

## THE FACTORS OF E-WALLET ACCEPTANCE AMONG CONSUMERS IN KELANTAN

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**Abstract:** *The aim of this paper is to examine the factors affecting the e-wallet acceptance among consumers concerning perceived usefulness, perceived ease of use, social influence, privacy and security confidence. E-wallet leads to further e-commerce development as this is a new payment method that replaces traditional payment system. However, the use of e-wallets is still growing in Malaysia, with little response from consumers which has created a technological divide between the E-wallet and its users. The paper employed quantitative analysis by using a set of questionnaires and circulated to 200 consumers in Kota Bharu, Kelantan. This study finds three variables that significantly influence the acceptance among consumers namely perceived ease of use, social influence, privacy, and security confidence.*

**Keywords:** *E-wallet, acceptance, security, social influence, perceived ease of use le spacing*

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### Introduction

One of the trending regarding financial technology products in Malaysia is e-wallet which is a type of digital wallet that allows a person to add their debit or credit cards to a digital wallet to make certain purchases (Rolfe, 2019). In simple terms, it is a virtual wallet where you can store cash through your smartphone for making online or offline payments. Using internet banking, debit/credit cards, the e-wallet must be filled with digital currencies. It powers the payment network to boost sales points at any time and everywhere. The key goal of e-wallet companies is to charm their customers with simple solutions and transaction facilities for money transfer.

Based the observation, e-wallet adoption in Kelantan also increase especially after the previous government was giving out a one-off RM30 digital incentive to eligible Malaysians as a way to encourage e-wallet usage. The incentive took on 15th January 2020. Since then, e-wallet users have spiked in recent weeks among Kelantanese especially those who are living in Kota Bharu. However, there were people who purposely did not took the incentive. Hence, we need to know the factors of e-wallet acceptance in Kota Bharu, Kelantan.

E-wallet leads to further e-commerce development as this is a new payment method that replace traditional wallet roles. However, the use of e-wallets is still growing in Malaysia, with little response from consumers. This has created a technological divide between the E-wallet and its users. As claimed by the Mobile Attitude Study conducted by YouGov, 83% of 750 respondents said they were aware of touch less payments but only 34% used it.

In fact, E-wallets make it easy for consumers to shop globally. Increasing e-wallet usage is certainly important to reduce physical currency circulation. Despite the emergence of Malaysia into a demonetization economy, the use of E-wallets still remains unprofitable. Instead, this e-wallet study is based on the credibility, usage, terms of interest and the value of prospects that influence the choice of E-wallet customers in Kota Bharu, Kelantan. Privacy and transactions



*This is to certify that*

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