

---

**ANALYZING CONSUMERS' PERCEPTION OF THE USE OF ELECTRONIC PAYMENT  
IN MANADO****ANALISA PERSEPSI KONSUMEN DARI PENGGUNAAN PEMBAYARAN ELEKTRONIK DI  
MANADO**

by

**Brenda Melania Tuilan<sup>1</sup>****Sifrid S. Pangemanan<sup>2</sup>****Maria V.J Tielung<sup>3</sup>**

<sup>123</sup>Faculty of Economics and Business, International Business Administration, Management Program  
Sam Ratulangi University

E-mail:

[brendatuilan1997@gmail.com](mailto:brendatuilan1997@gmail.com)<sup>2</sup>[sifrid\\_s@unsrat.ac.id](mailto:sifrid_s@unsrat.ac.id)<sup>3</sup>[mariatielung@gmail.com](mailto:mariatielung@gmail.com)

**Abstract:** Electronic payment system has grown rapidly in recent years especially in Indonesia. This e-payment system has substituted the role of money as a tool to transact. It is seen from many new products of e-payment are emerging in the form of card-based and application based. The presence of e-payment transaction provides many conveniences and advantages for the consumer as well as the business community. Therefore, this study aims to analyze consumers' perception of the use of electronic payment in Manado. To achieve this objective, the researcher obtained information from 20 informants used a qualitative study which is semi-structured interview to get detailed results. The results of this study showed factors; perceived trust, perceived usefulness, perceived ease of use, security and attitude have significant influence to consumer to use e-payment. Those factors sufficiently showed positive response towards its usage. Consumers dominantly have high trust and good perception with the security as well as the usefulness and ease of use of e-payment usage. However, this study indicated, network or system error become the main problem that faced by consumers during transaction. For issuer, it is better to keep improving the service quality, the security system as well as the infrastructure in Manado.

**Keywords:** *consumers perception, electronic payment, perceived trust, perceived usefulness, perceived ease of use, security, attitude.*

**Abstrak:** *Sistem pembayaran elektronik telah berkembang pesat dalam beberapa tahun terakhir terutama di Indonesia. Sistem pembayaran elektronik ini telah menggantikan peran uang sebagai alat pembayaran untuk bertransaksi. Hal ini terlihat dari banyaknya produk baru pembayaran elektronik yang muncul dalam bentuk berbasis kartu dan berbasis aplikasi. Kehadiran transaksi pembayaran elektronik memberikan banyak kemudahan dan keuntungan bagi konsumen serta komunitas bisnis. Oleh karena itu, penelitian ini bertujuan untuk menganalisis persepsi konsumen tentang penggunaan pembayaran elektronik di Manado. Untuk mencapai tujuan ini, peneliti memperoleh informasi dari 20 informan menggunakan penelitian kualitatif yaitu wawancara semi terstruktur. Hasil penelitian ini menunjukkan faktor-faktor; persepsi kepercayaan, persepsi kegunaan, persepsi kemudahan, keamanan dan sikap memiliki pengaruh signifikan terhadap konsumen untuk menggunakan pembayaran elektronik. Faktor-faktor tersebut cukup menunjukkan respon positif terhadap penggunaannya. Konsumen dominan memiliki kepercayaan tinggi dan persepsi yang baik dengan keamanan serta kegunaan dan kemudahan penggunaan dari penggunaan pembayaran elektronik. Namun, penelitian menemukan, gangguan jaringan atau system menjadi masalah utama yang dihadapi konsumen saat bertransaksi. Saran bagi penerbit, lebih baik bagi mereka untuk terus meningkatkan kualitas layanan, dan sistem keamanan serta mereka harus meningkatkan infrastruktur di Manado.*

**Kata Kunci:** *pembayaran elektronik, persepsi konsumen, persepsi kepercayaan, persepsi kegunaan, persepsi kemudahan penggunaan, keamanan, sikap.*

## INTRODUCTION

### Research Background

The world moves faster and innovative so that caused change in all aspects of human life, one of them is in the field of technology that continues to evolve rapidly. Along with the development of technology and science in today's modern era, many new technologies and innovations are emerging. The emergence of Information and Communication Technology (ICT) had completely changed the lives and operations of individuals and organizations respectively. ICT and Digital technologies had made great evolutionary development in finance, economics, and operational costs (Slozko and Pello, 2015).

One of the fields that experienced the development is payment system. The growth of technology and the latest innovations in the payment system had substituted the role of cash (currency) with electronic payment instruments that is more economical. E-payment systems are important mechanism used by individual and organization as a secured and convenient way of making payments over the internet and at the same time a gateway to technological advancement in the field of world economy (Slozko and Pello, 2015). Furthermore, e-payment system tends to bring many electronic modes of payment through which financial institutions offer different e-payment opportunities and services to their customers such as the credit cards, debit cards, on-line banking and mobile banking (Premchand and Choudhry, 2015).

The presence of e-commerce had become one of the triggers that has a significant impact on increasing electronic payment users. It is seen, because electronic payment system has become the major facilitating engine in e-commerce through which electronic business success relies upon because transactions between sellers and buyers in cyberspace can only be done by using electronic transaction.

Consequently, people who previously used cash as an option for payment and purchase, have now begun to recognize and use e-payment in making various payment transaction activities. Electronic payment itself is no longer strange to today's society. This electronic payment has grown and more commonly used by communities in some developed countries in their daily economic activities, not least in developing countries as well.

Manado city is one of the big cities where the society conducts a lot of economic transaction activity in their daily life. In Manado, electronic payment transactions have been implemented for a long time. The development of electronic payment in Manado itself is relatively fast by seeing the increasing number of outlets that provides machines for electronic payment transactions such as debit card, credit card and e-money. The use of electronic payment is also growing in Manado with the emergence of new electronic money products issued by banks such as Flazz BCA from bank BCA, Brizzi from bank BRI, BNI Tap cash from bank BNI, and e-money from bank Mandiri and also issued by private providers such as OVO from Lippo Group, T-cash from Telkomsel and payment of Go-pay from Go-jek and Grab-pay from Grab. Currently, those e-payment instruments can be used in some places such as supermarket, restaurant, shopping center, shop, and cinema in Manado. As well as other payments like payment for online shopping, parking payment, electricity payment, pulsa payment, transportation and other payment needs.

Based on the background above, the researcher is interested in knowing the perception of consumers towards e-payment usage. Hence, this research has come up with the title "*Analyzing Consumers' Perception of The Use of Electronic Payment in Manado*" in order to know how consumer evaluate the use of electronic payment in their daily transaction and to encourage Manado to be a cashless city.

### Research Objectives

The objective of this research is to find out an understanding of how consumer perception of electronic payment usage in Manado.

## THEORETICAL FRAMEWORK

### Marketing

Arens, Schaefer, and Weigold (2013) explained Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and service to create exchange that satisfy the perceived needs, want and objective of individuals and organization.

### Consumer Perception

Perception is the process sensing, selecting, and interpreting consumer stimuli in the external world. Perception occurs as individuals subjectively organize and interpret sensations. Perception is viewed as the

outcome of interaction between characteristics of stimuli, characteristics or conditions of perceivers, and situational factor (Wilkie, 1994:205-206).

### **Electronic Payment System**

Gans and Scheelings (1999) defined e-payment as payments made through electronic signals linked directly to deposit or credit accounts. Furthermore, Kalakota and Whinston (1997) sees electronic payment as a financial exchange that takes place online between the seller and the buyer.

### **Electronic Payment Services**

Koponen (2006) explained that there are a wide variety of online payment systems that have been developed in past few years and these systems can be broadly classified into account-based and electronic currency systems. Account-based systems allow users to make payments via their personal bank accounts; whereas the other system allows the payment only if the consumer possesses an adequate amount of electronic currency. These systems offer a number of payment methods that include: Electronic payment cards (debit, credit, and charge-cards), E-wallets, Virtual credit cards, Mobile payments, Loyalty and Smart cards, Electronic cash (E-cash), Stored-value card payment.

### **Perceived Trust**

Tsiakis and Sthephanides (2005) defined perceived trust as consumers' belief that electronic payment transactions will be proceed in accordance with their expectations. Without an adequate system that users can trust, it would be extremely difficult for e-payment to achieve widespread usage ((Lim, Lee, and Kurnia, 2006).

### **Perceived Usefulness**

Davis (1989) defined perceived usefulness as a belief that, using a particular system would enhance job performance. Perception of usefulness based on the definition of useful words which can be used for beneficial purposes. This perception of usefulness is of course associated with the improvement of individual performance directly or indirectly which has an impact on the opportunity to obtain benefits, whether material or not material.

### **Perceived Ease of Use**

Davis (1989) explained perceived ease of use as the degree to which a person believes that using a particular system would be effortless. Consult (2002) noted that perceived ease of use refers to the ability of consumers to experiment with a new innovation and evaluate its benefits easily.

Generally, security is a set of procedures and programs to verify the information source and guarantee the integrity and privacy of the information (Tsiakis and Sthephanides, 2005). This is because e-payment can only be considered as confidential when all phases of the transaction process are capable of satisfying users' needs and their security expectations (Baddeley, 2004).

### **Attitude**

Davis, Bagozzi and Warshaw (1989) defined attitudes towards use is a positive feeling or negative feeling from someone if they have to do the action that will be determined. Attitudes toward use as a level of assessment of the impact experienced by someone when using a particular system in their work. Davis (1989) found that attitude has a strong effect in comparison to other factors.

### **Previous Research**

Teoh, *et al.*, (2013), studied about factors affecting consumer perception of e-payment. This study aims to discover the factors influencing perception towards electronic payment (e-payment) from the Malaysian consumers' perspective. This research indicated that benefits, self-efficacy, and ease of use exert significant influences on consumers' perception towards e-payment. However, trust and security warrant further investigation. Sultana and Hasan (2016) studied about investigating consumer perception towards plastic money. The purpose of this study was to understand the influencing factors behind the use of plastic money. This research stated people are mostly influenced for using plastic money because they think it adds value in their lifestyle. Secure transaction is the most beneficial reason of using plastic money, and the problems of using plastic money are unavailability of money in ATM (Automated Teller Machine) booths, unavailability of technology of payment through plastic money in purchase points, and the technological complications faced by



the card holders. Yogananda and Dirgantara (2017) discussed the influence of perceived benefit, perceived ease of use, perceived trust, perceived risk towards interest to use e-money. This research's objectives are to test the effect of those factors towards interest in using e-money. This study shows that perceived usefulness, perceived ease of use and trust have positive and significant effect to intention to use, while perceived risk has negative and not significant effect to intention to use.

### Conceptual Framework

This section will explain the research model that shows how the variables were used in this study to support this research.

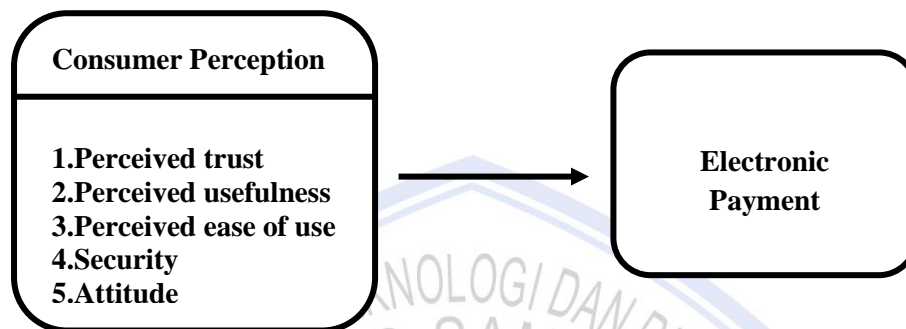


Figure 1. Conceptual Framework

## RESEARCH METHOD

### Research Approach

This research used descriptive qualitative research to analyze consumer perception of e-payment usage. According to Perreault and McCarty (2006:176), qualitative research is the kind of research that seeks to unearth information in depth as well as open to all feedback and not just answer Yes or No. This research tries to ask the people to express their thought about a variety of topics without giving them a lot of directives or guidelines how to what to say. This research used type of case study approach.

### Population, Sample and Sampling Technique

According to Sekaran (2003), population refers to the entire group of people, events or things of interest that the researcher wishes to investigate. While Spradley in Sugiyono (2012) stated in qualitative research there is no population term but only *social situation*, which consists of three elements: place, actors and activity. The population of this study are e-payment users in Manado. Sample are the research respondents that are part of the population or the targeted population. According to Sekaran and Bougie (2010), sample defined as a subset of the population. This research used snowball sampling technique. The sampling size of this research is 20 respondents which the sampling size are known based on the respondent answer, and will stop after not gaining a new answer.

### Data Collection Method

Data collection method is a technique or ways that the researcher used to collect the data. The data consist of two types between primary data and secondary data. Primary data are gained from semi in-depth interview and secondary data are taken from several books, journals, and previous research.

### Instrument Testing

The key instrument of this research is the researcher. The researcher is trained and have good understanding about all aspects of this research. The researcher was equipped with a note book, a recorder, and a camera in order to conduct interview.

### Data Analysis Method, Validity and Reliability

According to Hair *et al.*, (2006), there several steps in qualitative data analysis which are data collection, data reduction, data display, drawing and verifying conclusion. Reliability in qualitative research is important to prove the result that have been explained and discussed in this research is true. According to Sekaran and Bougie (2010), the reliability of qualitative research includes category and interjudge reliability.

Validity is the extent to which a concept, conclusion, and measurement, is well founded and corresponds accurately. According to Sugiyono (2012), there are two kinds of validity of the research namely internal validity and external validity.

## RESULTS AND DISCUSSION

### Result

Interviews in this study was carried out by researcher to informants, which is 20 e-payment users in Manado. The second part of this chapter explains about the discussion after the interview.

#### Informant 1

She is the consumer of OVO. She believed that using e-payment will reduce the risk of losing money because she does not need to bring lots of money in her wallet. She said sometimes they provides inaccurate information. However, the payment method is safe. She also said using e-payment does not minimize her spending. Even so, it improved her effectiveness to transact. It also provides all transaction services and innovation such promos. She said it saves time because no need to go to the ATM to take money. From the security, she is sure it is safe due to the protective pin. For personal information, she thought it is not safe yet. But the transparency of the transaction is guaranteed. With a lifestyle that likes to shop, it is very influential for her to transact using e-payment. E-payment also affects her decision to buy, due to the discounts offered. She also said that e-payment has become a necessity.

#### Informant 2

uses debit card and flazz bca. In his opinion, using e-payment will make the risk of losing money even lower because if the card lost, he can directly contact the bank to block the card. It sometimes provided inaccurate information. The payment method is safe because it can only be accessed by entering pin. After using e-payment, he became economical because the change is not rounded. E-payment usage also increased his effectiveness in making transaction because it saves his time. He is sure with the security because it is protected with a pin. Otherwise, his personal information is still doubtful. Even though, e-payment provides a very transparent transaction. He is a person who has consumptive lifestyle. Thus, it influences him to transact and influences his decision to purchase due to the attractive advertisements. He also said, e-payment has become a necessity.

#### Informant 3

said he uses debit cards, e-banking. According to him, using e-payment reduces the risk of losing money. Information provided also is appropriate like price or other fees. Payment methods are also safe. He said, it can minimize his expenses because there is no rounding of money, money is returned appropriate with the total payment. E-payment also increases his performance in transaction. The transaction service was in accordance with what he had hoped for. In terms of service quality, it was fast. He said it saves time because he can transact via mobile. He is very sure with the security because every purchase is confirmed and his personal information is protected. E-payment also provide transparency of transaction. His lifestyle is very influential but it does not affect his decision to buy. It all depends on the availability of the balance. E-payment was not a necessity for him.

#### Informant 4

mostly uses OVO. She trusted, there is no risk of losing money. The information also appropriate with the actual information. She said the payment method is very safe because the user must approve and must fill the pin. It minimized her spending because OVO is more economical. She felt very effective, where she only pays using OVO. Moreover, OVO provided innovations that make it easier for her to transact. In terms of time too, it saves her time. She was sure with the security, because it is protected by a double pin and protects her personal information as well. Each transaction is very clear because there was a notification and transaction history. Her lifestyle influenced her to use e-payment. But there was no effect toward her buying decision. she said that e-payment have become a necessity.

#### Informant 5

is a consumer of debit and credit card. According to him, using e-payment would make the risk of losing money even lower. However, for credit card the risk of losing money is greater because credit card only uses signature. The information in accordance with actual usage and the payment method is safe. He said it's not economical because either use e-payment or cash, it's same. It also can handle all transaction he wanted. He enjoyed the quality of services because it saves time, no need to feel compelled to look for ATM to take money. The security of his personal information is guaranteed and provides clarity of transactions because there was a receipt or transaction history. His lifestyle influences him to use e-payment because with the current trend, e-payment has become a necessity.

#### Informant 6

He is a consumer of debit card. He stated that he believes e-payment can minimize the risk of losing money, as long as he monitors account mutation. The information is accurate. The payment method is secure because when

transacting in large amounts using e-payment is safer. In shopping, it makes his expenses bigger because the desire to shop will be greater. It is very effective in terms of distance, and time. It provides all transaction and provides innovation that make it easier for him to transact. The security of e-payment is secure because in every transaction there is a notification. It also protects his personal information and the transactions are very transparent because there. For him, lifestyle affected him to use e-payment because of the work environment, and technology. It also affects his decision to purchase a product. E-payment has become a necessity which is very helpful in doing his daily transaction

#### **Informant 7**

She uses debit card. According to her, using e-payment can reduce the risk of losing money because no need to carry cash. The information is accurate, both price and other costs. She said the payment method is safe. Using e-payment made his expenses more wasteful because her interest to buy become greater. She feels very effective by using e-payment because she just needs to carry a card. She also said all transaction services had been covered. Also, it is very effective in term of time. The level of security is also guaranteed. She thought personal information is safe. The transparency of each transaction was evident. Her lifestyle influenced her due to the luxurious lifestyle she had. The use of e-payment does not affect her decision to shop only for what she wants to buy or need. She said that e-payment has become a necessity today because it is easier for all kinds of transactions.

#### **Informant 8**

She is a user of debit card and credit card. In her opinion, she does not believe e-payment could reduce the risk of losing money. The information is accurate because there is an SMS notification. It also provides a secure payment method. Using e-payment makes her spending more extravagant because of uncontrol purchasing. She also feels more effective because it can be used anywhere and anytime. The innovation makes it easier for her like now we can be able to make electricity payments. She also confident with the security. But she thought the security of her personal information is not guaranteed. The transaction was transparent. Her life style become a factor that make her use e-payment. However, using e-payment does not affect her buying decision. And not a necessity for her recently.

#### **Informant 9**

She used debit cards and m-banking. She said that she believes there was no risk of losing money when using e-payment. The information also matched and the payment method is secure. Using e-payment can minimize her expenditure because it is more economical. It had also provided all the transaction services she wanted. Service quality is also good. She is confident of using e-payment. She feels it's very secure. The security of personal information is protected because there is consumer protection. Transparency of transactions is guaranteed by a proof of transaction. Her life style has no effect in using e-payment. But her decision to buy products will be bigger because she more often uses e-payment in everyday transactions. E-payment has become her necessity.

#### **Informant 10**

She is the user of debit card. According to her, using e-payment decreases risk of losing money because it can reduce the risk of money theft and it is secure. For expenditure, using e-payment increased her expenses because of monthly costs such as administrative fees. She feels more effective in term of time because wherever it can be accessed using mobile banking. She also said, all transaction services are given because the features she needs are available on mobile banking. The service quality is good and quick but for the system is still not good because she ever experienced system error while transacting. For the security system, she is very sure especially mobile banking that has to fill a double pin. The transaction is very transparent. Her lifestyle does not affect her and her decision to buy, she just bought what she needed. E-payment has become a necessity at this time.

#### **Informant 11**

She is a consumer of debit card. She trusted when she used e-payment, it will reduce the risk of losing money. It also provides accurate information and the payment method is secure. She said her expenditure becomes even more wasteful because her interest to buy is higher. E-payment also improve her effectiveness in transactions. She feels satisfied with all transaction services because they are in accordance with her needs. For her, the security and her personal information is very secure, also transparent. Her lifestyle likes to shop online, so that it triggers her to transact with e-payment. Using e-payment also affects her buying decision and already become her needs.

#### **Informant 12**

He uses Brizzi. According to him, e-payment does not minimize the risk of losing money because Brizzi is not protected by pin. However, the information is accurate. The payment method is also secure. He said when using Brizzi, his spending became more wasteful because of uncontrolled expenses. He also feels effective in terms of time speed. He is quite enjoying the service quality of Brizzi. It saves his time because the transaction can be done right away. Even so, he often experienced network problem on edc machine. His personal information is quite safe. He is also confident with the security and the transparency of transaction. With a lifestyle that follows the development of modern era, it affects him to



transact. In shopping activities, it affected his decision to purchase because he did not use physical money. He said it has not become a necessity today.

**Informant 13**

She used OVO. She said using e-payment will minimize the risk of losing money from being theft. It also provides accurate information. and gave an accurate information. She said after using OVO, it reduced her daily expenses because of many discounts. She enjoyed the service because it's not wasting time. She is very sure with the security of using OVO as well as the security of personal information. Transactions are also transparent because there was a transaction history where payments or other fees are listed. She said, her lifestyle does not affect her to transact with e-payment as well as her decision to buy goods or service because she bought something only what she needs. E-payment transactions are not yet a necessity because she often used cash to transact.

**Informant 14**

He is a consumer of debit, credit card and Flazz BCA. He stated the risk of losing money using e-payment is lower because there is no need to bring money which is afraid of falling. He also believes the information is accurate and the payment method is safe even though the use of e-payment caused his spending more wasteful. E-payment also improve his performance because it is more practical. The innovation was such as being able to pay or top-up go-pay through mobile banking. He enjoyed the services, because it is not complicated. The security his personal information was guaranteed. And The transaction history is very clear. His lifestyle is also influential and influence his decision to buy goods or use services. He said e-payment has become a necessity nowadays.

**Informant 15**

He uses OVO, Tcash, and BCA flazz. He said, using e-payment can minimize the risk of losing money, the information is entirely trustworthy, and the payment method is secure. After he began using e-payment, he became more extravagant because he spent more money. But it provided all transaction service and improve his performance. He also enjoyed the services quality because it is effective in term of time. He felt certain about the security, especially to top-up large amounts of money. He is quite confident by the security of his personal information. The transaction is very transparent as well. His lifestyle also influenced him to use e-payment. Using e-payment also influenced his decision to buy an item. He said E-payment was not a necessity for now.

**Informant 16**

He uses debit card, and e-banking. According to his opinion, he believes by using e-payment the risk of losing money will be lower because he usually deposits money only according to the needs he anticipates. The information is accurate and the payment method is safe as he expected. He said using e-payment is profitable for him. The use of e-payment also increases his performance of doing transactions. There was innovation provided such as discount using certain debit cards. He also sure with the security. In addition, he thought they maintain the security of users' personal information and transparency of transaction. He is one that follows online e-commerce era so that it required him to use e-payment. He said it has become a necessity because around 80% of all transaction, he used e-payment.

**Informant 17**

He is a consumer who uses of debit card, BRIZZI and T-cash. According to his perception, he believes that e-payment use could reduce the risk of losing money. They also gave an accurate information. The payment method is safe. He further said, using e-payment makes his spending more wasteful. Yet, he continued stated it is effective because he does not need to wait for the change and the innovations were increasingly growing. For example, now T-cash only used scan for payment. E-payment security also is safe except Brizzi. The transactions are transparent because it gave an information of the nominal balance that has been deducted. His lifestyle is much influential but does not affect his decision to buy a product or service. And e-payment is not a necessity for him.

**Informant 18**

She uses debit card and OVO. According to her perception, she said that e-payment usage would decrease the risk of losing money. they also provide accurate information so far. The payment method is secure. E-payment also minimizes her expenses. E-payment usage also increases her effectiveness because it is faster. E-payment also provides innovations such as promotion. And it also saves time because she can make purchasing through mobile banking. She said the security of the system is secure. However, she was not sure about the security of her personal information. For the transactions, she feels very transparent. Her lifestyle does not affect her, because she still tends using cash. E-payment affects her buying decision but e-payment has not become a necessity now.

**Informant 19**

She uses debit card, go-pay and OVO. In terms of trust, she has perception that using e-payment will reduce the risk of losing money. So far, the information matched both transactions and promos. for payment method, it is safe because

it uses pins and guaranteed original money. Using e-payment does not reduce her spending but makes her feel efficient and effective. All transaction services are fulfilled. Innovation was good, because now payment can be used by barcode. She was confident with the security as well as personal information. The transaction is transparent with proven of account mutase reports. She has hobbies that like to go out that makes her prefer to use e-payment. E-payment does not affect her decision to buy something. E-payment for her has become her necessity at this time.

### **Informant 20**

He uses a debit card. He stated 90% he believes using e-payment reduce the risk of losing money, because the security is guaranteed. He further stated it provides accurate information. The payment method is safe. He said his expenses is bigger when using e-payment because there is a minimum of transactions that require him to buy more. He felt very effective, because it is fast and practical. E-payment also provides all transaction services he expected. In term of security feels 100% secure as well as the security of his personal information. The transaction is also transparent. His lifestyle is very influential. However, it does not affect his decision to buy, he buys only what he wants. E-payment has become his current necessity

### **Perceived Trust**

. Tsiakis and Sthephanides (2005) defined perceived trust as consumers' belief that electronic payment transactions will be proceed in accordance with their expectations. Therefore, be concluded that trustworthiness is vital to e-payment success (Abrazhevich, 2004). Without an adequate system that users can trust, it would be extremely difficult for e-payment to achieve widespread usage (Lim, Lee, and Kurnia 2006). The result of the interview showed that consumer trust towards e-payment in Manado is relatively high. Informant 1-20 trusted that using e-payment can avoid them from losing money, theft and other crimes because they do not have to carry tangible cash in their wallet or bringing cash in large amount, Nevertheless, 2 consumers have concern about the use of e-money like brizzi and flazz bca as well as credit card because there is no pin that protect their account. Besides that, they had high trust regarding the information which e-payment provides an accurate information. They also believed e-payment gave them a secure payment method.

### **Perceived Usefulness**

Perceived usefulness is the extent to which a person deems a particular system to boost his or her job performance. This perception of usefulness is of course associated with the improvement of individual performance directly or indirectly which has an impact on the opportunity to obtain benefits, whether material or not material (Davis, 1989). Based on the result, as their experience, it was found mostly as stated by 13 informants, e-payment usage does not reduce their spending, otherwise it makes their expenses become more wasteful. They reasoned, it was because they cannot control the desire to purchase what they want. While only 7 informants that stated it is economical using e-payment, because of the discount and promos offered. Furthermore, they said the use of e-payment makes their financial transaction being faster and more effective where previously they need to bring money to transact but now, they just need to carry a card and make payment through their smartphone. It definitely improves their performance of doing transaction activities. In addition, payment services are sufficiently supported. As stated by 15 informants, the payment services provided can handle their daily transaction.

### **Perceived Ease of Use**

Davis (1989) explained perceived ease of use as the degree to which a person believes that using a particular system would be effortless. Numerous studies have confirmed that a technology will be perceived as more useful when it is easier to use (Legris, Ingham, and Collerette, 2003). Based on the interview, e-payment had tremendously facilitated consumer in doing their transaction. In term of innovation, besides the promotion or cash back, e-payment provided innovation like now the transaction become even easier because it just needs to scan the card by using barcode. They also had the same response which stated the service quality was good because the process is simple and fast. But mostly they stated sometimes network or system error occurs. However, it provides time efficiency where informant feel really effective because they do not have to go to ATM for taking money or feel bothered to count the change and looking for small pieces of money while making transactions.

### **Security**

Security is a set of procedures and programs to verify the information source and guarantee the integrity and privacy of the information (Tsiakis and Sthephanides, 2005). It is for these reasons that security could be a determinant of users' decision to utilize e-payment systems (Abrazhevich, 2004). Based on the result, in this case, consumers dominantly had good perception with the security. They assumed, e-payment provides a very secure system for their consumers. It can be seen from the result of interview which showed that 20 informants



had the same perspective that they are sure with the security because their account is protected by password and security pin so that it won't be misused by others. Regarding users' personal information, it is also guaranteed because they stated it was protected. All informants also dominantly had the same answer which stated the transactions are very transparent. Their reasons are quite similar which the transaction was proven by transaction history and transaction reports that can be seen by consumers after making transactions. Overall, security had become an important factor why people want to use e-payment. If the payment is secure which protect their privacy, their money and transparent, it will make consumer more comfortable using e-payment

### Attitude

Davis, Bagozzi and Warshaw (1989) defined attitudes towards use is a positive feeling or negative feeling from someone if they have to do the action that will be determined. Davis (1989) found that attitude has a strong effect in comparison to other factors. Based on the result, consumer attitude influence intention to use e-payment. The result showed, most of consumers have a consumptive lifestyle that likes to shop and follow the trend that trigger them to use e-payment as a tool for facilitating their transaction as stated by 16 informants. In terms of buying decisions, there are two perceptions in which the first 9 informants said using e-payment can affect their decision to buy. This is because discounts or promotions that are offered and also the availability of money on the debit and electronic money they owned. However, 11 other informants only bought according to their needs. Using either cash or e-payment did not affect their buying decision at all. They mostly stated that e-payment has become a necessity due to the facilities of e-payment that can handle all daily activities of transactions such as transportation, food, pulsa, transfers, and other transactions. Only informant 3, and 13 said it hasn't become their necessity because the frequency of using cash is still higher than e-payment.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

This research indicated that consumers have good perception of e-payment usage. They stated and provide specific examples regarding their usage. The result clearly shows that consumer perception influences the use of electronic payment, namely trust in term of risk, accurate information and secure payment method from e-payment use which they have a high trustworthiness towards those things. In terms of usefulness it is also influential where e-payment transaction is beneficial and greatly increase the effectiveness of transactions and almost provide all the payment service that covered their daily transaction necessity. On the other hand, the ease of transaction is also evident. Judging from the innovation provided, the quality of fast transactions and also effectiveness in terms of time. Further, the security system that is safe, personal information security that is protected and transparency of transaction are also evident. Lastly, with high mobility, a consumptive lifestyle, and a trend that continues to lead to a modern direction, it strongly influences attitudes towards how they make transactions. The need of fast transactions, and practicality makes e-payment as an option to transact for consumers with the transaction services that almost support all daily transaction activities that have become a necessity today.

### Recommendations

This research has been conducted in order to know how consumer perception towards the use of non-cash payment in Manado. Based on the findings, the recommendations of this research are:

1. The recommendation for the issuer of e-payment means, in this case banks and merchants are to improve the security system and also improve their performance and services so that the consumer will feel more secure and more comfortable in making transaction and to keep provides newest innovations that facilitate consumer in doing their transaction activities.
2. For Bank of Indonesia, it is good to expand the e-payment system not only in big cities but also in some villages in Manado city by doing socialization to give knowledge to the society so that it increases their awareness to use electronic payment transaction so that it will create less cash society.

## REFERENCES

- Arens, W., Schaefer, D., and Weigold, M. 2013. The Nine P's. *Contemporary Advertising*. Article. Retrieved from: <http://www.nineps.com/marketing-overview>, php. Accessed on March 11<sup>th</sup>, 2018.
- Baddeley, M. 2004. Using E-cash in The New Economy: An Economic Analysis of Micropayment Systems. *Journal of Electronic Research*, Vol. 5 No. 4. <https://web.csulb.edu/journals/jecr/issues/20044/Paper3.pdf>. Accessed on June 8<sup>th</sup> 2018.

- Consult, A.N. (2002). China Online Banking Study. Available: <http://estore.chinaonline.com/chinonbanstu.html>. Accessed on June 18<sup>th</sup> 2018.
- Davis, F.D., Bagozzi, R.P., and Warshaw, P.R. 1989. User Acceptance of Computer Technology: A Comparison of Two Theoretical Models. *Management Science* (35:8) 1989, pp. 982-1003. <https://pdfs.semanticscholar.org/ba06/44aa7569f33194090ade9f8f91fa51968b18.pdf>. Accessed on April 10<sup>th</sup> 2018.
- Gans, J.S. and Scheelings, R.1999. Economic Issues Associated With Access to Electronic Payment System, *Australian Business Review* available at: <http://ssrn.com/abstract=1100903>. Accessed on April 8<sup>th</sup> 2018.
- Hair Jr, J.F., Black, WC, Babin, BJ Anderson., and RE & Thatam, RL. 2006. *Multivariate Data Analysis*. Vol.6. Upper Sadle River, NJ: Pearson Prentice Hall.
- Jumlah Transaksi Kartu Kredit, Kartu Debit, dan Uang Elektronik : Available on website Bank of Indonesia: <http://www.bi.go.id>. Accessed on April 20<sup>th</sup> 2018
- Kalakota, R. and Whinston, A.B.1997. *Electronic Commerce: A Manager's Guide Reading*. Addison Wesley
- Koponen, A. 2006. E-Commerce, Electronic Payments. Helsinki University of Technology. *Telecommunications Software and Multimedia Laboratory*. Article. <http://docplayer.net/8938467-E-commerce-electronic-payments.html>. Accessed on June 26<sup>th</sup> 2018.
- Legris, P., Ingham, J. and Colletette, P. 2003. Why Do People Use Information Technology? A Critical Review of The Technology Acceptance Model". *Information and Management*, Vol. 40 No. 3, pp. 191-204. <http://web.nchu.edu.tw/pweb/users/arbortfish/lesson/8958.pdf>. Accessed on April 10<sup>th</sup> 2018.
- Lim, B., Lee, H. and Kurnia, S. 2006. Why Did An Electronic Payment System Fail? A Case Study from The System Provider's Perspective. Available at: [www.collector2006.unisa.edu.au/Paper%2011%20Benjamin%20Lim.pdf](http://www.collector2006.unisa.edu.au/Paper%2011%20Benjamin%20Lim.pdf). Accessed May 16<sup>th</sup> 2018.
- Perreault, W. D., and McCarthy, E.J. 2006. *Essential of Marketing*. McGraw Hill Irwin, New York.
- Premchand, A. and Choudhry, A. 2015. Future of Payments – E-Payments. *International Journal of Emerging Technology and Advanced Engineering*, 5, 110-115. <https://pdfs.semanticscholar.org/caa8/29b550f326870e616fe322d4929dc2b8be02.pdf?ga=2.138945968.2048792780.1543236842-1698518954.1543236842>. Accessed on May 21<sup>st</sup> 2018.
- Sekaran, U. 2003. *Research Methods for Business: A Skill Building Approach*. 5<sup>th</sup> ed. Wiley. New York.
- Sekaran, U., and Bougie, R. 2010. *Research Methods for Business: A Skill Building Approach*. 5<sup>th</sup> edition. Jhon Wiley and Sons Ltd: United Kingdom.
- Slozko, O., and Pello, A. 2015. Problems and Risks of Digital Technologies Introduction Into E-Payments, *Transformations in Business and Economics*, 14, (1), 42-59. <https://web.a.ebscohost.com/abstract?direct=true&profile=ehost&scope=site&authtype=crawler&jrnl=16484460&AN=113833382&h=fgs6fZpRgTT%2bNsCtOTuqzMBVpW0JABLoOmS8okvdxmUb44U0sHWdmm3kUB2AsC62DjfEnt7pXLK7shdwNtXroA%3d%3d&crl=c&resultNs=AdminWebAuth&resultLocal=ErrCrlNotAuth&crlhashurl=login.aspx%3fdirect%3dtrue%26profile%3dehost%26scope%3dsite%26authtype%3dcrawler%26jrnl%3d16484460%26AN%3d113833382>. Accessed on April 11<sup>st</sup> 2018.
- Sugiyono. 2012. *Memahami Penelitian Kualitatif*. Alfabeta, Bandung.
- Sultana, N., and Hasan, Md.M. 2016. Investigating The Consumers' Perception towards Usage of Plastic Money In Bangladesh: An Application of Confirmatory Factor Analysis. *Journal of Contemporary Business, Economic, and Law*. Vol. 9 2289-2560. [http://seajbel.com/wp-content/uploads/2016/05/K9\\_42.pdf](http://seajbel.com/wp-content/uploads/2016/05/K9_42.pdf) Accessed on July 15<sup>th</sup> 2018.
- Teoh, W.M., Chong, S.C., Lin, B., and Chua, J.W. 2013. Factors Affecting Consumers' Perception of Electronic Payment: An Empirical Analysis. *Internet Research*, Vol. 23 Iss 4 pp. 465 – 485. <https://www.emeraldinsight.com/doi/abs/10.1108/IntR-09-2012-0199>. Accessed on April 5<sup>th</sup> 2018.
- Tsiakis, T. and Sthephanides, G. 2005. The Concept of Security and Trust in Electronic Payments", *Computers and Security*, Vol. 24 No. 1, pp. 10-15. <http://www.spinaltwist.eclipse.co.uk/Files/Dissertation/Tsiakis.%20Sthephanides%20%20The%20concept%20of%20security%20and%20trust%20in%20electronic%20payments.pdf>
- Wilkie, W.L. 1994. *Consumer Behavior* 3<sup>rd</sup> edition: John Wiley & Sons, Inc. Malhotra
- Yogananda, A.S., and Dirgantara, I.M.G. 2017. Pengaruh Persepsi Manfaat Persepsi Kemudahan, Kepercayaan, dan Persepsi Resiko terhadap Minat untuk Menggunakan Instrument Uang Elektronik. *Journal of Management*, Vol.6, No.4. <https://ejournal3.undip.ac.id/index.php/djom/article/view/17947/17020>. Accessed on July 12<sup>nd</sup> 2018.