Looking Into What Makes Muslim Millennials and Generation Z Want to Use Digital Wallets in Banjarmasin

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Abstract

*Digital wallets are one of the solutions given by firms in the fintech industry to support cashless and non-card payments. However, research on digital wallets is still in shortage, and they are needed to continue the expansion of fintech in Indonesia. Even though it is relatively new in financial technology, the DANA digital wallet is already giving other forms of digital payment that have been around for some time a run for their money. DANA can successfully design and improve its various innovative features to attract potential customers in the future. This research aims to determine factors that motivate Muslim millennials and generation Z to use DANA digital wallets. Quantitative approaches are employed in this study through questionnaires for data collection and analysis using multiple regression. Muslim dana digital wallet users between the ages of 18 and 35 from the city of Banjarmasin served as the sample population for this analysis. Meanwhile, one hundred people participated in the study as the sample size. The findings revealed that the users' lifestyles primarily influence the adoption of digital wallets among Banjarmasin's Muslim millennials and generation z populations.
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Keywords: *Digital Wallets, DANA, Millennials, generation Z, Lifestyle*

1. INTRODUCTION

As the 21st century begins, humans face development and change in the industrial world. This phenomenon is called the "industrial revolution 4.0," which means that all technologies are getting better and better, which has helped people in many ways. Based on how far technology has come, the way people in Indonesia live is changing significantly. Wherever people need to be practical, it can save them time without getting in the way of their work. So, technical advances have made people's jobs easier in direct and indirect ways and changed how people live in modern society, making people more materialistic.

According to a 2018 poll conducted by the Indonesian organization of internet service providers, 91% of internet users are between the ages of 15 and 19. In contrast, 88.5% of users are between the ages of 20 and 24. Seventy-six per cent of the remaining users are between 30 and 34. This research suggests that

Millennials and Generation Z are the predominant internet users.

As the financial technology (fintech) business grows in Indonesia's digital financial sector, more and more people are using electronic money to pay for things online. Digital payment technology can make transactions more accessible, safer, and more comfortable. Users no longer have to worry about the problems that usually happen when they use cash, like losing or getting lost. When people run out of cash, they also do not bother to get money from an ATM. People who use electronic money can also choose a brand that meets their needs. So that people who use electronic money can feel safe and at ease when buying things online or in person.

Similar to several metropolitan cities in Indonesia, Banjarmasin Muslim millennials and generation Z are also getting used to non-cash transactions. Practical habits make people nowadays

prefer to transact via smartphones to save time and energy. Undeniably, some people in Banjarmasin have also changed their lifestyles and are accustomed to transacting using digital-based applications. Users can choose and decide to use a digital wallet, especially in the DANA application, by looking at its ease, effectiveness, and efficiency.

The DANA digital wallet, a newcomer in the financial technology sector, has swiftly competed with other digital payment systems that have existed for some time. DANA effectively creates and enhances its numerous creative features to attract future consumers. In order to preserve and develop DANA's services, it is necessary to strike a balance between the strategic actions it has taken and the service quality required and requested by the community. DANA is not an exception to the popularity of digital wallets as a digital payment option in Indonesia. The primary essential to the success of a fintech firm in digital payments is an application layout that is aesthetically pleasing, intuitive, user-friendly, and functional. However, the benefits and advantages of utilizing a digital wallet cannot be isolated from its disadvantages. Customers are most concerned about Security and consumer protection while using an e-wallet.

Based on the background described above, the popularity of digital payment options in Indonesia is increasing, judging by the importance of this research to measure what factors influence decisions to use the DANA digital wallet. The decision to use services is an integration process combining knowledge to evaluate two or more alternative behaviours and choose one. For example, if consumers do not have experience with a product, they tend to trust the brand they like or know well (Mahanani and Sari, 2019).

There is a lack of research on digital wallets, especially in Banjarmasin. Previous research, such as Safitri and Mubarak (2022), focuses on Islamic Banks consumers. Furthermore, previous research, such as Kurnianingsih and Maharani (2020), Hatta (2019), Fiona (2020), and Islamiah et al. (2020), found that factors such as ease of use and service quality do not always have a positive effect. We are interested in re-examining different subjects and objects. In addition to the ease of use and service quality, we added an independent variable rarely used in previous studies, namely lifestyle - as a new indicator that could influence usage decisions. The various ease of use and diversity of payment system services coupled with

improving the service quality in payment system services, as well as the influence of lifestyle, make researchers want to examine whether ease of use, service quality, and lifestyle affect the decision to use the DANA digital wallet.

Factors influencing usage decisions

Ease of use

According to the theory of Davis (1989), perceived ease of use is defined as the degree to which a person believes that using technology requires little effort. Ease of use is a person's belief that technology can be easily used and understood and does not provide difficulties when using it. Conversely, if someone believes that the information system is not easy to use, he will not use it.

Generally, ease of use refers to the degree to which understanding, learning, and operating a particular system or technology is free from physical and mental effort (Davis, 1989; Tandon et al., 2016). Ease of use can also be seen as consumers of a product/service, especially whether the product/service is easy to learn and use. One of its essential quality attributes, the ease of use of mobile applications (Campbell-Grossman et al., 2018), is necessary to survive, compete and operate successfully. Thus, evaluating the ease of use of mobile applications is necessary. Measuring mobile app usability is an intuitive indicator for consumers and an essential reference for designers looking for design improvement tools. Therefore, when consumers face different mobile applications from various companies, they must choose the best one in terms of ease of use (Li, Zhao, Xu, & Pu, 2020).

The ease-of-use construct is also formed from many items. For example, Davis (1986) also uses six items to form this construct. These six constructs include:

a. Easy of Learn: A technology can be said to be easy if its use is easy to learn and does not give the effect of confusion to someone trying the technology. 2) Controllable: A technology can be said to be easy if the user fully controls the use of the technology. In other words, the user understands the use of the technology.

b. Clear and Understandable: A technology can be said to be easy if the use of the technology can be understood and understood both how it works and its purpose.

c. Flexible: A technology can be said to be easy if the technology follows what is expected by the user.
d. Easy Become Skillful: A technology can be said to be easy if the technology can be quickly understood and learned so that users can become reliable in using the technology in a relatively fast time range.
e. Easy to Use: A technology can be said to be easy if the use of the technology does not require more effort than not using technology (Fatmawati, 2015).

Research from Kurnianingsih and Maharani (2020) states that usability, ease of use, service features, and trust positively influence interest in e-money. Meanwhile, Hatta (2019) showed that the ease of use of the product had no significant effect on the interest in using Go-pay by Millennials and Generation Z. Based on this explanation and supported by the results of previous research, hypothesis 1 is:
H1: Ease of use affects the decision to use

Service quality

Service quality is defined as the expected level of excellence or control over the level of excellence to meet customer needs. If the service received exceeds customer expectations, it means that the service is ideal. Conversely, if the service received is lower than customer expectations, the service quality is poor (Hs & Suciati, 2017). Service quality is also the key to success for any company. Customers at this time are not even easy to believe the various advertisements posted in the media, but customers are more confident in someone's testimony about the quality of service. Therefore, it can be concluded that service quality measures how well a service matches customer expectations. The good or bad quality of a service can be judged by its dimensions.

E-Service Quality, commonly abbreviated as E-ServQual, was developed to evaluate a service on the internet network. E-Service Quality is defined as an extension of the ability of a site to facilitate shopping, purchasing, and distribution activities effectively and efficiently (Jonathan, 2013). Bimby (2016) states that there are six dimensions of E-ServQual, namely:
a. Reliability, namely the technical accuracy of the site and also the accuracy of the promises made.
b. Responsiveness, namely speed in serving consumers through purchases, payments, and handling customer problems.
c. Ease of Use, helping consumers find what they need without experiencing difficulties. In other words, easy to use and makes it easier for users to surf the site.
d. Security/Privacy is critical when conducting online transactions. Security is the extent to which the site is secure and protects customer information.
e. Aesthetics, the site's appearance, including the percentage of graphics and text on the website.
f. Information, completeness, and suitability of information with customer needs and goals. (Sanjaya and Linda, 2017)

Research from Fiona (2020) shows that sales promotion and quality of electronic services positively and significantly affect customer satisfaction. In contrast, the results from the research of Islamiah et al. (2020) stated that the service quality variable did not partially affect the interest in using Gopay e-money in Central Java. Based on this explanation and supported by the results of previous research, hypothesis 2 is formulated:
H2: Service quality affects the decision to use

Lifestyle

Lifestyle is how people live and spend their money and time. A person's activities often describe lifestyle, interests, and opinions, usually are not permanent and change quickly. According to Joseph Plummer (in Kasali, 2000), lifestyle is a unique way of life that is identified by how people spend their time (activities), what they consider essential in their lives (interests), and what they think about the world around them. Plumer (1994) says that lifestyle segmentation measures human activities in terms of:
a. How they use their time.
b. Interests and priorities, what is considered vital around them.
c. Views of oneself and others.
d. Basic characteristics such as their life stage, income, education, and place of residence (Jushermi, 2013).

From an economic perspective, lifestyle shows how a person allocates his income and chooses products and services and various other options when choosing alternatives in an existing product category. Meanwhile, from a marketing perspective, consumers

with the same lifestyle will group themselves into one group based on their interest in using their free time and spending money (Suryani, 2013). Lifestyle includes something more than just a person's social class or personality. Lifestyle displays a person's pattern of behaviour and interactions in the world. Lifestyle will develop in each dimension of activity, interest, opinion, or AIO (activity, interest, opinion) proposed by Sutisna (2005). AIO is defined as follows Lifestyle:

a. Activity is actual action. These include work, hobbies, social events, vacations, entertainment, club memberships, internet surfing, shopping, and sports. Customer activities (activities) are characteristics of customers in their daily lives.

b. Interest is an action that accompanies special or continuous attention. Interest can also be said to be an interest that is a customer's factor in influencing the decision-making process.

c. Opinion is an oral or written answer people give responding to a situation. Opinions describe interpretations, expectations, and evaluations such as beliefs about the intentions of others, anticipations regarding future events, and weighing the rewarding or punishing consequences of alternative courses of action. (Luthfianto & Suprihhadi, 2017).

Research conducted by Fautngiljanan, Soegoto, and Uhing (2014) revealed that Lifestyle and Income significantly affected deciding to use Prudential insurance products in Manado City. Based on this explanation and supported by the results of previous research, hypothesis 3 is formulated:

H3: Lifestyle affects the decision to use

2. RESEARCH METHODS

This research uses quantitative research. The study was conducted in Banjarmasin, where people used the DANA digital wallet as a non-cash payment method. The reason for choosing Banjarmasin is the affordability of the research location with researchers, which can be seen in terms of the efficiency of time, energy, and funds needed. In addition, Muslim millennials and Generation Z who live in Banjarmasin are also a generation that is very adaptable to changing conditions of transaction style, where initially all transactions paid in cash can eventually be made non-cash.

The population used is DANA digital wallet users located in Banjarmasin, and the number is unknown. The sampling technique in this study uses non-probability sampling. While determining the sample in this study using purposive sampling. The criteria for taking this research sample are:

a. The Muslim people of Banjarmasin are around 10-39 years old (Millennial generation and Generation Z) at the time of this research.

b. The Muslim people of Banjarmasin who have used the DANA digital wallet as a non-cash payment method then took a sample of 100 samples (respondents).

The population taken in this study are all customers of DANA digital wallet users in Banjarmasin. Because the population is unknown, to determine the sample size is calculated using the following formula (Sujarweni, 2015, p. 155):

$$n = \frac{Z^2}{4.(moe)^2} = \frac{1,96^2}{4.(10\%)^2} = 96,04$$

Information:

n = number of samples

Z = 95% confidence level (1.96)

moe = Margin of error (Maximum sampling error rate of 10%)

It can be concluded that from the number of samples used later, as many as 96 people were. In order to complete this research, the researcher rounded the sample to 100 people.

In this study, the questionnaire will be processed using one of the platforms, namely Google Forms. Later the questionnaire will be distributed via social media and short messages. Before filling out the questionnaire. The researcher gives an introduction that the respondent is an individual with criteria following this research. For the measurement of respondents, this study uses a Likert scale. The Likert scale is designed to examine how strongly the subject agrees or disagrees with statements on a scale of five rating categories with the following arrangement: STS (Strongly Disagree) = 1, TS (Disagree) = 2, N (Neutral) = 3, S (Agree) = 4 and SS (Strongly Agree) = 5

3. RESULTS AND DISCUSSION
3,1. Research result

This study uses a subject with a total of 100 people consisting of gender characteristics and consists of two groups of generations. The

questionnaire distributed to respondents showed the following results:

Characteristics by Gender

Below are the user characteristics by gender shown in Table 1:

Table 1

Distribution of Respondents by Gender

Gender	Frequency	Percentage
Male	32	32%
Female	68	68%
Total	100	100%

Source: data processed

Based on Table 1, the percentage based on gender is dominated by the female group, which is 68%. This percentage indicates that most of the respondents are female. At the same time, 35% came from the male group.

Characteristics by Generation

Below are the user characteristics shown in Table 2:

Table 2

Distribution of respondents by generation
(Millennials and Generation Z)

Generation	Age	Frequency	Percentage
Z	10-25	75	75%
Y	26-39	25	25%
Total		100 Orang	100%

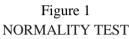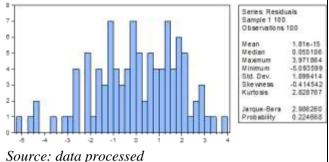*Source: data processed*

Table 2 shows that from 100 users who want to fill out the questionnaire, the percentage results are 100% between the ages of 10-39 years. Again, most of the respondents came from the Generation Z group, with a percentage of 75%, and the rest were Millennial.

Normality Test

The normality test of the data in this study used the method of testing the normality of the data using the Jarque-Bera Test of Normality, and then the following results were obtained:

Figure 1
NORMALITY TEST

Source: data processed

Based on Figure 1, the calculation of the probability value of $JB = 0.224668 > 0.05$ so it can be concluded that the residuals are normally distributed, or the assumption of normality is met.

Multiple Linear Regression Test

Table 3
Multiple Linear Regression Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	10.20899	2.174981	4.693830	0.0000
X1	**0.162839**	0.096877	**1.680888**	**0.0960**
X2	**0.107036**	0.071832	**1.490085**	**0.1395**
X3	**0.322214**	0.107577	**2.995205**	**0.0035**
R-squared	**0.349939**	Mean dependent var		25.16000
Adjusted R-squared	0.329625	S.D. dependent var		2.355822
S.E. of regression	1.928864	Akaike info criterion		4.190917
Sum squared resid	357.1695	Schwarz criterion		4.295124
Log-likelihood	-205.5459	Hannan-Quinn criter.		4.233092
F-statistic	**17.22615**	Durbin-Watson stat		2.122883
Prob(F-statistic)	**0.000000**			

Source: data processed

Based on Table 3, the value of the Determinant Coefficient (R^2) obtained from the R Square results is 0.349939. Therefore, from the value of R^2, it can be concluded that the independent variables, namely ease

of use, service quality, and lifestyle simultaneously or together, have been able to explain the diversity of the dependent variable, namely the decision to use 34.9%, which means the influence of ease of use, service quality and lifestyle to the decision to use DANA contributed 34.9%. The remaining 65.1% were other variables not explained in this study.

This study has three research hypotheses. First, the results of the simultaneous test show that the F-statistical value is 0.000 <0.05 and the calculated F value (17.226) > F table (2.70), so Ho is rejected, and Ha is accepted. Furthermore, these results show that the three independent variables, namely ease of use, service quality, and lifestyle, simultaneously significantly affect the decision to use DANA.

The results of the H_1 testing show a regression of sig. obtained is 0.096 > 0.05 level of significance or $(\alpha) = 5\%$. while the T value for calculating the ease of use variable is 1.680 and the T table value is 1.98498, meaning that the calculated T value is < T table (1.680 < 1.98498). So, Ho is accepted, and Ha is rejected. This result shows that the ease of use partially does not significantly affect the decision to use DANA.

The results of H_2 testing show a regression of sig. obtained is 0.1395 > 0.05 significance level or $(\alpha) = 5\%$. while the calculated T value of the Service Quality variable is 1.490 and the T table value is 1.98498, meaning that the calculated T value is < T table (1,490 < 1.98498. This result shows that the Service quality partially does not significantly affect the decision to use DANA.

The results of H_3 testing show a regression of the sig value 003 < 0.05 level of significance or $(\alpha) = 5\%$. While the calculated T value of the lifestyle is 2.995, and the T table value is 1.98498, meaning that the calculated T value is > T table (2.995 > 1.98498). This result shows that lifestyle partially significantly affects the decision to use DANA.

3.2. Discussion

The ease of use is undoubtedly expected to make users interested in DANA and encouraged to use it continuously. However, this research result concluded that ease of use does not affect Millennials' and Generation Z's decision to use the DANA digital wallet in Banjarmasin. This result proves that the ease of using DANA's services can be interpreted as a positive impact users receive when using DANA, but it is not necessarily a factor that makes users decide to use it. This result also shows that Millennial and Generation Z users in Banjarmasin still do not feel the ease of using DANA, so they cannot assess the ease of using DANA. The results of this study agree with the research conducted by Hatta (2019).

Service quality can certainly affect customer satisfaction because of the interaction between the user and the company. However, the results of this study found that it was inappropriate because some of the Millennial and Generation Z users felt that the quality of services provided by DANA was not up to their expectations. The respondents' answers with low scores are found in indicators that state that the appearance of the DANA application is less attractive. Millennial and Z-generation users in the City of Banjarmasin also feel that the service available on the DANA application is not good enough to help their daily needs. Some still doubt that the personal information they enter will be maintained and protected, given a large amount of information regarding the theft and sale of customer data. Therefore, the results of this study indirectly reveal the same thing as research from Islamiah et al. (2020).

Based on these results, it can be said that the decision to use the DANA digital wallet by Millennial and Generation Z can be influenced by their lifestyle. Lifestyle is an indicator of personal factors that can influence consumer behaviour, including the use decision-making process. This result shows that the higher the level of the user's lifestyle, the higher the decision to use a service/product. Changes in lifestyle from generation to generation stemming from social changes in the community and the environment around them can prove that their current lifestyle can influence their decision to use the DANA digital wallet. This study's results follow Fautngiljanan, Soegoto, and Uhing (2014).

4. CONCLUSION

Based on the description of the problem and the discussion described above, it can be concluded that simultaneously there is an influence of independent variables (ease of use, service quality, and lifestyle) on the Muslim Millennial and Generation Z decision to use digital wallets in Banjarmasin. While partially, only lifestyle variables significantly influence Muslim Millennials and Generation Z's decision to use digital wallets. This result can explain why users from Muslim Millennials and Generation Z in Banjarmasin may not feel the ease of use and service quality provided.

Therefore, the way that can be applied to improve the company's quality is suggested that companies continue to make developments to innovate better. It is not only limited to letting users feel the benefits but also hopes that users can feel better at using the digital wallet. It is also suggested that companies should continue to improve the quality of the service provided and the Security of data/information for its users. Therefore, users will feel comfortable and safe and no longer need to fear their data being stolen. With the development of these innovations, it is hoped that in the future, it will be able to provide customer satisfaction and keep users loyal to using digital wallets.

For further research, it is recommended to look for a different and broader population scope than the population in this study. The sample used is also better than the sample in this study; thus, further research can provide a better picture of other factors influencing usage decisions. Further researchers are also expected to be able to expand their research variables so that they are not limited to ease of use, service quality, and lifestyle. In addition, it is also suggested that the research object is not limited to DANA but can also use other digital wallets.

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