest in using OVO. Although OVO has succeeded in providing security to its users, financial risks still have a negative influence on behavioral intention in using it. If one day OVO does not succeed in providing security to its users which poses a high financial risk, then this will reduce intention in using OVO or even users may stop using OVO. The results of testing the third hypothesis are different from the research conducted by [12]. According to [12] financial risk has the strongest influence on perceived risk which then reduces the intention to continue using FinTech mobile payments.

Testing the fourth hypothesis showed that age managed to moderate the effect of the social influence variable on the behavioral intention in using OVO. This shows that individuals aged 20 years and over get more social influence on OVO from the surrounding environment compared to individuals aged under 20 years. The more mature a person, the higher the awareness of his financial life. People aged 20 years and over talk more about digital payments, especially OVO compared to people under 20 years old. By talking about it often and getting a satisfying experience, they will also encourage and influence each other to use OVO. The findings on the fourth hypothesis can provide information that age differences can have different effects on a person's social influence to use OVO. Thus, this discovery can provide information to the OVO company that can help it in making decisions, especially those targeting adults. This finding is also supported by research conducted by [15] which says that age acts as a moderating variable on the social influence which means that younger users are more influenced by peers and society that shape their intention to use mobile payment services. But there is a difference where [15] says that younger users are more easily influenced by their social environment, while in this study older users are more easily influenced by their social environment.

5. CONCLUSIONS

Based on the results of hypothesis testing and analysis carried out, it can be concluded that Social Influence and Perception of Usefulness have a positive influence on Interest in Using OVO. Also,

Age managed to moderate the effect of Social Influence on behavioral intention in Using OVO. Meanwhile, Financial Risk does not affect behavioral intention in Using OVO.

For similar researchers in the future, researchers suggest adding several other independent variables such as financial literacy, trust, hedonic motivation, and perceived ease of use. In addition, it is also expected to add moderating variables such as gender. The researcher also suggests increasing the number of samples and enlarging the research area so that the research can more closely resemble the original situation in the field. Based on the test results, it can be said that social influences affect the behavioral intention in using OVO. So, it is recommended for OVO to further promote its products to attract the attention of its target market. The results of the study also reveal that age moderates social influence, so it is recommended that OVO be more targeting its consumers aged 20 years and over. Then the results of testing the second hypothesis also say that perceived usefulness affects behavioral intention in using OVO, so it is suggested for OVO to add existing features to its products to increase the benefits felt by users. Although in this study it is said that financial risk does not have a significant effect on behavioral intention in using OVO, it is still recommended for OVO to continue to improve its security so that it can further increase the trust of its users.

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