

## **FACTORS AFFECTING INTEREST IN THE USE OF ELECTRONIC MONEY IN OVO APPLICATIONS**

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### **Abstract:**

Some factors influence the use of Electronic Money in the OVO Application, such as Ease and Security. OVO is a product (e-money) issued by PT. International Visionet Data. This application is used as a transaction medium in making payments with electronic payment methods digitally based on data obtained by the use of (e-money) is increasing and in demand by the Indonesian people from year to year continues to increase, even at the end of September 2019 the amount of Electronic Money has jumped 31 times folded to 25.1 million units. It proves that the level of Ease and Security provided by the OVO Application is very good. From the research results obtained results, where Ease has a positive and partially significant influence on the Interest in Using Electronic Money in the OVO Application for Students of the Faculty of Economics and Business, Warmadewa University, besides that security, has a positive and significant commercial effect on the interest in using Electronic Money in Economics Faculty Students and Warmadewa University Business. The convenience and security provided by the OVO Application are sufficient to attract interest in the use of Electronic Money by consumers, advised for the OVO Application to pay more attention and increase its convenience and security.

**Keywords:** Ease, Security, Interest of Use, e-money, e-commerce

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## **INTRODUCTION**

The increasingly fierce competition of existing E-money, especially business competition in the field of payment services, makes (e-money) increasingly required to move more efficiently and effectively in making payment service systems so that a payment service needs to pay attention to consumer behavior and the factors that influence it. The decision to use it in marketing efforts of a service performed. One way to achieve company goals is to know the needs and wants of consumers or target markets. One payment service that is growing rapidly is OVO, an application-based online payment service. OVO is a product (e-money) issued by PT. International Data Visionet. VisioNet or PT. International Data Visionet is a subsidiary of PT. Multipolar Tbk was founded in 2006. OVO is a digital payment and financial services platform in Indonesia. OVO accesses various perceptions of convenience offered in the form of applications, such as payments, transfers, repurchases, and withdrawing funds (Lim et al., 2016; Nuwagaba & Brighton, 2014).

To be able to issue emoney service products, PT. Visionet Data Internasional as an OVO service provider must have an operator license (e-money) for Banks and Non-Bank Institutions (LSB) from Bank Indonesia. As the institution with the right to issue Payment System Service Provider and Supporting Permits as of 31 August 2017, Bank Indonesia has granted licenses to companies providing e-money products. OVO is an electronic payment application that was officially launched in March 2017. The OVO application is one of the platforms used as a transaction medium in making payments with digital electronic payment methods in which there is an OVO cash balance, where users can operate completely through an Android phone (Gunawan et al., 2019; Nuwagaba & Brighton, 2014).

OVO Cash itself is an amount of money or funds in the form of electronic money (e-money) that can be accessed through the OVO application that can be used for various kinds of financial

transactions, such as payments at various partners merchants, top-ups and balance checking. Judging from digital money transactions (e-money) in Indonesia, it shows an increase from year to year (Ureche & Plamondon, 2000). In 2010, the number of electronic money only reached 7.9 million units with transactions of Rp. 693.47 billion. However, until the end of September 2019, the amount of electronic money had jumped 31 times to 25.1 million units. Similarly, transactions increased 137 times to Rp. 95.75 trillion. In the world of education, the application (e-money) is usually in the form of a student card, or a special card that can be used for transactions in the area of the relevant institution (Bhatt, 2016). The widespread use of (e-money) has prompted many studies to examine these phenomena. Many researchers are interested in analyzing the factors related to the use of (e-money). For example, analyzing the factors that influence preferences for the use of (e-money). The biggest influence in this research is because of the benefits (e-money) (Jayawarsa et al., 2021; Saputra et al., 2018).

*Electronic Money*, According to the Bank for International Settlements (BIS) defines, "electronic money is a stored-value or prepaid product where a certain amount of money (monetary value) is stored in an electronic media that belongs to someone." Therefore, it can be concluded that electronic money is a means of payment in electronic form (in chip or server media) where the value is stored in certain electronic media. The use of (e-money) has many benefits if it is implemented properly, including faster and more efficient payment transactions, automatic recording of personal financial data, being more secure, easier access to electronic commerce, and encouraging greater personalization of banking services (Gunawan et al., 2019; Nuwagaba & Brighton, 2014; Paellorisky & Solikin, 2019).

*Interest in Using E-Money*, Interest is the motivation that drives people to do what they want when they are free to choose. Every interest will satisfy a need. In carrying out its function, the will is closely related to thoughts and feelings (Carnegie & West, 2005; Tran, 2019). The mind tends to move in the rational sector of the analyst, while the subtle/sharp feelings crave needs (Poll, 2015). While the mind functions as a reminder of those thoughts and feelings in harmonious coordination, so that the will can be managed as well as possible (Gunawan et al., 2019; Lutfillah et al., 2015; Sari et al., 2015).

Because the benefits or perceived benefits cause (e-money) to be an option as a transaction tool. While the results of the Candraditya study (2013), in addition to the benefit factor, the price suitability factor can affect a person's interest in using (e-money). Based on the phenomena that occur and there are still differences in the results of previous studies, the researchers are interested in researching "Factors Influencing Interest in Using Electronic Money in Ovo Applications (Special Study on Students of the Faculty of Economics and Business, Warmadewa University)".

## **METHODS**

Researchers used primary data sources, and the data collection method used in this study was the questionnaire method. The data analysis carried out is quantitative data analysis. Multiple linear regression is used to analyze money data which is multivariate. This analysis is used to predict the value of the dependent variable (Y), with more than one independent variable. The formula can search multiple linear regression equations:

$$Y = 0 + 1X_1 + 2X_2 + e$$

Description :

Y = Interest in Using Electronic Money on the OVO application.

0= Constant (constant)

$\beta$  1-2= Regression coefficient

X1= Convenience

X2= Security

e = Residual or prediction error

## RESULT AND DISCUSSION

Multiple regression analysis was used to determine the effect between Ease (X1) and Security (X2) Interest in Use (Y). In addition, to determine the extent of the influence between the independent and dependent variables. The model used in analyzing the variables that affect the purchase is multiple linear analysis models with the help of SPSS Version 22 for Windows.

**Table 1. Multiple Regression Result**

Model	Unstandardized Coefficients		Standardized	t	sig
	B	Std. Error	Coefficients Beta		
Constant	2.632	1.317		1.998	.049
Convenience	.548	.118	.400	4.640	.000
Security	.354	.070	.433	5.022	.000

a. Dependent Variable: Y

Source: Data processed 2021

The meaning of the regression equation above can be explained as follows:

1. Therefore,  $1 = 0.548$  states that Ease has a positive effect, meaning that the more Ease it will be able to attract Interest in Using Electronic Money on the OVO Application.
2.  $2 = 0.354$  states that Security has a positive effect, meaning that the better the Security, the better it will be able to attract Interest in Using Electronic Money on the OVO Application.

Simultaneous Significant Test F (F-test) To test the significance of the independent variables consisting of Ease (X1), Security (X2) simultaneously on the dependent variable Interest in Use (Y) in FEB students at Warmadewa University. F-test (F-test) whose testing steps are as follows:

Ho :  $1, 2, = 0$ , meaning that between the independent variables (Ease and Security), there is no significant simultaneous effect on the dependent variable Y (Interest in Use).

Hi :  $1, 2, > 0$ , meaning that the independent variable X (Ease and Security) has a positive and significant effect simultaneously on the dependent variable Y (Interest in Use).

By using a 90% confidence level ( $\alpha = 10\%$ ), degrees of freedom (df) = (k-1); (nk) = (2-1) ; (94-2) = (1 ; 92) then the obtained F table is 3.94.

Testing Criteria:

- 1) If F count > F table (3.94), then Ho is rejected.
- 2) If F count < F table (3.94), then Ho is accepted.

F arithmetic value Known: F arithmetic = 54.373

Because F count (54.373) > F table (3.94), Ho is rejected. It means that according to the hypothesis, Ease (X1), Security (X2) simultaneously have a positive and significant effect on Interest in Using Electronic Money (Y) on OVO Applications in Students of the Faculty of Economics and Business, Warmadewa University, Denpasar. Because t count (4,640) > t table (1,661) then Ho is rejected. It means that according to the hypothesis, Ease (X1) has a partially significant effect on Interest in Using Electronic Money (Y) in OVO Applications for Students of the Faculty of Economics and Business, Warmadewa University, Denpasar. Because t count (5.022) > t table (1.661), then Ho is rejected. It means that according to the hypothesis, Security (X2) has a positive and partially significant effect on Interest in Use (Y) Interest in Use in Students of the Faculty of Economics and Business, Warmadewa University, Denpasar.

The study results obtained results where Ease had a positive and significant influence partially on Interest in Using Electronic Money on OVO Applications for Students of the Faculty of Economics and Business, Warmadewa University. It follows the answer to the hypothesis, which says that Ease has a positive and significant effect on Interest in Use (Oktaviani et al., 2018; Tang & Chen, 2008). Convenience is one of the important factors in interest in use; convenience is a factor

that can influence the intention to use OVO applications in transactions in the current modern era because applications that are easy to use will definitely attract more customers to be interested in using them. The convenience factor can make consumers interested in using electronic money OVO applications (Chandrasekaran, 2011; Saputra & Anggiriawan, 2021). The study results obtained results where Security has a positive and significant influence partially on the Interest in Using Electronic Money in the Students of the Faculty of Economics, Warmadewa University (Jensen & Meckling, 1976; Tran, 2019; Wang et al., 2019). Therefore, it follows the answer to the hypothesis, which says that Security has a positive and significant effect on Interest in Using Electronic Money on the OVO Application. Security guarantees the quality of an electronic application to increase consumers' attractiveness to use the application (Budiasih & Sukoharsono, 2012; Ha & Quyen, 2018; Tang & Chen, 2008).

## CONCLUSION

Ease and Security have a positive and significant effect on Interest in Using Electronic Money on OVO Applications in Students of the Faculty of Economics, Warmadewa University, Denpasar. Attractive convenience and good security will be factors that influence the Interest in Using Electronic Money on the OVO Application. Convenience has a positive and significant influence on Interest in Using Electronic Money on OVO Applications in Students of the Faculty of Economics, Warmadewa University, Denpasar. Convenience is one of the important factors for the OVO Application for consumers/students using the OVO Application who are interested in transacting using electronic money. Security has a positive and significant effect on Interest in Using Electronic Money on OVO Applications in Students of the Faculty of Economics, Warmadewa University, Denpasar. Security is an important factor that companies must consider; security is also a feature of applications with high-quality guarantees and quality.

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