Analysis of the Use of Non-Cash Payment Instruments in Realizing A Less Cash Society in the Environment

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Abstract

The purpose of this study is to determine the partial and simultaneous influence between promotional attractiveness, product knowledge, benefit perception and income level with the use of non-cash payment instruments, and also to determine the effect of using non-cash payment instruments in realizing *a less cash society*. The population is all lecturers in PTKIN and PTKIS Riau Province totaling 954 with samples calculated based on the formula of Issac & Michael resulting in a sample of 211 respondents. The sampling method uses *Cluster Proportional Random Methode*. And the data is analyzed with *Analysis Path.*

The results showed that partially or simultaneously the variables of promotional attractiveness (X1), product knowledge (X2), benefit perception (X3), and income level (X4) had a positive and significant effect on the use of non-cash payment instruments (Y) with the contribution of independent variables to the dependent variable of 73.37%, and the remaining 26.63% influenced by other variables. While the variable use of non-cash payment instruments (Y) has a positive and significant effect on the variable less *cash society*, with a contribution value of 47.61% while the remaining 52.4% is influenced by other factors outside this study.

Keywords: Non-Cash Payment, A Less Cash Societ, Environment

A Less Cash Society in the Environment

INTRODUCTION

The payment system in Indonesia until now continues to make changes and updates along with technological advances. Technological developments will change payments that have been dominated by cash, which are currency notes, will slowly be shifted to the role of payment instruments in the form of non-cash payments such as certificates, checks, giro that have long been known, or in the form of credit cards, debit cards, ATMs, prepaid cards, club cards and e-banking and also other types of cards that can be used as a means of payment that is more effective and efficient and safe. Therefore, the role of the banking sector in general is still very dominant in the cashless payment service industry, which in the end is expected to lead to the formation of a culture of *less cash society.*

Bank Indonesia as the central bank also has a responsibility so that the wider public can obtain payment system services that are efficient, fast, precise and secure. as stated in Law no. 23 of 1999 amended into Law no. 3 of 2004, that one of the duties of Bank Indonesia is to regulate and maintain the smooth payment system in Indonesia, both including cash and non-cash payment systems.

The emergence of card-based and electronic *non-cash payment systems (e-payments)* supports most economic transactions in developed countries, thus contributing greatly to the country's economic growth. This is evidenced by data from the Royal Bank of Scotland (RBS) and Capgemini, said the volume of non-cash transactions continued to grow from year to year to reach 334.3 billion transactions in 2012 and the figure will certainly continue to increase. The Emerging Market Group consisting of Central Europe, Middle

East, and Africa (CEMEA) and Asia led the growth with contributions of 23.8% and 22.8%. This growth was mostly supported by APMK and the rest through *direct debits*, *credit transfers* and cheques.[1]

Compared to other countries, non-cash transactions in Indonesia are still classified as *inception* but have shown a significant increase. Bank Indonesia recorded that the volume of transactions through the non-cash system has reached 4.6 billion transactions in 2014, an increase of 16.3% compared to 2013 which only amounted to 3.9 billion transactions. This increase was largely supported by APMK, whose volume reached 4.3 billion or 93.5% of the total non-cash transaction volume and this will continue to increase over time. This shows that the Indonesian people have an increased need for a cashless payment instrument that is more efficient and faster.

The development of payment transactions shows very significant progress and this shows the need for people to be interested in using non-cash payment instruments. As stated by Warjiyo in Ikaputra, public interest in using the cashless payment system is influenced by, among others, several factors, including: the increasing level of consumer satisfaction with reduced transaction costs, the existence of sources of income for non-cash payment service providers, increased transaction speed, economic growth, and the level of welfare. However, on the other hand, the use of electronic payment facilities can increase the risk of *default*, especially in credit card and postpaid card instruments, which will eventually occur systemic risk in interbank payment settlement, information technology risk that can cause errors and fraud in the transaction settlement process, and increased risk of financial system instability.[2]

Research conducted by Rahma Helmi and Zaki Mubarok in South Kalimantan, to identify perceptions, preferences and behavior of the community in the use of non-cash payment instruments towards *a less cash society*. The assumption of public perception in this study emphasizes more on factors of gender, education, age, employment and expenditure. Meanwhile, people's preference for cashless payment systems is influenced by demographic, social and economic factors inherent in these communities. While the elements assessed in behavior are respondents' motivation in using non-cash instruments which include convenience, no hassle carrying cash, and safe transactions.[3]

Next Research Ika Putra Waspada, conducted research with the aim of identifying factors that influence the acceptance of e-money among users and developing strategies to accelerate e-money adoption among the public. The results showed that users' e-money adoption was influenced by perceived benefits, ease of transactions, adequacy of information and level of security, and privacy and level of transaction security were still felt to be very low.[4]

Meanwhile, for Riau Province with a population spread evenly throughout rural and urban areas, according to Bank Indonesia report data shows that Riau people are still *in the underbanked* category, meaning that most of them still do not have access to the banking sector. Riau, although included in the province that has a fairly good potential economic resources, in the use of banking financial services is still in the low category. This can be an indication that economic equality in Riau is still uneven and knowledge about banking services has not been absorbed throughout the Riau community. This is shown by the development of APMK is still limited to the use of ATM cards, credit cards, and debit cards. The amount of public transactions using credit cards is also relatively very low and generally only in cities, regencies and / municipalities.

Departing from the above, this study is intended to determine the factors that influence people in using non-cash payment instruments and how this has an impact on the creation of *a less cash society* in Indonesia, especially among PTKI lecturers in Riau province. Respondents were selected on the grounds that most of these lecturers are upper-middle income and their salary receipts have mostly been made directly through bank accounts. In addition, lecturers are a group of academics who are assumed to be able to think scientifically, rationally and technologically in using APMK, which in the end is expected to be able to

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[2] Ibid

[3] Rahman Helmi and Zaki Mubaraok, *Factor Analysis Influencing the people of South Kalimantan against the use of non-cash payments.*

[4] Ikaputera Alert, 2012, *Acceleration of Information Technology Transaction System Adoption to Increase Accessibility of Banking Services*, Journal of Finance and Banking, Vol.16.No.1 January 2012, Bandung

influence awareness of the importance and benefits of non-cash payments. Therefore, this study aims to determine the partial or simultaneous influence between promotional attractiveness, product knowledge, benefit perception and income level with the use of non-cash payment instruments among lecturers in Riau province in realizing *a Less Cash Society*.

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LITERATURE REVIEW
Payment Systems
In Law No. 23 of 1999 BI article 1 point 6 it is explained that:

"The Payment System is a system that includes a set of rules, institutions, and mechanisms used to carry out the distribution of funds to fulfill an obligation arising from an economic activity. The payment system must be able to ensure the efficient and safe movement of public money so as to ensure comfort in carrying out every transaction carried out in economic activities. So Bank Indonesia as the central bank basically has the obligation to regulate and supervise the payment system that takes place in people's economic activities by realizing the system desired by economic activity actors."

The payment system consists of the following elements:

1) Politics/policies adopted, normative, explain the objectives and benefits expected to be achieved/obtained from the payment system.

2) Institutions/organizations involved in the payment system.

3) Applicable legal system.

4) Instruments of payment that are common and declared legal to use.

Payment instruments can be classified into cash and non-cash. Cash payment instruments are currency consisting of banknotes and coins that we have known so far. Cash still plays an important role in everyday life, especially in transactions of little value. While non-cash payment instruments, can be divided into non-cash payment instruments with paper media or called paper-based instruments such as, cheques, bilyet giro, money orders, BI-RTGS and others which are usually payment transactions with large nil ai, as well as non-cash payment instruments with card media or commonly called *card-based instruments* such as credit cards, debit cards, ATM cards and others. [5]

The benefits of using non-cash payment instruments, 1) safe and practical, meaning that when carrying non-cash payment instruments, it must also be more practical than cash, besides that it is also definitely safer.2) the intrinsic value of cash is relatively greater than non-cash payment instruments, because the use of non-cash will reduce the cost of printing cash and save management costs.3) Easy integration with the financial system so that it is also easier to calculate economic activity.4) Increase the circulation of money in the economy (*velocity of* money) so that it will stimulate economic excitement and growth as a result of the money multiplier it creates.

INTEREST
Accordingto Ajzen (2011) in Setyo and Rosmauli (2015) said interest is a condition that occurs in individuals which includes the relationship between the individual himself and some decisions or actions he will take. Alam Shah (2010), said that interest (*interst*) is a great feeling towards something desired.

A person's interest can be described by the will or drive that arises from within the person to choose something desired which will then be followed by action. According to Nor (2007) in Pranidana (2011) the indicators of the variable of interest are as follows:

1) Trust or trust is the desire of an individual to believe something, that it is not problematic for him.

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[5] Annonimous,2009, *Payment Instruments (Introduction to Payment Systems &; Instruments Payment)*, Directorate of Accounting and Payment Systems Payment System Development Bureau National, Jakarta

2) Relative advantage is the user's perception that innovation on electronic cards owned can provide benefits for themselves.

3) Compatibility, namely with innovations in electronic cards used by users in accordance with existing values, past experience, and potential needs.

4) Easy of use , namely with the electronic card easy to use

LESS CASH SOCIETY

Less Cash Society means the lifestyle of people who tend to carry out daily financial transactions in a non-cash (Compas.com) manner

Meanwhile, according to Bank Indonesia, *Less-cash* society can literally be translated as a society that increasingly uses less cash in daily transactions(Bank Indonesia, 2014). Bank Indonesia as the central bank has tried to direct the public to become more accustomed to cashless transactions. Growing technology has allowed the process of transferring funds can be done through various mediums, internet banking, phone banking, sms banking, ATMs, credit cards, debit cards, all of which can be tailored to the needs and convenience of the community. The increasing number of choices and markets for non-cash transactions is expected to encourage people to transact without involving cash and in turn will get used to these conditions, so it is hoped that a less cash society will be realized.

One indicator of *a less cash society* is that people who make transactions rely more on electronic payment instruments than cash.

According to Susiati Dewi BI, Indonesia is currently in *stage* 1 – *bulk transition* towards *electronic* payment, which is marked by various instruments and payment channels, but users are still limited (Dewi, 2014). Furthermore, Susiati Dewi explained that to go to *stage* 2 and beyond, there are four focuses of development and improvement including infrastructure development, expanding coverage, harmonization of regulations and coordination between authorities, and changes in community behavior.

The efforts made by the government to realize the *cashless* era are in line with the spirit to provide inclusive financial services to the community. [6]

Bank Indonesia explained that financial inclusion is the availability of access to financial services and banking products to low-income people or people who are classified as people who cannot be reached by banking services both in terms of *supply* and *demand* due to gaps related to products, facilities, prices, and information on banking services, or commonly called *unbanked people.*

In addition to providing inclusive financial services, *cashless society* can also provide good governance in terms of financial transactions. All transactions and payments in an environment will be electronically regulated, creating a permanent record for authorities to analyze and track when necessary (thenewamarican.com). The advantages that can be created from the cashless era can suppress the *Underground Economy,* namely people who conduct economic transactions not through *banking* systems or other payment systems so that they are difficult to detect and tend to be used for illegal transactions.

METHODOLOGY

This study was designed using a quantitative approach using *cross section* data and hypothesis testing analysis with *path analysis* that highlights the influence between exogenous variables and endogenous variables.

The population in this study was all lecturers in PTKIN and PTKIS Riau Province totaling 954 people by taking samples presented by Issac & Michael andn confidence level of 5%, Based on calculations, the sample was 211 people. The sampling method uses the *Cluster Proportional Random Sampling Method*, by taking samples by region and then calculated based on the proportion of the number of lecturers at PTKI in Riau, in order to produce more accurate samples.

Thedata analysis method used is **path** *analysis*. That is to measure the pattern of the relationship between the magnitude of the influence of several causal variables (exogenous) on the consequent variables (endogenous). Analysis of this path follows a structural pattern or called a structural model (Kusnendi, 2005).

Frame of Mind

Along with the development of technology and also the increasing economic transaction activities of the increasingly complex community, practical, effective and efficient payment instruments are needed so that non-cash payment instruments such as credit cards, debit cards, ATM cards, and others appear, which will gradually shift the role of cash and change to using non-cash payment instruments, which in the long run is expected to realize the condition of less cash society in Indonesian society.

Factors that influence the use of non-cash payment instruments are promotional attractiveness, knowledge of the product, perceived benefits and income level. Furthermore, the use of non-cash payment instruments will have an impact on the *less cash society*, which is a condition of people who increasingly use less cash. Based on the above, the framework of thought in this study is

Picture. 1. THINKING FRAMEWORKN
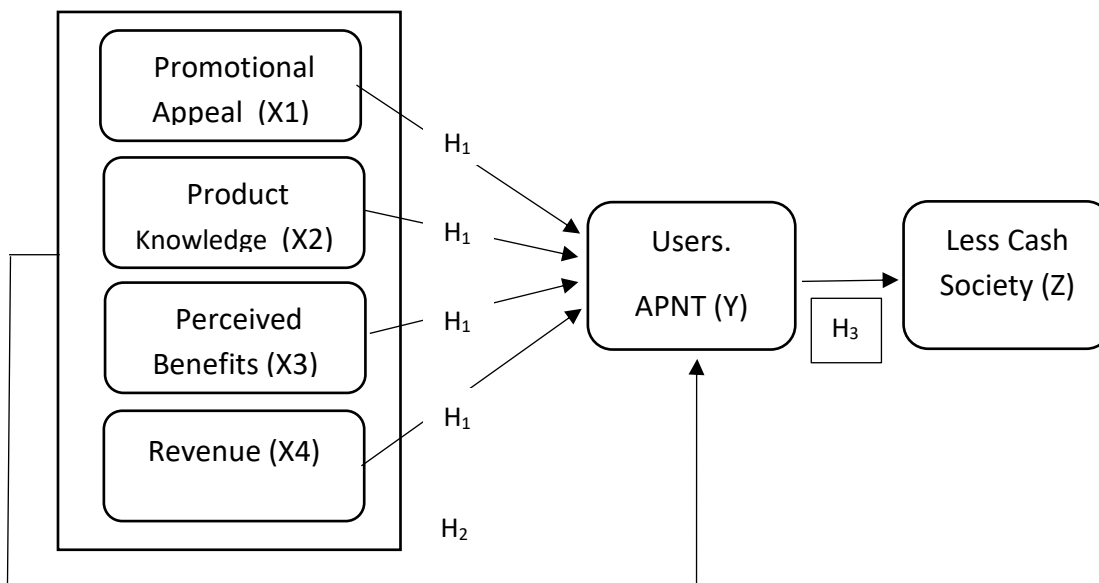
RESULTS

Research Hypothesis Testing

Hypothesis testing in this study uses path analysis *(Path Analysis)* meaning analysis that explains the relationship between variables, and explains the causal relationship between variables by transforming ordinal data into the form of interval data using parametric statistics. The hypothesis of this study states that Promotion Attraction, Product Knowledge, Perceived Benefits and Income have a positive effect on Interest in Using Non-Cash Payment Instruments and have an impact on Less Cash Society, Research testing is carried out simultaneously and partially. The value of the coefficient of each variable can be seen in the following Substructure 1 figure2:
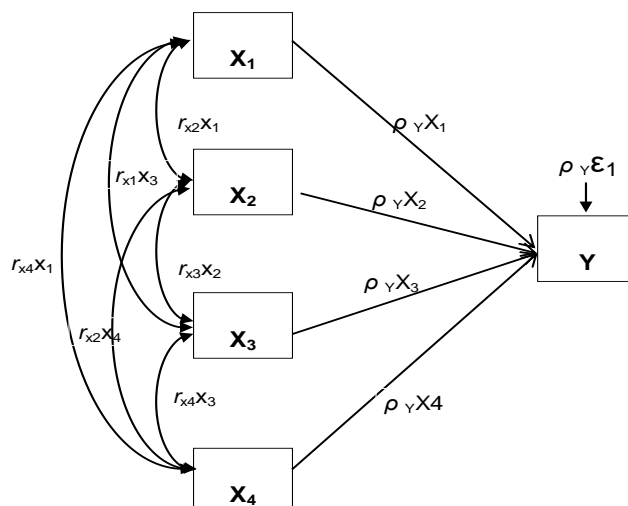
The value of the path coefficient, shows the magnitude of the value of the path coefficient of variable X_1 against variable Y of 0.351 (,YX1 = 0.351), the value of the path coefficient of variable X_2 to variable Y of 0.265 (YX2 = 0.265), $\rho$and the value of the path coefficient of variable X_3 to variable Y of 0.281 (ρ_{YX3} = 0.281). ρ As well as the value of the path coefficient of the variable X_4 to Y of 0.169 ($_{YX4}\rho$ = 0.169).

Furthermore, based on calculations, the coefficient of determination (R^2) is 0.7334, meaning that the contribution of the influence of variables X1, X2, X3 and X4 on variable Y is 73.34% while the remaining 0.2666 or 26.66% is influenced by other variables outside this study.

After that , hypothesis testing was carried out to determine whether there was a positive influence either simultaneously or partially from the variables Promotional attractiveness, Product Knowledge, Perceived Benefits and Income on Interest using non-cash payment instruments.

1. Simultaneous Hypothesis Testing

$H_O : \rho YX_i = 0$:   Thereis no influence of promotional attractiveness, product knowledge, perceived benefits and income on interest in using APNT

$H_a : \rho YX_i \neq 0$:   There is an influence of promotional attractiveness, product knowledge, perceived benefits and income on interest in using APNT

Based on the calculation results with the F test, an F value of F is obtained= 141,60
and free degree: $V1 = k = 4$ dan $V2 = 211 - 4 - 1 = 206$ with the level of confidence obtained, because the value then $(\alpha) = 0.05 F_{(4;206;0.05)} = 2.65 F_{hitung} = 141,60 > F_{(4;206;0.05)} = 2.65 H_0$ is rejected, meaning that the variables of promotional attractiveness, knowledge of the product, perception of benefits and income simultaneously have a positive and significant influence on interest in using APNT,

2.   Partial testing of path coefficients

a. Test Hypothesis X1

H 0   : ρ YX$_1$ = 0   There is no effect of Promotional attractiveness on Interest in Using APNT

H$_a$: ρ YX$_1 \neq 0$ There is an influence of promotional attractiveness on Interest in using APNT

Based on the calculation results, a calculated value of 5.760 was obtained with a confidence level (α) = 0.05 obtained a value of t $_{(210; , 0.05)}$ = 1.645, because the calculated t value > t$_{table}$, then H$_0$ was rejected, meaning that the variable Promotion Attractiveness (X$_1$) had a positive and significant effect on Interest in using APNT (Y).

b. Test hypothesis X2

H 0   : ρ YX$_2$ = 0   There is no effect of Knowledge on Interest in using APNT

H$_a$: ρ YX$_2 \neq 0$ There is an influence of product Knowledge on Interest in using APNT

Based on the results of thedip calculation, the calculated value of 4.767 with a confidence level (α) = 0.05 obtained a value of t$_{(210;,0.05)}$ = 1,645, because the value of t is $_{calculated}$ > t$_{table}$, then H$_0$ is rejected, meaning that the product Knowledge variable (X$_2$) has a positive and significant influence on interest in using APNT (Y).

c. Test hypothesis X3

H 0   : ρ YX$_3$= 0   There is no effect of perceived benefits on interest in using APNT

H$_a$: ρ YX$_3 \neq 0$ There is an effect of perceived benefits on interest in using APNT

Based on thecalculation result, a calculated value of 4.854 was obtained with a confidence level (α) = 0.05 obtained a value of t$_{(210;,0.05)}$ = 1,645, because the calculated value of t > t$_{table}$ then H$_0$ was

rejected, meaning that the variable Perception of benefits (X_3) had a positive and significant influence on interest in using APNT (Y).

d. Test hypothesis X4

$H 0 \quad : \rho\ YX_4 = 0$ There is no effect of Income on Interest in using APNT

$H_a \quad : \rho\ YX_4 \neq 0$ There is an effect of Income on Interest in using APNT

Based on thecalculation result, a calculated value of 4.507 was obtained with a confidence level (α) = 0.05 obtained a value of $t_{(210;,0.05)} = 1,645$, because the calculated value of $t > t_{table}$, H_0 was rejected, meaning that the variable Income (X_4) had a positive and significant influence on Interest in using APNT (Y).

1. **Direct and indirect** influence of **X_1 on Y**
    a. Direct influence

        From the calculation, the direct influence of X1 on Y is 0.1232 or 12.32%.

    b. Indirect influence

        From the calculation results obtained as follows:
        a. Effect of X_1 on Y through X_2 = 6.63 %
        b. Effect of X_1 on Y through X_3 = 7.37 %
        c. Effect of X 1 on Y through X_4 = 1.42 %

    The amount of direct and indirect influence of variable X_1 on variable Y is: 27.74%.

2. **Direct and indirect** influence **(X_2) on (Y)**

    Fromthe calculation results obtained as follows:
    a. Effect of X_2 on Y = 7.02 %
    b. Effect of X_2 on Y through X_1 = 6.63 %
    c. Effect of X_2 on Y through X_3 = 5.21 %
    d. Effect of X_2 on Y through X_4 = 0.30 %

    The amount of direct and indirect influence of the variable X_2 on Y is: 19.16%.

3. **Direct and indirect** influence **(X_3) on (Y)**

    Thus the interpretation is as follows:
    a. Effect of X_3 on Y = 7.89 %
    b. Effect of X_3 on Y through X_2 = 5.21 %
    c. Effect of X_3 on Y through X_1 = 7.37 %
    d. Effect of X_3 on Y through X_4 = 0.71 %

    The sum of direct and indirect influences between variable X_3 to Y is: 21.18%.

4. **Direct and indirect** influence **(X_4) on (Y)**

    Thus the interpretation is as follows:
    a. Effect of X_4 on Y = 2.86 %
    b. Effect of X_4 on Y through X_3 = 0.71 %
    c. Effect of X_4 on Y through X_2 = 0.30 %
    d. Effect of X_4 on Y through X 1 = 1.42 %

    The sum of direct and indirect influences between variables X_4 to Y is 5.29%.

The table below is a recapitulation of the value of the path coefficient derived from the variables Promotion attractiveness (X_1), Knowledge variables of products (X_2) and variables of Perception of benefits (X_3) and variables of Income (X_4) on Interest using APNT (Y) and the influence of other variables (ε) that were not studied in this study, are

Table: Recapitulation of the value of the coefficient of influence x_1 x_2 x_3 x_4 against y

Variable	Direct influence	Indirect Influence				Sub Total	Total Influence
		X_1	X_2	X_3	X_4		
X_1	12,32%	-	6,63%	7,37%	1,42%	15,42%	27,74%
X_2	7,02%	6,63%	-	5,21%	0,30%	12,14%	19,16%
X_3	7,89%	7,37%	5,21%	-	0,71%	13,29%	21,18%

X_4	2.86%	1,42%	0,30%	0,71%	-	2,43%	5,29%
The effect of the variable x_1 x_2 x_3 x_4 on y							73,37%
The influence of other variables on Y							26,63%
Total Influence							100%

Source: Processed Data 2017

Based on the above hypothesis testing, it can be concluded that simultaneously the variables of promotional attractiveness, Product Knowledge, Perception of benefits and Income have a positive and significant influence on the variable Interest in using non-cash payment instruments, both directly and indirectly, which is 73.37%, as evidenced by the magnitude of the calculated F value rather than the F value of the table. While the remaining 26.63% was influenced by other variables that were not included in this research model.

The following figure shows the figure of Substructure 2 of the path coefficients:

$$\rho Z \varepsilon_2 = 0,524$$

$$\rho ZY = 0,690$$

Figure of Path Coefficient in Substructure 2
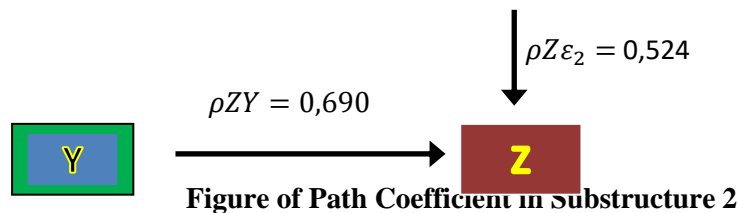
The picture above shows the influence of interest in using non-cash payment instruments (Y) on the Less Cash Society (Z). The value of the path coefficient above shows $\rho ZY = 0.690$.

Sfurther calculated the coefficient of determination as meaning the $0{,}4761$ contribution of Y's influence on Z was 47.61% while the remaining 52.39% was influenced by other factors outside this study.

The definition of the hypothesis states that:

H 0   : ρ YZ = 0   : ρ yz = 0 There is no effect of   interest   in   using APNT on the Less Cash Society.

H_a : ρ YZ $\neq$ 0   : ρ yz $\neq$ 0   Thas an effect of Interest in using APNT on Less Cash Society.

Based on the calculation, the Fcalculate value is 190.221, with free degrees: V1 = k = 1 and V2 = $211 - 1 - 1 = 209$ and the confidence level (α) = 0.05 obtained F(1;,209;0.05) = 3.89, because the F value is calculated > F(2;,209;0.05) then H_0 is rejected, meaning that Interest in using APNT has a positive and significant effect on Less   Cash Society.

Furthermore, based on the calculation of the t test with a confidence level (α) = 0.05, a calculated t value = 13.792 > a t(210;,0.05) = 1,645 value, then H_0 is rejected, meaning that the variable Interest in using APNT (Y) has a positive and significant effect on the Less Cash Society (Z).   Meanwhile, the direct influence of interest in using APNT on the Less Cash Society was 47.6%

For more details, the direct and indirect influence of each variable can be seen in the following figure of the path coefficient structure:
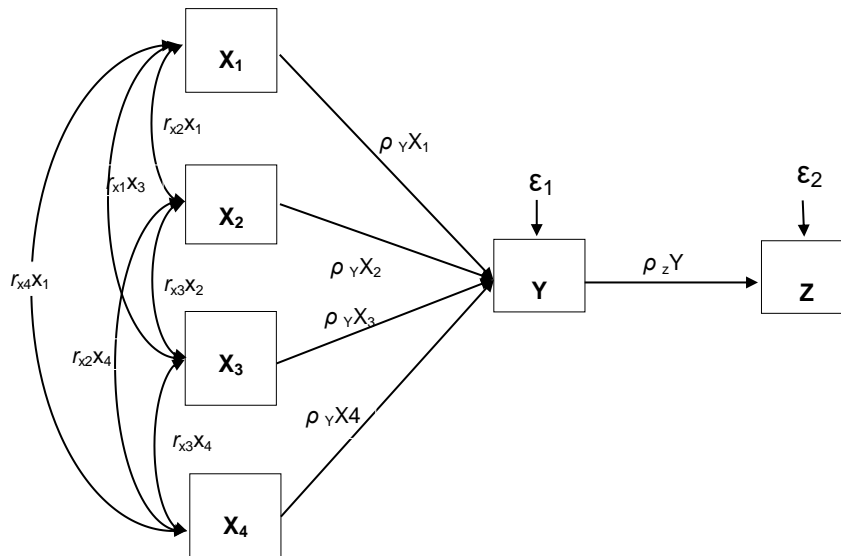
Table: Recapitulation of Coefficient Values X₁, X₂, X₃, X₄ and Y, Against Z

Variable	Direct influence	Indirect Influence				Sub Total	Total Influence
		X_1	X_2	X_3	X_4		
X_1	12,32%	-	6,63%	7,37%	1,42%	15,42%	27,74%
X_2	7,02%	6,63%	-	5,21%	0,30%	12,14%	19,16%
X_3	7,89%	7,37%	5,21%	-	0,71%	13,29%	21,18%
X_4	2,86%	1,42%	0,30%	0,71%	-	2,43%	5,29%
	The effect of the variable x_1 x_2 x_3 x_4 on y						73,37%
Variable Y	Influence to Z						47,61%

Source: Processed Data 2017

Based on the table above, the direct influence of the promotion attractiveness variable on the interest variable using non-cash payment instruments was 12.32%, the influence of product knowledge variables on interest in using non-cash payment instruments directly was 7.02%, and the direct influence of benefit perception variables on interest in using non-cash payment instruments was 7.89%, and the influence of income variables on interest variables using payment instruments Direct non-cash amounted to 2.86%. While the indirect influence of the promotion attractiveness variable on interest in using non-cash payment instruments was 15.42%, and the indirect influence of the product knowledge variable on interest in using non-cash payment instruments was 12.14%, and the indirect influence of the benefit perception variable on the interest variable using indirect non-cash payment instruments was 13.29%, Meanwhile, the indirect influence of income variables on interest in using non-cash payment instruments was 2.43%. And when viewed from the direct influence and indirect influence of the promotion attractiveness variable on interest in using non-cash payment instruments is 27.74%, the direct influence and indirect influence of product knowledge variables on interest in using non-cash payment instruments is 19.16%, and the direct influence and indirect influence of benefit perception variables on interest in using non-cash payment instruments is 21.18%, While the direct and indirect influence of income variables on interest in using non-cash payment instruments is 5.29%, from the results of testing the above hypothesis as a whole independent variables consisting of variables of promotional attractiveness, knowledge of products and perception of benefits, and income on variables tied to interest in using non-cash payment instruments is 73.37%.

From all the independent variables mentioned above, it can be seen that the independent variable that is more dominant in influencing the dependent variable is the promotion attraction variable, meaning that lecturers who teach at PTKI universities, both public and private, are

interested in using non-cash payment instruments are strongly influenced by promotional attractiveness.

Meanwhile, the influence of interest in using non-cash payment instruments on the less cash society was 47.61%. This means that less cash society is largely determined by interest in usinghigher non-cash payment instruments.

When viewed in general, based on the concepts or theories in the variables, this research is very appropriate and relevant. where it is proven that there is an influence of promotional attractiveness, product knowledge, benefit perception, and income on interest in using non-cash payment instruments and can have a positive and significant impact on less cash society on lecturers who teach at public and private universities in Riau province.

CONCLUSION

Analysis of the effect ofpromotion attraction (X1), product knowledge (X2), perceived benefits (X#) and income level (X4) have a partial and significant effect on the useof non-cash payment instruments (Y). This is evidenced by its significance value which < 0.05. Analysis of the effect ofpromotion attraction (X1), product knowledge (X2), perceived benefits (X#) and income level (X4) have a simultaneous and significant effect on the useof non-cash payment instruments (Y). This is evidenced by its significance value which < 0.05. Analysis ofthe effect of the use of non-cash payment instruments has a positive and significant effect on the *less cash society.* This is evidenced by its significance value < 0.05. The Government should build facilities and infrastructure related to the use of non-cash payment instruments in areas such as increasing ATM machines, so that it will make it easier for people to use non-cash payment instruments. For the next researcher should use other and more independent variables, so that results will be obtained close to reality.

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