

THE INFLUENCE OF CONVENIENCE, USEFULNESS, RISK AND SECURITY OF E-WALLET ON PAYMENT AIDS FOR MSMEs IN KARANGANYAR REGENCY

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ABSTRACT

The current development of digital payment systems has given rise to various alternatives in their use. The purpose of this study is to ascertain how e-wallets' security, convenience, and usefulness affect MSMEs in Karanganyar Regency's ability to make payments.. Primary data from distributing questionnaires to MSME businessmen in Karanganyar District and Karanganyar Regency was used in this study. The study's conclusions demonstrate that, for MSMEs in Karanganyar District and Karanganyar Regency, payment aids are positively and significantly impacted by the convenience and usefulness criteria. Whereas, e-wallet risk and security activities do not significantly affect payment tools. Simultaneously, convenience and usefulness have a joint influence on payment aids for MSMEs in Karanganyar district Karanganyar Regency.

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1. Introduction

The advancement of computerized innovation has led to success in several spheres of life for Indonesia. Markets used to be a location where buyers and sellers gathered. Those who utilize electronic commerce or digital gadgets. The usage of the internet may lead to the development of several technology-based enterprises. One kind of innovation that arises in the finance business is fintech, or financial technology. Fintech is the fusion of the newest technological advancements with finance or financial systems (Savitri, 2021).

Fintech as defined by Bank Indonesia (BI), is the combination of financial services and technology that creates a modern take on the classic business paradigm. (Bank Indonesia, 2023). Nowadays, a significant portion of fintech includes payments made at banking institutions, on public transit, and for any kind of non-cash transaction at retail establishments. Given the way that fintech is developing right now. Smartphones may now be used to complete all transaction. As a result, people's payment habits alter. They used to pay in cash, but today they use a card or a cashless QR Code (Sari, 2022).

The general population, especially those in the MSME sector, now frequently use this technology as a payment method. The backbone of the Indonesian economy, particularly in the Regency of Karanganyar, is MSMEs. By becoming more aware of the ways in which MSME transactions and operations may be impacted by e-wallets. One important reason why MSMEs are adopting technology is the practicality and ease of use of e-wallets. When using digital technology, security and risk are the two main issues to consider. Karanganyar Regency has distinct qualities that set it apart from other areas.

These days, the creative economy is growing really quickly. Similar is true of the creative economy, which grows out of the MSME creative sector that already exists. Since resources are replenishable, one objective of the creative economy is to provide sustained economic value. A few among the elements that might affect the financial performance of the regional economy include leverage, capital expenditure, the size of the regional government (regional assets), and regional wealth (regional original income) (Saputro et al., 2022).

Based on the General Explanation about Micro, Small, and Medium-Sized Enterprises (MSMEs), Law No. 20 of 2008, is defined as business activities that have the ability to increase employment of opportunities and provide economic services to society as a whole, have the ability to encourage economic growth, promote national stability, and contribute to the process of equal distribution of income and improvement of community welfare.

Table 1. MSME Growth in Central Java

No	Type of MSMEs	Unit	Year			
			2020	2021	2022	2023
1	Production / non-agriculture	Unit	57,527	60,449	65,063	66,958
2	Agriculture	Unit	27,653	28,284	28,400	28,429
3	Trading	Unit	62,083	63,965	65,979	66,489
4	Services	Unit	20,128	20,733	21,137	21,205
Number of MSMEs		Unit	167,391	173,431	180,579	183,081

Source: Dinas Koperasi dan Usaha Kecil dan Menengah Provinsi Jawa Tengah, 2023.

Many business operators use the available digital payment methods in Karanganyar Regency. With 912,312 residents, this area likely sees extensive use of e-wallets. The Regional Government Transaction Electronification Index (IETPD) shows that Karanganyar Regency ranks third highest in the Soloraya region, just above Solo and Sragen (Solopos, 2023).

Based on the introduction above, the aim of this research is to determine the effect of convenience, benefits, risk, and security of e-wallets on payment aids for MSMEs in Karanganyar District, Karanganyar Regency.

2. Literature Review

The research was conducted by referring to previous research, several studies that are relevant and support this research include:

The impact of convenience on judgments about consumption. A person's interest in utilizing a digital wallet might be influenced by the convenience factor when it comes to technology, particularly e-wallets. Desita and Dewi (2022) elucidated that the use of an e-wallet that is user-friendly and intuitive might incentivize users to utilize the product. According to previous study

analyzed by Desvronita (2021) and Karim et al. (2020), there was a favorable correlation between the sense of ease of use and the e-wallet payment method.

The impact of e-wallet usability on payment assistance is determined by an individual's perception of the advantages associated with technology use. According to Widodo & Putri (2021), people are more interested in the choice to utilize technology if they perceive more benefits from it. This study is based on earlier research by Desita & Dewi (2022) and Panesa and Erliani (2021), which found that the adoption of e-wallet payment systems is positively and significantly impacted by usability.

It is acknowledged that there may be restrictions on the usage of financial technologies that might endanger consumers. As stated by Savitri and colleagues (2022). Because financial technology is prone to fraud, customers may feel a higher level of risk as a result. Reduce the perceived degree of risk by guaranteeing security and privacy to entice users to utilize digital wallets for an extended length of time. Based on previous research, Nainggolan & Andrian (2021) found that the risk variable has a positive and substantial impact on the usage of e-wallets in their study, Analysis Technology Acceptance Model (TAM) on Intention to Transact Online (Case Study: OVO E-Wallet in Surabaya City).

When utilizing an electronic wallet, which businesspeople offer along with goods and services, security is a critical consideration. Karim et al. (2020) stated that when utilizing financial technology, safety needs to be taken into account. This study builds on earlier studies by Widodo & Putri (2021) and Abdullah et al. (2020), which found that security has a favorable and substantial impact on e-wallet adoption. Security gives users comfort and increases their trust.

3. Method, Data, and Analysis

Population is every individual or object that is used as sampling sources that have characteristics and qualities that are understood before drawing conclusions (Tarjo, 2019). The population taken in this study were MSMEs registered with the Cooperative Service and Karanganyar Regency MSMEs that had loans from banks. The sample is part of the number and characteristics of the population taken in accordance with the provisions that can be used to represent the population (Sugiyono, 2018). There are 1,135 MSMEs in Karanganyar District, Karanganyar Regency. Samples were taken using the GPower application method and the number found was 98. According to Tarjo (2019), the sampling method is used to select samples for research. This research will use a non-probability sampling technique through a purposive approach, which means selecting samples subjectively (Ferdinan, 2006). The sampling technique was taken using the GPower application method with the number found being 98.

The data used in this research is primary data obtained from questionnaires distributed to respondents online via GoogleForm. The Karanganyar community is the source of data used as a sample in this research.

In parametric statistics, multiple linear regression is a method used to examine the connection between independent and dependent variables (Kurniawan & Yuniarto, 2016). In multiple linear regression it is possible testing the independent variables (X) more than one dependent variable (Y). As for models basically it can be formulated as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Description:

- Y = Payment Aids
a = Costant
b1 = Regression Coefficient X1
b2 = Regression Coefficient X2
b3 = Regression Coefficient X3
b4 = Regression Coefficient X4
X1 = Convenience
X2 = Usefulness
X3 = Risk
X4 = Security
e = Standard Error

a. Description of the research object

The results of this research were obtained from a questionnaire that was distributed to respondents. The aim of this research is to determine the influence of ease, usefulness, risk and security on payment aids for MSMEs in Karanganyar Regency.

Table 2. Validity Test Results

	Statement	R Count	R tabel	Conclusion
Convenience (X1)	X1.1	0,264014	0,235	Valid
	X1.2	0,264014	0,235	Valid
	X1.3	0,264014	0,235	Valid
	X1.4	0,264014	0,235	Valid
	X1.5	0,264014	0,235	Valid
Usefulness (X2)	X2.1	0,366932	0,235	Valid
	X2.2	0,366932	0,235	Valid
	X2.3	0,366932	0,235	Valid
	X2.4	0,366932	0,235	Valid
	X2.5	0,366932	0,235	Valid
Risk (X3)	X3.1	0,257441	0,235	Valid
	X3.2	0,257441	0,235	Valid
	X3.3	0,257441	0,235	Valid
	X3.4	0,257441	0,235	Valid
	X3.5	0,257441	0,235	Valid
Security (X4)	X4.1	0,328211	0,235	Valid
	X4.2	0,328211	0,235	Valid
	X4.3	0,328211	0,235	Valid
	X4.4	0,328211	0,235	Valid
	X4.5	0,328211	0,235	Valid
Payment Aids (Y)	Y1	0,420303	0,235	Valid
	Y2	0,420303	0,235	Valid
	Y3	0,420303	0,235	Valid
	Y4	0,420303	0,235	Valid
	Y5	0,420303	0,235	Valid

Based on the variable validity test shown in the table above, it can be seen from the calculated r value shown in the person correlation table, where for each question per variable the calculated r value is greater than the calculated r value which is 0.235 or value (Sig. 2-tailed) < 0.05. It can be interpreted that each indicator of this research is said to be valid.

Table 3. Simultaneous Test Results F

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
1 (Constant)	-2.917	4.973		-.587	.559
Convenience	.680	.178	.393	3.819	.000
Usefulness	.291	.125	.234	2.327	.023
Risk	.108	.126	.089	.860	.393
Security	.044	.127	.036	.346	.730

a. Dependent Variable: Alat Bantu Pembayaran

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	125.586	4	31.396	6.210	.000 ^b
Residual	379.164	75	5.056		
Total	504.750	79			

a. Dependent Variable: Payment Aids
b. Predictors: (Constant), Convenience, Usefulness, Risk, Security

The results of the F test can be used to determine the significance of the influence of the variables convenience (x1), usefulness (x2), risk (x3), security (x4), payment aids (y).

t Test

The results of the T test are to test how each independent variable individually influences the dependent variable. If the Sig value is <0.05 or t calculated > t table, then there is an influence of variable.

Discussion

The Effect of E-Wallet Convenience on Payment Tools for MSMEs

The table presents the findings of the data processing analysis, which indicate that the convenience variable positively influences the decision to use an e-wallet. The value of t calculated > t table, where t calculated is 3.819 and t table is 1.665, provides the basis for this skill. This indicates that H0 is rejected and H1 is accepted, indicating that the convenience variable has a negligible but positive impact on payment aids for MSMEs in the Regency Karanganyar. This study supports earlier studies by Desvronita (2021) and Karim et al. (2020), which found a positive and significant impact on the variable ease of using e-wallets. Still, the findings of this study do not align with those of Suhendry's (2021) investigation, which explains why the convenience variable does not have a large and detrimental impact.

The Influence of E-Wallet benefit on Payment Instruments for MSMEs

The table displays the findings of data processing, which indicate that the utility variable has a favorable impact on payment aids. The value of t calculated > t table, where the value of t calculated is 2.327 while for the t table it is 1.665, shows the basis for this conclusion. H0 is rejected and H2 is accepted at a significance level of 0.023 > 0.05, indicating that the utility variable significantly and favorably affects MSMEs' payment aids in Karanganyar Regency. The findings of this study contradict those of other studies by Desita & Dewi (2022) and Panasea & Erliani (2021), which found that perceived usefulness significantly and favorably influences the adoption of online payment systems. The findings of this study, however, are consistent with those of Violinda & Khoirunnisya's (2022) research, which found that the choice to utilize e-wallet services was not significantly impacted negatively by perceived utility findings. Perceived

usefulness, in the words of Davis (1989), is an individual's opinion of how much utilizing the system will enhance their ability to accomplish their work.

The Influence of E-Wallet Risk on Payment Tools

The table displays the data processing findings, which indicate that the risk variable has no beneficial impact on payment assistance. The value of t calculated $< t$ table, where t calculated is 0.860 and t table is 1.665, shows the foundation for decision making. H_0 is accepted and H_3 is rejected for significance $0.393 > 0.05$, indicating that the risk variable has a negligible and unfavorable impact on MSMEs' payment assistance in Karanganyar Regency. The findings of this study contradict earlier research by Aisyah (2022), which claimed that e-wallet use is positively and significantly impacted by risk perception.

The Influence of E-Wallet Security on Payment Tools

The table displays the findings of data processing, which indicate that the security variable has no beneficial impact on payment assistance. The value of t calculated $< t$ table, where t calculated is 0.346 and t table is 1.665, shows the rationale for this decision. H_0 is accepted and H_4 is rejected for significance $0.730 > 0.05$, indicating a negative and negligible impact of the security variable on payment subsidies for MSMEs in Karanganyar Regency. The results of this research are not in line with previous research conducted by Aisyah (2022) which stated that risk perception has a positive and significant effect on e-wallet use.

5. Conclusion and Suggestion

5.1. Conclusion

Based on the results of research on the ease, usefulness, risks and security of payment aids for MSMEs that has been carried out at Karanganyar Regency, it can be concluded that: (1) Convenience (X1) has a positive and significant influence on payment aids for MSMEs in Karanganyar Regency. This is shown because payments via e-wallet can be made anytime and anywhere and payments made via e-wallet help complete transactions quickly. Some think that payments using e-wallets can improve performance and simplify buying and selling decisions between businesses and consumers. (2) Usefulness (X2) has a positive and significant influence on payment aids for MSMEs in Karanganyar Regency. This shows that payments via e-wallet are very beneficial for business people and also provide convenience. Additionally, e-wallet payments satisfy customers and businesspeople. In fact, some businesspeople believe that e-wallet payments satisfy them. (3) Risk (X3) has a negative and insignificant influence on payment aids for MSMEs in Karanganyar Regency. This is because many people are still worried about fraud and losses for businesses and consumers. Some think that payments via e-wallet are prone to errors in entering the nominal amount during payment. (4) Security (X4) has a negative and insignificant influence on payment aids for MSMEs in Karanganyar Regency. This is because there are still doubts about the security of the e-wallet feature itself, some think that using an e-wallet also requires a strong network.

5.2. Suggestion

Based on the research results and conclusions previously stated, the author provides several suggestions in the hope of improving further research, namely:
In future research, it is hoped that we can use a more extensive theory so that it can produce even better research. This research indirectly explains that there are other factors that can influence payment aids for MSMEs in Karanganyar Regency. Thus, it is hoped that further research can add or

replace the variables to be studied. In future research methods on similar topics, it is hoped that an open questionnaire method will be used for parties who are considered potential so that the results obtained will be more accurate and objective.

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