Improving Technological Features

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Improving Technological Features to Increase Continuance Intention on Sakuku Application

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Abstract. The increasing number of smartphone users as well as innovations in the financial industry that continue to come, make e-wallets one of the main payment options for people in Indonesia. However, this trend is opposite to that experienced by one of the e-wallets in Indonesia, namely Sakuku, which has continued to decline. This study is aims to determine the effects of performance expectancy, social influence, hedonic motivation, price saving orientation, habit, trust, and perceived risk on continuance intention of using the Sakuku application based on the UTAUT2 theory. This research used the quantitative approach, survey method and having 144 sampling respondents. The data collected was then processed and analyzed using multiple linear regression. The results of this study are that social influence, price saving orientation, habits, and trust are proven to have a positive and significant effect on continuance intention. Meanwhile, performance expectancy, hedonic motivation, and perceived risk were not proven to have a significant effect on continuance intention.

Keywords: Continuance Intention, Consumer Behavior, UTAUT2, Sakuku, Fintech, E-wallet

1 Introduction

Smartphone technology continues to develop as well as the number of users, it is estimated that by 2025 smartphone users in Indonesia will reach 256.11 million people [1]. Data from Datareportal showed that Indonesian people most often use smartphones to carry out financial activities such as sending money to friends or family [2]. Along with the times, financial services on smartphones are not only provided by banks, but also by new players in the growing financial services sector known as fintech (Financial Technology). In Indonesia, fintech is divided into 4 types, which are Peer-to-Peer (P2P) Lending, Payment, Financial Planner, and Market Aggregator [3]. Payment is a type of fintech that controls the largest market in Indonesia, which is 39% and one of the products of this fintech is an e-wallet [4]. According to a survey conducted by Licorice e-wallet is the second most preferred payment option for Indonesians besides cash [5].

A survey conducted by App Annie and Iprice stated that the Gopay e-wallet was the e-wallet that had the most monthly active users from 2017 to 2020. This is inversely proportional to what was experienced by Sakuku e-wallet, where Sakuku e-wallet was constantly experiencing decrease in monthly active users [6]. The decrease in users experienced by Sakuku occurred due to several problems found in the field, such as application security problems, ease of accessing the application, and promotions carried out by Sakuku, which were considered insufficient by users. These problems are collected from various sources such as Sakuku application review column, online media, as well as interviews with Sakuku application developers. Apart from functional factors, the factor that most motivates the use of digital

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wallets is the emotional factor, namely the pleasant feeling and experience of using a digital wallet [7].

The increasing use of smartphones made the opportunity for the e-wallet industry in Indonesia to continue to grow. Currently, there are many e-wallet service providers in Indonesia who are competing to become the most popular e-wallet application by the public. This has made competition in the Indonesian e-wallet industry tighter, so that every e-wallet is required to be able to continue to provide the services desired by its users. In order for Sakuku to survive in the e-wallet industry in Indonesia, Sakuku needs to know what factors can influence and encourage users to continue using their e-wallet application. Therefore the purpose of this study is to find out the effect of performance expectancy, social influence, hedonic motivation, price saving orientation, habit, trust, and perceived risk to continuance intention of using Sakuku application.

2 Literature Review

Consumer behavior can be defined as all activities related to the purchase, use and disposal of goods and services including emotional and psychological behavior when participating in these activities [8]. Unified Theory of Acceptance and Use of Technology (UTAUT) is defined as a theory used to examine technology acceptance, because this theory can study the factors that influence information technology (IT), while at the same time considering social factors [9]. UTAUT is a model proposed from the research results of Venkatesh et al., (2003) who conducted a study on previous models of technology acceptance [10,11]. There are 4 main factors that build the UTAUT model, namely performance expectancy, effort expectancy, social influence, and facilitating conditions which then affect behavioral intention to use a technology.

Performance expectancy can be interpreted as the extent to which a person believes that using the system can help him get benefits when doing a job [10]. H1 : Performance expectancy has a positive and significant effect on continuance intention. Social influence can be defined as the degree to which members of a social network, such as family and friends, influence each other in the use of a technology [12]. H2 : Social influence has a positive and significant effect on continuance intention. Hedonic motivation can be defined as pleasure and joy in using technology, and the role of this pleasure in determining the acceptance and use of technology has been shown to be important [13]. H3 : Hedonic motivation has a positive and significant effect on continuance intention.

Price saving orientation can be defined as an advantage (for example, a price discount) in using an application [1]. H4 : Price saving orientation has a positive and significant effect on continuance intention. Habit can be defined as the extent to which people tend to use certain technologies for learning [14]. Habit can also be interpreted as a construct of behavior or perception that reflects the results of previous experiences [13]. H5 : Habit has a positive and significant effect on continuance intention. Trust can be defined as the degree to which a user can rely on the integrity of an application in providing its services [12]. H6 : Trust has a positive and significant effect on continuance intention. Perceived risk can be defined as the user's perception of uncertainty and the bad consequences of carrying out a certain activity [15]. H7 : Perceived risk has a negative and significant effect on continuance intention.

2.1 Research Model

This study adopts and modifies the model from the results of research previously conducted by Indrawati and Putri [12]. The reason the researcher adopted this model is because there are several phenomena related to the variables in the research result model. Where then the

researcher added the perceived risk variable to the model because it was thought to have an effect on the continuance intention of using the Sakuku e-wallet. The researcher also did not use the moderator variable, this is cool according to Taufik Hidayat et al. [16], the moderator variable is considered to reduce the value obtained. In addition, because the target respondents have an age range that is not too far away, the moderator variables such as age, gender and experience are considered to be less influential. The research model can be seen in figure 1.

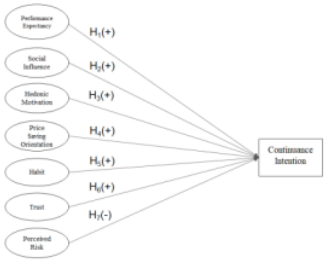

Fig 1. Research Model (Modified from Indrawati and Putri [12])

3 Methodology and Data Analysis

This study uses quantitative methods to analyze the hypotheses that have been made. For the research object chosen is consumer behavior in the use of Sakuku e-wallet in Indonesia. the target population is e-wallet application users throughout Indonesia. While the sample in this study were users of the Sakuku e-wallet application. The target respondents in this study are the millennial generation and the Z generation who use the Sakuku application. The technique used in sampling is non-probability sampling with judgment sampling approach, where this technique selects samples based on certain criteria that have been determined by the researcher. The selected sample has the criteria that have used the Sakuku e-wallet and used the Sakuku e-wallet for more than 1 month. The number of samples used in this research is at least 140 respondents. This amount is obtained based on a book written by Hair et al. [17] which states that the minimum number of samples is 100 and at least 5 times the number of indicators / questions. Researchers will distribute research questionnaires through social media such as Instagram, Line, WhatsApp, and Facebook. This researches use a likert scale which consists of 5 measurement items to measure the answers of the respondents. Measurements on this scale are in the form of numbers, where strongly disagree is indicated by number 1, disagree is indicated by number 2, neutral is indicated by number 3, agrees is indicated by number 4, and strongly agrees is indicated by number 5. Data processing in this study was assisted by tools SPSS 20.0.

4 Research Result and Discussion

4.1 Validity and Reliability Test

There were 207 questionnaires which were then filled in by the respondents. But there were only 144 respondents who passed the screening question that was made, namely respondents who had used Sakuku and had used my pocket for more than 1 month. Demographics of respondents in this study showed 56.94% men and 43.06% women, the majority of respondents had ages between 23 to 28 years, namely as many as 104 or 72.22% of the total respondents, the most recent education held by most respondents was as a bachelor as much as 133 or 92.36% total respondents. The analysis of reliability and validity test can be seen from table 1, table 2.

4.2 Hypothesis Test

After testing the validity and reliability, the researcher then tests for normality, heteroscedasticity, and multicollinearity in order to ensure that the model used is a best linear unbiased estimator. From this test, it can be concluded that the data are normally distributed, multicollinearity does not occur, and there are no symptoms of heteroscedasticity. After passing the classical assumption test, the researcher then tests and analyzes the hypotheses that have been compiled. the results of the hypothesis analysis can be seen in the table 3.

Table 1. Hypothesis Test Results

Hypothesis	t-value	Sig.	Regression Coefficient	Conclusion
PE → CI	1.763	0.080	0.166	Rejected
SI → CI	3.048	0.003	0.209	Accepted
HM → CI	1.201	0.232	0.095	Rejected
PSO → CI	2.572	0.011	0.205	Accepted
H → CI	3.758	0.000	0.216	Accepted
T → CI	2.281	0.024	0.211	Accepted
PR → CI	1.624	0.107	0.103	Rejected

4.3 Discussion

4.3.1 The Effect of Performance Expectancy on Continuance Intention

Based on table 3, the results show that performance expectancy has a positive and insignificant effect on continuance intention. However, if seen in table 2, based on the factor loading value and the mean value of the PE2 indicator, it can be said that Sakuku is very good at facilitating user transactions by offering speed when making payments. One of the reasons this indicator is highly appreciated by Sakuku users is the use of a QR code during payment, so it can speed up the payment process made. As for significance, it can be assumed because Sakuku application users feel that by using or not using the Sakuku application they can still process payments or transactions.

4.3.2 The Effect of Social Influence on Continuance Intention

According to table 3, the results show that social influence has a positive and significant effect on continuance intention. Furthermore, if seen in table 2, based on the factor loading value and the mean of the SI2 indicator, the main indicator in the social influence variable is still considered unfavorable by respondents. Therefore, improvement is needed so that this indicator can be applied properly, namely by creating more social environments using the Sakuku application. The social environment / network can influence someone to continue using an application because according to Venkatesh et al. [10] people tend to listen to suggestions and input from others they consider important.

4.3.3 The Effect of Hedonic Motivation on Continuance Intention

Based on table 3, the results show that hedonic motivation has a positive and insignificant effect on continuance intention. Furthermore, when seen in table 2, based on the factor loading value and the mean of the HM3 indicator, it can be said that the main indicator in the hedonic motivation variable is still considered poor by respondents. Therefore, improvement is needed so that this indicator can be applied properly, namely by offering a challenge in the form of a mission that must be completed. So that it makes Sakuku application users more challenged to

complete these missions such as when playing games. But if you see the significance value that is declared insignificant, this could happen because respondents do not place too much importance on psychological aspects but are more likely to think about aspects of functionality.

4.3.4 The Effect of Price Saving Orientation on Online Continuance Intention

According on table 3, the results show that price saving orientation has a positive and significant effect on continuance intention. Furthermore, when seen in table 2, based on the factor loading value and the mean of the PSO3 indicator, it can be said that the main indicator in the price saving orientation variable is considered good enough by the respondents. Even though the mean of this indicator is already on the agreed scale, Sakuku needs to increase the promotion given, with the aim that this indicator can be applied properly. If the Sakuku application can provide the highest best promotions and offers compared to similar applications, then this will increase the user's intention to continue using the Sakuku application.

4.3.5 The Effect of Habit on Continuance Intention

Based on table 3, the results show that habit has a positive and significant effect on continuance intention. Furthermore, if seen in table 2, based on the factor loading value and the mean of the H3 indicator, it can be said that the main indicator in the habit variable is still considered poor by respondents. Therefore, improvement is needed so that this indicator can be applied properly, namely by creating a feature where users can claim prizes every day in the Sakuku application. This will increase the intensity of users using the Sakuku application, which is expected to be one of their routines later on. Habit can be defined as an action that is carried out automatically in response to a situation, where this action is taken to achieve a certain goal or situation. Based on this understanding, it can be said that if a person is faced with a situation, namely making a payment, then the choice of payment instrument to be used will depend on the person's habits.

4.3.6 The Effect of Trust on Continuance Intention

According to table 3, the results show that trust has a positive and significant effect on continuance intention. Furthermore, if seen in table 2, based on the value of the factor loading and the mean of the T1 indicator, it can be said that the main indicator in the trust variable has been highly rated by the respondent. So what Sakuku needs to do is to maintain this favorable response from these respondents, by regularly updating the system. As well as keeping Sakuku's name good and away from news of being compromised or theft of user data. Trust is an important factor in retaining users, especially when it comes to finance / transactions. With trust in the Sakuku application, users will feel more comfortable and are not afraid of the risks that may occur when using this application.

4.3.7 The Effect of Perceived Risk on Continuance Intention

Based on table 3, the results show that perceived risk has a positive and insignificant effect on continuance intention. Furthermore, when seen in table 2, based on the factor loading value and the mean of the PR2 indicator, the lower the mean of the respondent's answer means the better the respondent assesses this indicator. Based on these results, it can be concluded that Sakuku is an application that users can rely on, therefore it is necessary to maintain this condition. One way to do this is by continuing to ensure that every transaction is carried out transparently and solving problems related to applications or transactions is fast. Meanwhile, from the significance value, it can be said that although Sakuku users know that there are risks when using the Sakuku application, this does not affect their intention to continue using the

Sakuku application. This is also supported by the fact that the millennial generation is a generation that is considered creative and has the courage to take risks [18].

5 Implication and Suggestion for Future Research

The results of the research then yield several managerial implications that can be useful for the Sakuku application. In terms of social influence to increase continuance intention, Sakuku needs to innovate and focus on making improvements related to the social environment of its users. One way is to use a referral marketing strategy, which is a marketing strategy that encourages Sakuku application users to invite new users to join, this invitation can be in the form of an invitation to create an account to an invitation to transact using the Sakuku application. In order for Sakuku users to invite other people to use Sakuku, Sakuku can offer a number of promotions such as discount coupons if someone succeeds in inviting other people to use the Sakuku application. In terms of price saving orientation, to increase continuance intention, Sakuku must be able to convince its users that by using the Sakuku application when making transactions, they can save their expenses. One of the ways that Sakuku can do is by setting up a reward / point system. Where every time a user makes a transaction using Sakuku with a certain nominal value, the user will get points. These points can then be used by Sakuku users to exchange them into coupons / vouchers.

In terms of the habit of increasing continuance intention, Sakuku must be able to make users accustomed to using the Sakuku application when making transactions. One way to create habits and establish this routine is to increase cooperation with more merchants / sellers. These merchants / sellers must cover all layers of sellers, from micro businesses to large businesses, this is so that Sakuku can facilitate all transactions that occur in the daily lives of its users. In terms of trust, to increase continuance intention, Sakuku can do several ways. First, Sakuku can implement biometric security in the Sakuku application, such as security using fingerprints, or using facial recognition. Second Sakuku can provide a live chat feature with customer service in the Sakuku application.

There are several limitations to this study, which means that better research is needed going forward. These limitations include the number of respondents who are still small due to the short research time. As well as not using moderating variables, because the target respondents have an age range that is not too far away. Further research is suggested to be able to distribute questionnaires to more respondents. besides that, it can also add several new variables to the model such as the service quality variable and include a moderating variable. Besides that, the next research is expected to add indicators to the measured variables. Such as adding a privacy risk to the perceived risk variable, so that it can be more accurate in measuring the strength of this variable in affecting continuance intention.

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