

ANALYZING THE CONSUMER BEHAVIOR IN TERMS OF USING CASHLESS FOR TRANSACTION AT MEGAMALL MANADO.*ANALISA PERILAKU KONSUMEN DALAM MENGGUNAKAN "CASHLESS" DALAM TRANSAKSI DI MEGAMALL MANADO.*

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Abstract: *The world's financial system that exists today is the result of the development and evolution a few centuries ago. Technological development has an impact on all aspects of life including changes of the existing payment system. Cash payment instrument by using money has begun to shift to non-cash payment instruments. A review of the previous literature found that most previous studies focused on investigating the respective how cash transaction replaced by cashless transaction, and few explored the influence of the interaction between these two factors with regard to purchase decision making in consumer behavior. The aim of this Studies examining the interference effect of marketing stimulation on the consumer behavior affect the type of transaction by costumers in Megamall Manado. This research used quantitative and multiple regression analysis with the sample which 50 respondents that were obtained from random people who shopping at Megamall Manado. The result shows that Cashless Transaction has significant effect to Consumer Behavior partially. Lifestyle and money attitude have significant effect to purchase decision simultaneously. Cash Transaction has the most significant influence towards Consumer Behavior of customer at Megamall Manado. Therefore, the researcher suggestion to paying attention on this factor. People should feel satisfy and make good choice in order to make a purchase payment in order for their safety and secure. The result of this study can be used as a reference for the development and deepening of knowledge banking system of payment, especially in order to replace cash transaction to cashless transaction or now days we called digital banking.*

Keywords: *cashless transaction*

Abstrak: *Sistem keuangan dunia yang ada saat ini merupakan hasil dari perkembangan dan evolusi beberapa abad yang lalu. Perkembangan teknologi berdampak pada semua aspek kehidupan termasuk perubahan sistem pembayaran yang ada. Alat pembayaran tunai dengan menggunakan uang mulai bergeser ke alat pembayaran nontunai. Sebuah tinjauan literatur sebelumnya menemukan bahwa sebagian besar penelitian sebelumnya berfokus pada menyelidiki masing-masing bagaimana transaksi tunai diganti dengan transaksi non tunai, dan sedikit yang mengeksplorasi pengaruh interaksi antara kedua faktor tersebut berkenaan dengan pengambilan keputusan pembelian dalam perilaku konsumen. Penelitian ini bertujuan untuk mengetahui pengaruh interferensi dari stimulasi pemasaran terhadap perilaku konsumen terhadap jenis transaksi yang dilakukan oleh konsumen di Megamall Manado. Penelitian ini menggunakan analisis kuantitatif dan regresi berganda dengan sampel sebanyak 50 responden yang diperoleh dari random orang yang berbelanja di Megamall Manado. Hasil penelitian menunjukkan bahwa Transaksi Non Tunai berpengaruh signifikan secara parsial terhadap Perilaku Konsumen. Gaya hidup dan sikap uang berpengaruh signifikan terhadap keputusan pembelian secara simultan. Transaksi Tunai memiliki pengaruh paling signifikan terhadap Perilaku Konsumen Pelanggan di Megamall Manado. Oleh karena itu, saran peneliti untuk memperhatikan faktor tersebut. Orang harus merasa puas dan membuat pilihan yang baik untuk melakukan pembayaran pembelian agar mereka aman dan terjamin. Hasil penelitian ini dapat digunakan sebagai acuan untuk pengembangan dan pendalaman ilmu perbankan sistem pembayaran, khususnya dalam rangka menggantikan transaksi tunai menjadi transaksi non tunai atau yang sekarang disebut dengan digital banking.*

Kata Kunci: *transaksi cashless*

INTRODUCTION**Research Background**

The world's financial system that exists today is the result of the development and evolution a few centuries ago. Technological development has an impact on all aspects of life including changes of the existing payment system. Cash payment instrument by using money has begun to shift to non-cash payment instruments. The development of the use of non-cash payments are not only separated from technological development but also supported the government's efforts towards Less Cash Society. Simply stated Less Cash Society interpreted the use of fewer cash transactions. While Bank Indonesia campaign of the Non-Cash National Movement/Gerakan Nasional Non Tunai (GNNT) on August, 14, 2014. The rapid development of technology, information and communication have presented another way in making payments, cash is no longer the only choice because there are electronic or cashless payment methods. However Indonesia was still in the initial stages of applying cashless payments, which was only 31% of total payments while the rest is still paid in cash. It is still behind other ASEAN countries where the use of cashless payments has exceeded 50% of total payments.

When viewed from the penetration of credit card and ATM/Debit Card, Indonesia is also still relatively low. Bank Indonesia noted that in 2014 there were 15,124,109 outstanding credit cards in Indonesia. Meanwhile there are 83,765,345 common ATM card that also serves as a debit card. The numbers are still very small compared to the overall Indonesia's population, especially when seen further, that there is a possibility of one person has more than one credit card and/or more than one debit card. The penetration of e-money is still in city area only. Toll roads and commuter trains exist only in large cities only, while shops that accept payment by e-money is still very limited. Judging from the deployment of a city, Jakarta as the capital of the country is still a concentration for the use of e-money. A total of 91.6% of total e-money is concentrated in Jakarta. Followed Surabaya as the second biggest city in Indonesia that absorb distribution of e-money with a percentage of only 3.1%. Next is Bandung (2.2%), Semarang (2.8%) and Medan (0.3%). (<http://www.marsindonesia.com>)

The transactions with credit and debit / ATM cards in the long run significantly influence the amount of cash in Indonesia. The negative correlation was shown by the credit card variable. It means that the use of a credit card can reduce the amount of cash in Indonesia in the long run, while the debit / ATM variable has a positive correlation with cash in Indonesia. Debit / ATM card transactions actually increase cash in the community in the long run, because debit / ATM cards are mostly used to withdraw cash from ATM machines. The e-money variable does not significantly affect cash circulation in the community in the long run. All variables (debit / ATM, credit card), and e-money variables have not been able to replace the role of cash in Indonesian society. The amount of cash in circulation increases from year to year. If someone does not have enough cash to meet their needs, they will switch to cashless payments.

The development of information and communication technology offers a wide range of conveniences. This is in line people's lifestyle and its accustomed payment system. It appears in the modern condition that technological advances in payment systems had replaced the role of cash to cashless to be more efficient and economical. Based on the results of the study, there are several policy recommendations: banks and other financial institutions are expected to cooperate with various parties to increase cashless payments, such as by cooperating with traditional markets, big shops and small shops. Secondly, the government should improve dissemination on the use of cashless payments. Third, the issuer of cashless payments is expected to provide more incentives to the public so that people prefer using cashless payments.

In the theory of consumer behavior and the consumer decision-making process will be examined together. A review of the previous literature found that most previous studies focused on investigating the respective influence of cashless transaction and cash money transaction independently, and few explored the influence of the interaction between these two factors with regard to purchase decision making. Studies examining the interference effect of marketing stimulation on the influence of the interaction between cashless and cash transaction are even rarer, and this has been the motivation for investigating this particular topic in the present study

Research Objective

Regarding the problem which have been formulated and identified that is mentioned in previous section, the research objective are:

1. To analyze how the costumer in Megamall Manado using type of payment
2. To analyze the consumer behavior affect the cashless transaction by costumers in Megamall Manado
3. To analyze the consumer behavior affect the cash transaction by costumers in Megamall Manado

Consumer Behavior

The basic psychological processes (i.e. motivation, perception, learning, memory, personality, and attitude) play an important role in understanding how the decision process takes place. Smart companies try to understand the consumers' buying decision process at the deepest level possible, i.e. all their experiences in learning, choosing, using and even disposing of a product. (Kotler & Keller, 2006, p. 191). These elements will be briefly presented after analyzing all the stages of the buying decision process. When purchasing an item, the buyer actually passes through five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behavior. However, it is clear that the buying process starts long before the purchase of an item and determines effects long after. This is why marketers have to study and achieve a thorough understanding of the buying process and focus on all five stages, not only on the purchase decision. Consumer behavior represents all decisional acts taken at individual or group level, directly connected with obtaining and using goods and services, for the satisfaction of current and future needs, including the decisional processes that precede and determine the buying decision. Consumer behaviour study has developed in close connection with motivational research, whose aim was to explain the mechanism of buying and consumption decisions.

Consumer Decision Making

Consumer make decisions by allocating their scarce income across all possible goods in order to obtain the greatest satisfaction. Formally, we say that consumers maximize their utility subject to budget constraint. Utility is defined as the satisfaction that a consumer derives from the consumption of a good. As noted above, utility's determinants are decided by a host of noneconomic factors. Consumer value is measured in terms of the relative utilities between goods. These reflect the consumer's decision making. The stages of the consumer decision-making process that will be discussed, based on the model of consumer behaviour proposed by Engel et al. (1995), are need recognition, search, pre-purchase alternative evaluation and purchase and its outcomes. Three outcomes of purchase will be discussed, namely consumption, post-purchase alternative evaluation and divestment. Further, according to Engel et al. (1995: 156), the final decision-making process on the continuum applicable to initial purchases is limited decision-making. This process of decision-making is characterized by little information search and evaluation before purchase and the consumer not having the time, resources or motivation to engage in extended decision-making. The consumer will, therefore, simplify the process by reducing the number and variety of information sources and alternatives as well as the evaluation criteria. Schiffman & Kanuk (1997: 559) added to the above by stating that for limited decision-making, consumers already have established criteria for evaluating both the product category and individual brands within the category.

Payment Method Characteristic

Over the decades, there have been dozens of studies that investigate consumer behavior towards the use of payment bank cards, together with the fundamental motives influencing card payment choice amongst consumers. The results have revealed that individual consumers are mostly effected by three main groups of factors worth considering, which are consumer characteristics, payment method characteristics and transaction characteristics (Trung, 2015). Although the aforementioned demographic and financial variables have been found to be correlated to consumer payment behavior, some authors, notably Schuh and Stavins (2011) in Trung (2015) identified that the perceived characteristics of payment are of crucial importance for both the adoption and the use of payment method. Each payment instrument carries with it some exclusive attributes, such as transaction speed, cost, convenience, security, restraint, records keeping and acceptance (Trung, 2015).

Previous Research

Chandra and Mittal (2018) studied cashless transaction behavior of bank customers in district Mathura. The analysis shows Literate/educated and young respondents are found interested towards cashless transaction in comparison to illiterate and old aged respondents. In a comparison of debit cards with cash, studies suggest that with the use of debit cards, the level of consumption tends to be higher. In a comparison of credit cards with cash, this effect is more pronounced. Credit cards often are associated with more spending resulting in an increase in debt as well. The demonetization undertaken by the government is a large shock to the economy.

Trung (2015) studied on customer behavior when using payments bank cards at Vietnam technological and Commercial joint stock Bank Vietnam. The findings reveal that customers choose Techcombank as a services

provider owing to the high reputation and prestige of the Bank, the large number of ATMs and POS, the safe and convenient ATM locations, as well as the wide variety of card products' features

Qureshi, Baqai, and Qureshi (2018) studied consumers' attitude towards usage of debit and credit cards: evidences from the digital economy of Pakistan The results reveal that monthly household income, education, and age do not have any significant impact on the plastic card usage. Moreover, the findings uncover that males are using plastic cards more frequently than females. The inquiry confirmed that debit cards' usage is more than that of credit cards' usage. Moreover, the perceived benefits and risks play a significant role in usage of debit and credit cards.

Conceptual Framework

Research procedure explains the steps to do this research. The conceptual framework explains the hierarchy that also a system of ranking and organizing theory.

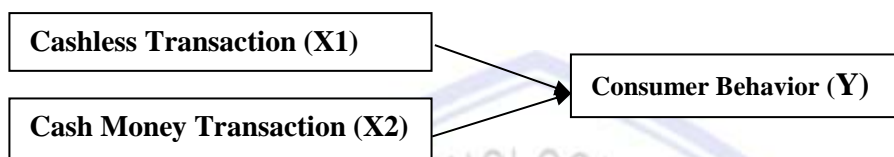


Figure 1. Conceptual Framework

Source: Data Anlysis Method, 2020

RESEARCH METHOD

Research Approach

This research is a quantitative type of research. Sugiyono (2002) defined quantitative research as research method based on positivim paradigm that used to investigate specific population or samples.

Population, Sample, and Sampling Technique

The population is a composite of all elements, which have a set of similar characteristics, covering the universe for the sake of marketing research problems (Malholtra, 2006, p.86). Population is a generalization region consisting of: object / subject that have certain qualities and characteristics set by the researcher to be learned and then pulled the conclusion (Sugiyono, 2002).

Data Collection Method

The source of data that used is primary data which is the information that we obtained first-hand by the researcher on the variables of interest for the specific purpose of the study (Sekaran and Bougie, 2009) in this study primary data is the data that collected from the questionnaire of respondent by direct survey, go to the field an spread the questionnaire.

Data Analysis Method

This given section explains about the overall analysis methods that are used in this current research.

Validity and Reliability Test

Reliability analysis is used to measure the correlation between multiple measurements of a construct in order to quantify some underlying dimension. The reliability of a measure is established by testing for both consistency and stability (Sekaran and Bougie, 2009). The purpose of testing reliability is to determine the level of measurement non error, it means showing the consistency of measurement. Reliability was measured by using Cronbach's Alpha coefficient, when the value of Cronbach's alpha increase the consistency also increases. If the coefficient value of Alpha less than 0.60 then the reliability is bad. Research instrument is acceptable if the test shows the alpha in the range of 0.7 and the reliability is good if above 0.80 (Sekaran and Bougie, 2009).

Validity is a test of how well an instrument that is developed measures the particular concept it is intended to measure. Validity is the level extent to which of precision and accuracy of a measuring instrument to perform the functions of measuring in this study is the questionnaire. An instrument has high validity if it can deliver

results in accordance with the purpose of measuring the measurements itself which is valid at 0.01 level or higher. The validity of testing can use the Product-Moment Correlation Pearson techniques. This research use the Pearson correlation significant one tailed test, that I have a prior test as the sign of (-) or (+) of the correlation. Questionnaires were used as a measuring instrument should qualify the validity of the content (Sekaran and Bougie, 2009).

Multiple Regression

Regression analysis is a statistical process for estimating the relationships among variables. More specifically, regression analysis helps one understand how the typical value of the dependent variable (or 'criterion variable') changes when any one of the independent variables is varied, while the other independent variables are held fixed. Most commonly, regression analysis estimates the conditional expectation of the dependent variable given the independent variables – that is, the average value of the dependent variable when the independent variables are fixed. The introduction of model in multiple regression analysis is very similar to simple regression analysis. The equation which describes how the dependent variable Y is related to the independent variables X1, X2, ... Xk and an error term is called the multiple regression model. Multiple regression models take the following term: $Y = \alpha + \beta_0 + \beta_1 X_1 + \dots + \beta_n X_n + \epsilon$.

RESULT AND DISCUSSION

Table 1. Validity Test

		Correlation		
		x1	x2	X
x1	Pearson Correlation	1	.163	.602**
	Sig. (2-tailed)		.106	.000
	N	50	50	50
x2	Pearson Correlation	.163	1	.665**
	Sig. (2-tailed)	.106		.000
	N	50	50	50
x3	Pearson Correlation	.118	.008	.615**
	Sig. (2-tailed)	.243	.936	.000
	N	50	50	50
x	Pearson Correlation	.602**	.665**	1
	Sig. (2-tailed)	.000	.000	
	N	50	50	50

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

Source: SPSS Output (2020)

Table 1 shows the validity test of all the lifestyle variable is above the R_{table} or 0.196. It means all the indicators of the variables are accepted or valid.

Table 2. Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.855	8

Source: SPSS Output (2020)

The measurement in this research has good internal consistent reliability that means the result of the measurement in this research is trustworthy.

Multiple Linear Regression Analysis

Multiple linear regression model is used to determine the influence of several independent variables on a dependent variable.

Table 3. Multiple Linear Regression

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	9.322	1.269		7.344	.000
	X ₁	.123	.085	.160	1.857	.185
	X ₂	.150	.114	.144	1.665	.192

Dependent Variable: Consumer Behavior

Source: SPSS Output (2020)

The result in the table 4.5 can be expressed in regression equation as: $Y = 9.322 + 0.123 X_1 + 0.150 X_2$

The interpretation of the equation is:

- Constant 9.322 shows the influence of Cashless Transaction (X₁), Cash Transaction (X₂) to the Consumer Behavior (Y). It means that if all the independent variables are zero, the Consumer Behavior (Y) as dependent variable is predict to be 9.322.
- 0.123 is the coefficient of cashless transaction (X₁) meaning if there is one unit increasing in X₁ while other variables are constant then Y is predicted to increase by 0.123.
- 0.150 is the coefficient of cash transaction (X₂) meaning if there is one unit increasing in X₂ while other variables are constant then Y is predicted to increase by 0.150.

Discussion

The cashless transaction influence so many starts up today. Also give society a new concept of population. It claims that within this kind of society, people will use more digital options as a payment method rather than pay by cash. Majority of respondents in urban area utilized bankcards before demonetization and no change was observed on their purchasing behaviour. The digitalization of personal banking like Cashless Transaction is a fast ongoing process. Along with that, payments are a recent topic within this research field. The new modes of payment are designed to be quicker and easier than traditional card payments. On the other hand, the authors of this thesis want to examine if a cashless method of payment has any influence on consumer behavior. It has become increasingly common to consume food and beverages in situations as rushing to work, free time in between meetings, or between work and the gym. The results of research through T-test shows the result that Cashless Transaction (X₁) partially has a positive impact to Consumer Behavior (Y). With the result of T-test Cashless Transaction has significant effect to Consumer Behavior at Megamall Manado and shows they are want to do payment in simple but secure. The result of this research also supports other research about "Cashless" transactions: perceptions of money in mobile payments by Khan and Craig-Lees (2009) that when a credit card based payment is used, the volume, value and type of products purchased increase. Whether this is due to the credit element or to the 'cashless or mobile' element of the transaction is not known. The notion that the tangibility of cash influences perceptions of money is not novel, but it is untested different. Then this research have proven a positive significant influence of cashless and cash transaction to consumer behavior partially and simultaneously. Cash Transaction has an important position impact on Consumer Behavior, The results of this research through T-test shows the result that Cash Transaction (X₂) significantly affects Consumer Behavior (Y). The result of this research also supporting a research from Goel et al. (2019) that found the working professionals and business class people use digital payment methods more. There are various factors which influence the people to shift such as offers, cashback etc. There is still a long run for India to be cashless to full extent as the government needs to develop a smooth and secure infrastructure. Than this research have proven a positive significant influence of cashless and cash transaction to consumer behavior partially and simultaneously.

CONCLUSION AND RECOMMENDATION

Conclusion

There are three constructive findings that can be concluded from the overall result in this research, which are listed as follow

1. Cashless Transaction has significant effect to Consumer Behavior partially.
2. Cash Transaction has significant effect to Consumer Behavior partially.
3. Cashless and Cash Transaction has significant effect to Consumer Behavior simultaneously.

Recommendation

There are practical recommendations that can be concluded from the overall result in this research, which are listed as follow:

1. The result shows that Cashless Transaction has significant effect to Consumer Behavior more than Cash Transaction. It all because people nowadays are often using simple payment to their life activity. If they get so many cash in hand people feeling insecurity, so they try new method of payment which is make it more simple
2. In near future Cash Transaction will be replace by Cashless Transaction. Digital banking is provide more service at all in time to help customer better and secure. Security and safety is the key to success in cashless transaction in the future.

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