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The Cashless Society Trend: Examining the Influence of e-wallet Usage among Generation Z

Siti Sopiyah[1], Sriyono[2]
[1,2,]Master of Management Study Programme, Universitas Muhammadiyah Sidoarjo, Indonesia
Email: [1]sitisopiyah2002@gmail.com , [2]sriyono@umsida.ac.id

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ABSTRACT

Digital transformation in the era of industrial revolution 4.0 has brought about new phenomena in people's lifestyles, including the shift towards a cashless society. The implementation of social and physical restriction policies has made consumers shift their shopping activities to e-commerce platforms and use digital payment services (e-wallets) more intensively. based on research, mobile banking users are more from Generation Z than Millennials. Young consumers are usually early adopters of technology and can be more innovative. Sometimes Generation Z is more worried about losing their mobile phones than their wallets because almost all transactions can now be done digitally. By using quantitative research techniques with purposive sampling method, the number of samples was 150 respondents with SEM PLS. The results of this study indicate that perceived usefulness, and perceived risk have a positive and significant effect on interest in using e-wallets in Generation Z. Meanwhile, perceived convenience, trust and social influence have no significant effect on interest in using e-wallets among Generation Z.

INTRODUCTION

The Industrial Revolution 4.0 and the global pandemic have driven the acceleration of digital transformation, including in the financial sector, especially in the use of information technology for financial transactions. This phenomenon also encourages a shift towards a cashless society, especially with the increasing use of e-wallets as one of the most popular payment methods (Nurqamarani et al., 2024; Jumawan et al., 2024). The COVID-19 pandemic reinforces this trend through social restrictions that force people to transact online using e-wallet services (Chandra & Pabulo, 2024). Data from Kata Data Insight Centre (2024) shows that e-wallet is the most common payment method in e-commerce with 74.1% of users, followed by pay later (70.5%), while cash/COD payments are increasingly displaced. In fact, the use of e-wallets has penetrated into offline transactions such as retail outlets, minimarkets, and grocery merchants (Fatonah et al., 2018). The majority of e-wallet users come from Generation Z (Francis & Hoefel, 2018), a generation that has been familiar with technology and the internet since early childhood, so they tend to be early adopters of new technologies (Fitriana, 2014 in Alkhowaiter, 2020).

This research highlights five main factors that influence interest in using e-wallets among Generation Z, namely: perceived usefulness, perceived ease of use, trust, social influence, and perceived risk.

Perceived usefulness is considered a belief that e-wallets can improve efficiency and quality of life, and is proven to have a significant influence on intention to use (Davis, 2013; Yang et al., 2021; Sumerta et al., 2019; Sembiring & Raja, 2024). However, different results were shown by Najdawi et al. (2021) who found that this variable does not always have a significant effect in the context of smart cities. Furthermore, perceived ease of use is also an important factor, especially for young users who tend to avoid complicated systems (Davis, 2013 in Laloan et al., 2023; Hansen et al., 2018; Sultan et al., 2019 in Khoir & Soebiantoro, 2022). Most studies support this positive relationship (Jefferson, 2023; Ulansari & Yudantara, 2021), although some suggest otherwise (Accounting et al., 2024; Laloan et al., 2023).

The trust factor in digital services has proven crucial, especially as it relates to the security of personal data and financial transactions (Silvia Astri Pringgadini & Robertus Basiya, 2022; Gultom et al., 2023; Saha et al., 2022). Social influence is also considered, although research results are mixed: some state that it is significant (Alduais & Al-Smadi, 2022; Oentoro, 2020; Hamzah Muchtar et al., 2024; Sleiman et al., 2022), but others state that it has no effect (Upadhyay et al., 2022; Tan et al., 2023). The perceived risk also has an impact on the decision to use an e-wallet. The risks in question can include financial, psychological, social aspects, to performance and physical risks (Ha et al., 2023; Lopez-Nicolas & Molina-Castillo, 2008; Lu et al., 2005; Karoubi et al., 2016). Balakrishnan & Lay Gan's research (2023) supports the significant effect of perceived risk, while Tan et al. (2023) found the opposite result. Therefore, this study aims to take a deeper look at the relationship of the five variables on the intention to use e-wallet among Generation Z, focusing on three major fintech brands in Indonesia: GoPay, OVO, and DANA.

LITERATURE REVIEW

Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) is a theory developed by (Davis, 2013) to explain how users accept and use new technology. TAM focuses on psychological factors that influence users' intention to adopt technology, The main components of TAM are *Perceived Usefulness (PU), Perceived Ease of Use (PEOU), Attitude Toward Using (AT), Behavioural Intention to Use (BI), Actual Use.* The goal of TAM is to predict information system acceptance and identify design problems before users have significant experience with the system. Specifically, TAM measures computer usage factors in terms of perceived usefulness and ease of use (Purnomo. et al, 2022). This model is based on the idea that two main factors influence a person's desire to use a technology: perceived usefulness (perceived usefulness/PU) and perceived ease of use (perceived ease of use/PEOU) (Uula & Avedta, 2023).

Perceived usefulness

Perceived usefulness implies consumer perceptions of the capabilities and conveniences offered by electronic payment systems in facilitating daily transactions (Najdawi et al., 2021). *Perceived of usefulness* is also defined as a person's perception that the use of technology is useful and profitable (Nurqamarani et al., 2024). The indicators in *perceived of usefulness* are: productivity in transactions, transaction effectiveness, useful and more benefits (Nurqamarani et al., 2024).

Perceived ease *of use*

In TAM, *perceived ease of use* (PEOU) along with *perceived usefulness* (PU) are the two main cognitive factors that influence technology acceptance. PEOU not only has a direct impact on *intention to use*, but also significantly affects *perceived usefulness*. The easier a system is to use, the more likely users are to judge the system as useful for improving their performance. According to (Daragmeh et al., 2021) in (Jefferson, 2023) perceived ease of use is a measure of a person's comfort and confidence level when trying to learn and use technology. When users find a system easy to use, they tend to have a positive attitude and are more likely to adopt the technology. The indicators used to measure PEOU include: ease of use; procedures that are easy to understand; easy to master.

Trust

Trust is defined as beliefs that reflect a person's self to voluntarily become a customer of a service provider after seeing and considering the features it offers (Octaviani, L.S., et al.2024). User trust in the system and service providers will determine the success of the adoption of this technology. Trust reflects the extent to which users believe that the payment system will function properly without causing losses or security risks. According to Octaviani, L.S., et al. (2024), indicators to measure trust include: best service with accurate information; service in accordance with expectations; consistent online policies.

Social Influence

Social Influence (SI) is defined as the extent to which a customer understands the people closest to him, such as his friends and relatives that he should use a particular technology/tool (Kazemi et al., 2015). Social influence plays an important role in a wide range of social phenomena, from the formation of public opinion, to the adoption of innovations, to consumer behaviour and the spread of ideas in modern, tightly interconnected societies. In technology models such as UTAUT *(Unified Theory of Acceptance and Use of Technology*), *social influence* is one of the main constructs that influence users' behavioural intention. In the context of using *e-wallets*, *social influence* plays an important role because technology adoption is often influenced by social norms and group pressure. *Social Influence* indicators consist of: Subjective Norms; Social Factors; Product Image (Venkatesh & Davis, 2000).

Perceived risk

Risk is a negative consequence that must be accepted as a result of uncertainty in making decisions, so the perception of risk is a way consumers prepare for possible losses that will be obtained from their decisions due to the uncertainty of what is decided (Nurhayani et al., 2023). In the context of technology, *perceived* risk includes various forms of risk that users feel when considering using a new system. In the context of technology models such as TAM *(Technology Acceptance Model)* and *UTAUT (Unified Theory of Acceptance and Use of Technology)*, *perceived risk* is often considered an external variable that influences users' attitudes and intentions towards technology. The higher the perceived risk that users feel, the lower the likelihood that they will be interested in using the service. Indicators to measure perceived risk consist of: security, ability to maintain privacy, trust in technology, trust in authenticity (Pikkarainen et al., 2004).

Intention to Use

Intention to use refers to a person's desire to perform a certain behaviour if they have a strong desire to do so (Laloan et al., 2023). In the context of technology, this intention is considered a strong predictor of actual usage behaviour. That is, when someone has a strong intention to use technology, it is likely that he will actually implement it. In the context of e-wallets, *intention to use is* an important indicator to measure the extent to which someone is willing to adopt electronic payment systems in their financial activities. Users do not necessarily use e-wallets just because they are available; they need to feel confident and motivated to use them, which is reflected in the intention to use. The indicators of intention to use consist of: daily use, continuous use, recommend use (Hamzah Muchtar et al., 2024).

METHOD

This research is a quantitative study that uses a positivistic approach, with the aim of testing hypotheses through primary and secondary data collection. The population in this study were Generation Z e-wallet users, with a sample size of 150 respondents determined based on the calculation of the number of indicators multiplied by seven (Hair et al., 2017; Sugiyono, 2020). Data analysis techniques were carried out using Partial Least Squares Structural Equation Modeling (PLS-SEM) through SmartPLS software, which includes outer model analysis to test construct validity and reliability, and inner model to test causal relationships between latent variables. The outer model is tested through convergent validity (outer loading > 0.5), discriminant validity using HTMT (< 0.90), and reliability with

Cronbach's Alpha (> 0.7) (Hair et al., 2010). The inner model is tested by looking at collinearity (VIF < 5), R-square value (0.25-0.75 indicates model strength), and hypothesis testing based on p value (< 0.05) and f-square (0.02-0.35 indicates effect size) (Hair et al., 2017). The model is also evaluated through the Q-square value (> 0.02 indicates predictive relevance) and SRMR (< 0.08 indicates good model fit) (Chin & Newsted, 1998; Hair et al., 2019; Schermelleh-Engel et al., 2003). This study examines the effect of *perceived usefulness*, *perceived ease of use*, *trust*, *social influence*, and *perceived risk* on *intention to use* e-wallet, which is modelled in a structural regression equation to describe the relationship between constructs.

RESULT AND DISCUSSION

Characteristics of Respondents

The survey in this study was conducted on 150 respondents of Generation Z who have used e-wallets (OVO, GoPay, Dana) using an online questionnaire. Respondent characteristics are divided into gender, age, education and occupation. Based on table 1 below, 42 male respondents (28%) while 108 female respondents (72%). The data shows that e-wallet users (OVO, Gopay, Dana) aged 12-15 years are 4 people (2.7%), aged 16-19 years there are 28 people (18.7%), aged 20-24 years are 38 people (25.3%) and aged 25-29 years there are 80 people (53.3%). Based on the education category, respondents who often use e-wallets have a D4 / S1 education as many as 93 people (62%), followed by a high school / equivalent educational background of 31 people (20.7%), Diploma (D1, D2, D3) as many as 20 people (13.3%) Respondents who have junior high school / equivalent education there are 4 people (2.7%), and S2 education as many as 2 people (1.3%). Meanwhile, when viewed from the type of work that dominates the PNS / TNI / Polri as many as 50 people (33.3%), Private Employees 38 people (25.3%), Students as many as 26 people (17.3%), Students 20 people (13.3%), BUMN employees as many as 4 people (2.7%), and other jobs include self-employed, trade, PPPK, Honorer and Housewife as many as 12 people (8%). More details about the characteristics of respondents in the study can be seen in the following table:

Table 1. Characteristics of Respondents

Characteristics	Category	Total	Percentage
Gender	**Male**	42	28%
	Female	108	72%
Age Range	12-15 years	4	2.7%
	16-19 years	28	18.7%
	20-24 years old	38	25.3%
	25-29 years old	80	53.3%
Education Level	Primary school/equivalent	0	0%
	Junior high school/equivalent	4	2.7%
	High school/equivalent	31	20.7%
	Diploma	20	13.3%
	D4 / S1	93	62%
	S2	2	1.3%
Jobs	Students	26	17.3%
	Student	20	13.3%
	Civil servants/NI/Police	50	33.3%
	Private Employee	38	25.3%
	SOE Employee	4	2.7%
	More	12	8%

Statistical Analysis

Outer Model Testing (Measurement Model)

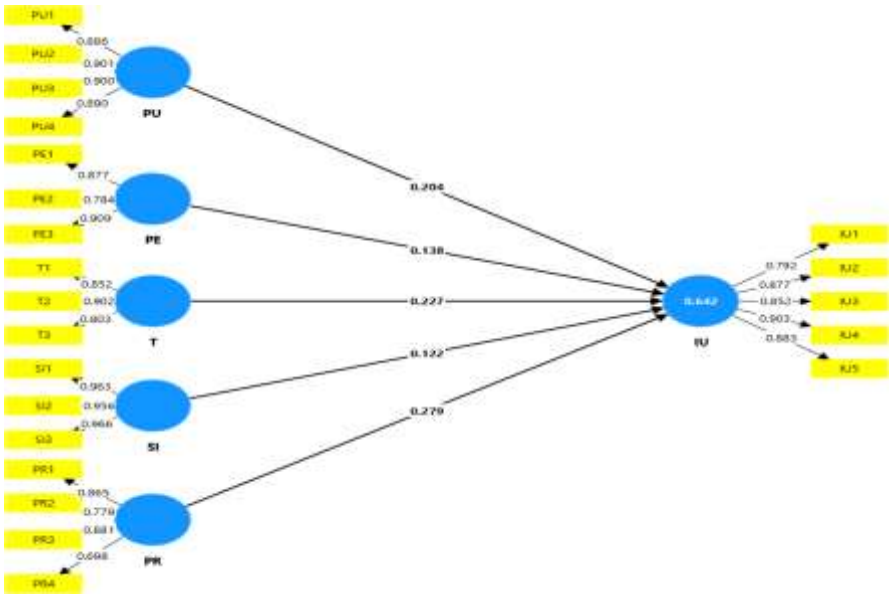

Figure 1. PLS Output

Table 2. Outer Model Measurement

Construct	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
	≥ 0.50	**≥ 0.70**	**≥ 0.70**	**≥ 0.50**
Perceived Usefulness (PU) (X1)				
PU-1	0.886			
PU-2	0.901	0.917	0.925	0.800
PU-3	0.900			
PU-4	0.890			
Perceived ease of use (PE) (X2)				
PE-1	0.877			
PE-2	0.784	0.818	0.824	0.736
PE-3	0.909			
Trust (T) (X3)				
T-1	0.852	0.814	0.836	0.728
T-2	0.902			

Construct	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
	≥ 0.50	**≥ 0.70**	**≥ 0.70**	**≥ 0.50**
T-3	0.803			
Social Influence (SI) (X4)				
SI-1	0.963			
SI-2	0.956	0.959	0.959	0.924
SI-3	0.966			
Perceived Risk (PR) (X5)				
PR-1	0.865			
PR-2	0.779	0.822	0.838	0.654
PR-3	0.881			
PR-4	0.698			
Intention to Use (IU) (Y)				
IU-1	0.792			
IU-2	0.877			
IU-3	0.852	0.913	0.916	0.743
IU-4	0.903			
IU-5	0.883			

Based on table 2, all constructs reflect indicators with loading factors > 0.50. The level of *reliability* of all variables is acceptable with a *Composite reliability* value and *Cronbach's alpha*> 0.70 and *convergent validity* indicated by AVE> 0.50. The perceived usefulness variable is more strongly reflected by PU-2 (LF = 0.901), namely e-wallet increases transaction effectiveness and PU-3 (LF = 0.900), namely e-wallet is useful in making transactions. So the perception of the usefulness of is getting better if the use of e-wallets provides effectiveness and is useful in carrying out transactions. The perceived ease of use (PE) variable is measured by 3 valid items where the outer loading lies between 0.784 - 0.909 which indicates that the three items have a strong correlation in explaining the perceived ease of use in e-wallets. Among the three valid measurement items, perceived ease of use is more strongly reflected by PE-3 (LF = 0.909), namely e-wallet is clear and easy to understand. Likewise, for the *trust* variable *(Trust)* is measured by 3 valid items where the outer loading lies between 0.803- 0.902 which indicates that the three items are correlated strongly in explaining trust. Trust is more strongly reflected by T-2 (LF = 0.902), namely e-wallet services in accordance with expectations. *Social* influence variables (*Social Influence*) are measured by 3 valid items with LF between 0.956-0.966, of the three items social influence is more strongly reflected in SI-3 (0.966), namely People whose opinions I value more recommend using e-wallets. Likewise, the strongest *perceived risk* variable is reflected in PR-3 (LF = 0.881), namely Using e-wallets is financially safe and *intention to use is* measured by 5 items with outer loading between 0.792-0.903. Of the five items, the interest in using *e-wallets* is stronger in IU-4, namely I would highly recommend using e-wallets to others.

The next stage is to check the discriminant validity, in this study using Fornell Larcker, Cross Loading and HTMT.

Table 3. Discriminant Validity with Fornell Larcker

	IU	PE	PR	PU	SI	T
IU	0.862					
PE	0.673	0.858				
PR	0.698	0.601	0.809			
PU	0.619	0.718	0.509	0.894		
SI	0.520	0.461	0.572	0.250	0.961	
T	0.722	0.723	0.716	0.633	0.544	0.853

Discriminant validity testing with Fornell Larcker, as seen in Table 3 shows the root AVE value of the IU dimension 0.862 is higher than its correlation with PE 0.673, higher correlation with PR 0.698, higher correlation with PU 0.619, SI 0.520 and so on up to T 0.722. These results indicate the fulfilment of good discriminant validity for the *intention to use* dimension of *e-wallet*. Overall, each dimension has a higher AVE root than the correlation of that dimension with other dimensions. So that discriminant validity is fulfilled for all measurement dimensions.

Table 5. Discriminant Validity with HTMT

	IU	PE	PR	PU	SI	T
IU						
PE	0.779					
PR	0.781	0.716				
PU	0.671	0.821	0.564			
SI	0.553	0.520	0.647	0.264		
T	0.827	0.876	0.865	0.711	0.638	

Table 5 shows that the HTMT values of all dimension pairs are <0.90. Overall, the test results indicate that the variables exhibit strong validity and reliability, making them suitable to support additional testing. The consistent correlations among the variables further strengthen the credibility of the model, ensuring that it can effectively measure the constructs being evaluated.

Inner Model Testing

Inner model analysis aims to test the research hypothesis. This research is reflective research, so Collinearity / Variance Inflation Factor / VIF) testing is not required (Hair, et al, 2021) just use R Square.

Table 6. R Square

	R-square	Adjusted R-square
PA	0.642	0.629

Based on table 6, the R Square value of the simultaneous effect of *perceived usefulness, perceived ease of use, trust, social influence, perceived risk on intention to use e-wallet* is 0.642 with an Adjusted R Square value of 0.629. So it can be concluded that all exogenous constructs *of perceived usefulness, perceived ease of use, trust, social influence, perceived risk on intention* simultaneously are 0.642 or 64.2%. Meanwhile, for the Adjusted R Square value of 0.629 or 62.9%, the effect of *perceived of usefulness, perceived ease of use, trust, social influence, perceived risk on intention perceived of usefulness, perceived ease of use, trust, social influence, perceived risk on intention* is in the moderate category because the value is less than 0.75 and more than 0.50.

Hypothesis Test

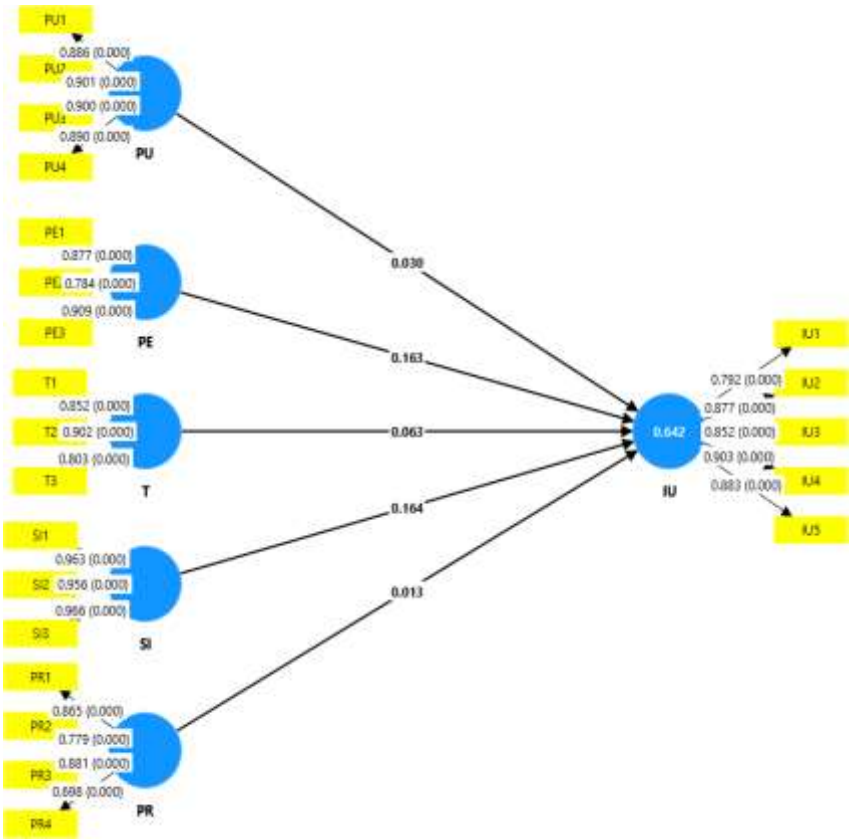

Table 7. Hypothesis Test

	95% Confidence Interval Path Coefficient	F Square

	Path Coefficient	P Values	Lower Limit	Upper limit	
PU -> IU	0.204	0.030	0.021	0.389	0.050
PE -> IU	0.138	0.163	-0.058	0.330	0.018
T -> IU	0.227	0.063	-0.030	0.449	0.046
SI -> IU	0.122	0.164	-0.044	0.298	0.025
PR -> IU	0.204	0.013	0.069	0.515	0.093

Based on Table 7 the test results above show that:

The first hypothesis (H1) is accepted, namely that there is a significant positive effect *of perceived usefulness* on intention of use (interest in using) e-wallet with a path coefficient of 0.204 and p-value (0.030 <0.05). Any change in perceived of usefulness will increase the intention to use e-wallet. In the 95% interval, the effect of *perceived of usefulness* increasing interest in using (intention to use) e-payments lies between 0.021 to 0.389. Thus the existence of *perceived of usefulness* in increasing interest in use (*intention to use*) has a moderate influence at the structural level (f square = 0.050).

The second hypothesis (H2) is rejected, namely that there is no significant effect of *perceived ease of use* on budget absorption with *path coefficient* (0.138) and p-value (0.163 > 0.05). Any changes in *perceived ease of use* have no effect on the *intention to use* e-wallets among Generation Z. In the 95% interval, the effect of *perceived ease of use* lies between -0.058 to 0.330.

The Third Hypothesis (H3) is rejected, namely that there is no significant effect of *trust* on the interest in using *(intention to use)* e-wallets in Generation Z with a path coefficient (0.227) and p-value (0.063> 0.05). Any changes in trust do not affect the interest in using (intention to use) e-wallets among Generation Z.

The Fourth Hypothesis (H4) is rejected where *social influence* does not have a significant effect on *intention to use* e-wallet among Generation Z with a *path coefficient* (0.122) and p-value (0.164>0.05).

The Fifth Hypothesis (H5) is accepted, namely that there is a significant positive effect of *perceived risk* on intention of use (interest in using) e-wallet among Generation Z, with a path coefficient of 0.204 and p-value (0.013 <0.05). Any change in perceived risk will increase the intention to use e-wallet. In the 95% interval, the effect of *perceived risk* increasing interest in using (intention to use) e-payment lies between 0.069 to 0.515. Thus the existence of *perceived risk* in increasing interest in use (*intention to use*) has a moderate influence at the structural level (f square = 0.093).

Model Fit Test

PLS is a variance-based SEM analysis with the aim of testing model theory that focuses on prediction studies. Therefore, in this study, the model fit test uses R-Square, Q-Square and SRMR.

Table 8. R Square and Q square

	R-square	Q-square
IU	0.642	0.464

Based on Table 8 is 0.642 that the effect of *perceived usefulness, perceived ease of use, trust, social influence, perceived risk* is 64.2% (moderate influence) because it is above 0.50 and 0.75. The coefficient of determination (R2) is expected to be between 0 and 1. The R square values of 0.75, 0.50 and 0.25 indicate that the model is strong, moderate and weak. The Q square value for *intention to use* (0.464) is above 0 (model *predictive relevance*). The Q Square value of intention to use (0.464> 0.25) has *medium predictive relevance.*

Table 9. SRMR

	Saturated Model	Estimated Model
SRMR	0.095	0.095

Table 9. shows the SRMR value of 0.095, the SRMR value between 0.08 - 0.1) is still acceptable, indicating that the model fits the empirical data (Schermelleh-Engel et al., 2003).

Discussion

The Effect of *Perceived usefulness* (X1) on *Intention to Use* (Y) *e-wallet* (OVO, Gopay, Dana)
The results of the t test that have been carried out to determine the effect of *Perceived usefulness* (X1) on *Intention to Use* show that t count (2.846) > t table (1.9840), this proves that *perceived usefulness (Perceived of Usefulness*) has a positive and significant effect on the desire to use (*Intention to* Use) *e payment* (OVO, Gopay and Dana) in Generation Z. *Perceived usefulness* has a significant positive effect on interest in using *m-payment* in India (Shankar & Datta, 2018). Another study states that the *perceived usefulness* factor has a significant effect on interest in using the GoPay application in Generation X (Kumala et al., 2020). Another study by Al- Damour, A., et al. (2021) states that perceived usefulness has a significant effect on the intention to adopt electronic payment services. This means, when users feel that e-wallet applications such as Gopay, OVO, and DANA really help their activities (for example: faster transactions, easier bill payments, or integration with other services), their interest in using the application will increase. The greater the benefits that users feel from the application, the higher their interest in adopting and continuing to use e-wallet services in their daily lives.

Effect *of Perceived ease of use* (X2) on *Intention to Use* (Y) *e-wallet* (OVO, Gopay, Dana)
Based on table 6. shows that t count < t table (1.453 < 1.9840), this shows that the perception of convenience partially does not have a significant influence on the desire to use e- payment (OVO, Gopay and Dana). This shows that perceived convenience does not always affect the interest in using e-wallets. Previous research shows that ease of use does not have a significant effect on interest in using open banking (Briones de Araluze & Cassinello Plaza, 2023). These results are in line with research (Suhendry, 2022) which states that *perceived ease of use* has a negative influence on interest in using the DANA e-wallet. *Perceived Ease of Use* has no significant effect on the intention to continue using e-Wallet (Novira et al., 2024). Technical barriers such as ease of access, applications that are not easy to understand are the main determinants of interest in using e-wallet services in Indonesia.

The Effect of Trust (X3) on Intention to Use (Y) e-wallet (OVO, Gopay, Dana)
The t test results in table 6 show that t count < t table (0.540 < 1.9840) indicates that *trust* does not have a significant effect on interest in using *e-wallets* (OVO, Gopay, Dana). In accordance with research by Anh To Tho & Thi Hong Minh Trinh (2021) states that trust has no significant effect on interest in using

mobile payments in Vietnam. This research contradicts research (Zhao et al., 2024) which states that *trust* has a significant positive effect on interest in using *fintech* in pakistan. Likewise, research (Nawawi et al., 2023); (Ansori & Nugroho, 2024) that trust has a significant positive effect on *Mobile Payment Application*. This means that even though users trust e-wallets (Go Pay, OVO and DANA), this trust is not always enough to increase interest in using directly. So trust is not always the main driver of initial interest in using e-wallet services.

The Influence of Social influence (X4) on Intention to Use (Y) e-wallet (OVO, Gopay, Dana)
The results of the t test in table 6 show that social influence (*Social Influence*) has no significant effect on interest in using *e-wallets*. Based on the results of research conducted among Generation Z regarding the use of e-wallets (OVO, GoPay, and DANA), the effect of social influence on interest in using e-wallets was found to be insignificant even though the coefficient was positive 0.122. This means that although there is a slight influence from the social environment such as friends, family, or community, this factor is not strong enough to significantly influence Generation Z's interest in using e-wallets. Generation Z who are familiar and independent in the use of digital technology may rely more on personal judgement than influence from others in choosing e-wallet services. The results of this study support previous research (Nabila & Wikantari, 2024) which states that *social* influence affects the use of *contactless cards.* Other research by (Vania Aureli Nurizky & Tirton Nefianto, 2023) shows that social influence has no effect on interest in using mobile wallet applications. This shows that with the development of e-wallets that are already very massive and familiar in society, users tend to make decisions based on personal needs and direct experience, not solely due to social pressure or recommendations. In other words, internal factors and perceived usefulness are more dominant than social influence.

The effect of Perceived risk (X5) on Intention to Use (Y) e-wallet (OVO, Gopay, Dana).
The value of t count> t table (3.567> 1.9840) shows that perceived risk has a positive influence on interest in using e-wallets (OVO, Gopay, Dana) in Generation Z. This influence mainly occurs when perceived risks can be minimised or managed well by service providers, so that users' trust and interest in using e-wallets increases. This influence mainly occurs when perceived risks can be minimised or managed properly by service providers, so that users' trust and interest in using e-wallets increases. In other words, good risk management is key in increasing the adoption and interest in using e-wallets (OVO, GoPay and DANA) in society. Previous research (Penney et al., 2021) shows that *perceived risk* has a significant positive effect on interest in using Mobile Money Services. In line with research by Mer, A., and Virdi, A., S. (2023) that perceived risk has a significant positive effect on the use of *e-banking*. In contrast to research (Candy et al., 2022) states that *perceived risk* has no significant effect on the use of *e-wallets.*

CONCLUSION

This study aims to analyse the factors that influence interest in using e-wallets (such as OVO, GOPAY, and DANA) among Generation Z. Based on the results of data analysis, perceived usefulness has a positive and significant effect on interest in using e-wallets. This shows that the greater the benefits felt by Generation Z, such as time efficiency, convenience, and practicality, the higher their interest in using e-wallet services. Another indicator that affects the interest in using e-wallets (OVO, Gopay and DANA) is risk perception. This result is quite interesting because it shows that Generation Z is still interested in using e-wallets even though they are aware of potential risks, such as data security or possible transaction errors. This can reflect a fairly high level of courage or digital literacy among Generation Z. In contrast, the variables of perceived convenience, trust, and **social** influence do not have a significant effect on interest in using e-wallets. This means that the ease of use of the application, the level of trust in service providers, or the influence of people around is not a dominant factor in influencing Generation Z's decision to use e-wallets. In general, these findings indicate that Generation

Z is more focused on direct benefits and ready to bear the risks that may arise, rather than simply relying on technical convenience or external influences in deciding to use digital financial technology.

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