ANALYSIS OF THE LEVEL OF PUBLIC KNOWLEDGE IN USING E-WALLET PAYMENTS IN KOTA PINANG

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ABSTRACT
The transformation of the financial system, especially in the increasingly diverse payment model, aims to provide easy access for anyone who needs it. The purpose of this study was to determine the effect of digital financial literacy, internet usage and smartphone usage on the level of knowledge. The results showed that the variables of digital financial literacy and smartphone usage had an effect on the level of knowledge. While the variable of internet usage had no effect on the level of knowledge because the internet can be accessed if there is a media that can connect it.
Keywords: Digital Financial Literacy, Internet Usage, Level of Knowledge, Smartphone Usage.

INTRODUCTION

The high dependence of the community on payment methods using e-wallets in Indonesia increasingly shows the decline in consumer behavior or alternative solutions in payments in the era of digital financial technology. The transformation of the financial system, especially in the increasingly diverse payment model, aims to provide easy access for anyone who needs it. According to (Pristiyono, Juliana & Prayoga, 2022) this fundamental change in human life is caused by the high number of internet users who make a major contribution to society, industry, and government in various ways, especially in the field of digital finance. In addition to internet users, one of the changes in consumer behavior that supports the e-wallet payment model is the use of smartphones (Lyu et al., 2023), the definition of an e-wallet is a digital wallet that allows anyone to store and manage payment information in one convenient location. The presence of e-wallets has actually become a slightly confusing phenomenon for several generations, especially those born in 1960 to 1970, of course, it is very foreign to be able to adapt to this condition, where almost all generations born in that era do not fully understand or understand how to use e-wallets, but many of them use them because they have careers related to this technology whose domicile and mobility are limited and the phenomenon that emerged as a result of e-wallets and became the focus of the main study of researchers to empirically examine the level of knowledge of the community in the area, especially the people of South Labuhanbatu Regency. (Aseng et al., 2023). Explanations from experts who state that e-wallets bring blessings to them or millennials while e-wallets in certain conditions still have obstacles and threats. The obstacles to e-wallets from field observations occurred in the people of South Labuhanbatu Regency that the nominal

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transaction for using e-wallets in general was only for low transactions (hundreds of thousands) for the purpose of online shopping transactions, top ups and so on. Through this description, the author assumes that the people of South Labuhanbatu Regency need e-wallets but their activities depend on mobility and while the threat intended as a gap in this study is the level of knowledge or digital financial literacy among the community is still limited and inversely proportional to the intensity of the internet and variations in smartphone penetration (Sriyono et al., 2023). Therefore, from the explanation of the analysis of phenomena and gaps and from the results of studies of several references that are relevant to the concept of objectives and problems studied, the author found several important factors in the rise and fall of public knowledge about e-wallets in addition to digital financial literacy, internet use and smartphone use for the people of South Labuhanbatu Regency. According to (Chen, 1998) that the purpose of his research is to explore the relationship between digital financial literacy and the use of digital financial services. Digital financial literacy is measured using three dimensions: knowledge of digital financial products and services, awareness of digital financial risks and their control and knowledge of consumer rights and compensation procedures. According to (Shen et al., 2018) the implications of this study are valuable documents for anyone because they contribute and enrich digital financial literacy while fostering customer trust in using mobile banking via smartphones. The problem with e-wallets is that the interest of the people of Pinang City to make payments using electronic money has increased every year, but when compared to the use of cash, the use of electronic money in Pinang City is still relatively low. Then if the internet connection is unstable, the application on the e-wallet cannot be used properly. (Andy & Sefung, 2019) this study with most articles discussing digital technology finance or e-wallets chooses variables that we are not aware of in everyday life and people's dependence on internet use and smartphone penetration is crucial in measuring the level of knowledge of the people of Labuhanbatu Regency. On the other hand, the author places the variable of digital financial literacy as a way to solve problems and phenomena that occur and affect the level of knowledge of the people of South Labuhanbatu Regency in using e-wallets. The scope of the sample targeted in this study is the people of South Labuhanbatu Regency which consists of five sub-districts, so the sample in this study uses the Cochran formula to meet applicable research standards.

LITERATURE REVIEW
Level of Knowledge

The level of public knowledge of Financial Literacy consists of their knowledge and skills that are important for managing money, including handling responsible digital payments. (Lu et al., 2024). The level of knowledge is as a digital payment system in an institution that functions to carry out a transaction related to the transfer of funds with the aim of fulfilling obligations arising from an economic activity (Ahmad Fahri Syaifuddin Kurnia Rahman, 2022). Indicators of Knowledge Level According to (Pahutar et al., 2023) the level of knowledge indicator consists of four indicators, including: 1. Product quality. 2. Product design. 3. Brand. 4. Packaging. Based on the three opinions above, it

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can be concluded that the level of knowledge is knowing specifically about financial knowledge as a form of society so that it knows that digital payments are very easy.

Digital Financial Literacy

Digital financial literacy consists of a number of abilities and knowledge of the community regarding finances that are owned by a person to be able to manage or use a certain amount of money to increase public knowledge in using digital money and aim to make decisions related to finances so as to achieve prosperity. (Hilmawati & Kusumaningtias, 2021). According to (Nainggolan, 2022) The digital financial literacy indicator consists of four indicators, 1. General financial knowledge. 2. Financial management knowledge. 3. Knowledge of the value of goods. 4. Knowledge of risk Based on the above opinion, it can be concluded that digital financial literacy is increasing the ability and knowledge of the community in understanding financial concepts both in the long term and short term which include awareness and knowledge that is applied both in everyday life.

Internet Usage

Internet use is utilizing the internet to obtain information that can be increased so as to increase the capacity and knowledge of its users. Information technology education is important to increase the benefits of internet use. (Wilantika, 2020). According to (Mahasiswa, 2020) The internet usage indicator consists of four indicators, 1. Interaction with the internet and Online Transactions. 2. Information from the Internet and sharing information on the Internet. 3. Distraction / pleasure using the Internet. 4. Communication and friendship using the Internet. Based on the above opinion, it can be concluded that internet usage is utilizing the internet to obtain information that can increase one's capacity and increase knowledge that is useful for the community so that it is easier to access in using digital payments in a very short time.

Smartphone Usage

Smartphone usage states that the era of modern societal development, many people use smartphones for more knowledge and besides being marked by the emergence of an information society and a consumer society, it is also marked by the development of a community lifestyle that is more controlled by the power of the cultural industry. (Iswiyanti, 2021). According to (Retalia et al., 2022). Smartphone Usage Indicators consist of three indicators, 1. Frequency. 2. Intensity. 3. Duration. Based on the above opinion, it can be concluded that Smartphone Usage is The existence of the internet at this time has changed various community activities, changed the way of life and increased people's insight into using smartphones.

Research Hypothesis

Based on the background description and literature review, the hypotheses in this study can be described simply as:

1. 1. H1: Digital financial literacy has a positive and significant effect on the level of knowledge.

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2. 2. H2: Internet usage has a positive and significant effect on the level of knowledge.
3. 3. H3: Smartphone usage has a positive and significant effect on the level of knowledge.
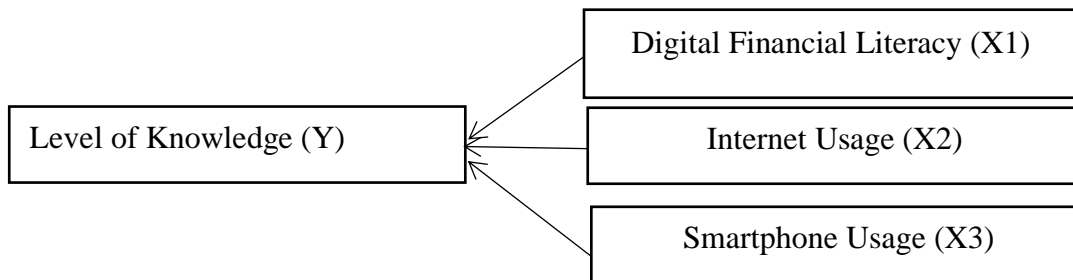

Figure 1. Conceptual Framework

METHODS

This study was conducted to analyze the method of data collection and analysis in the research question. Data was taken from the Google questionnaire distributed to the people of South Labuhanbatu Regency who had made digital payments via E-wallet. This study used a descriptive research design with a quantitative approach. namely a research method based on data collected systematically which is used to test the established hypothesis. (Permatasari et al., 2022). In this study there are three independent variables and one dependent variable. Three independent variables (independent variables) are 1. Digital financial literacy, 2. Internet usage, 3. Smartphone usage While one dependent variable (dependent variable) is the level of knowledge. While the subjects of this study are people in South Labuhanbatu Regency who have an e-wallet application and have used or transacted through the application. (Widiyanti, 2020). The Research Population is an object that has a certain quantity and characteristics determined by the researcher to be studied and then conclusions drawn. The population in this study is the people of South Labuhan Batu Regency who have made E-wallet payments and while the sample is part of the population that will later be used to study and determine the characteristics of the population. The sampling method used is included in the most important part of the population in a study. The sampling technique is determined using the Cochran formula. The number of samples taken is 100 people then taken from respondent data and analyzed using Partial Least Square (PLS) Analysis (Asja et al., 2021). Because the population of members is not known for sure, the sample size is calculated using the Cochran formula:

$$n = z2pq\ e2$$

Description:

n = sample

z = price in the normal curve for a 5% deviation with a value of 1.96

p = 50% chance of being right = 0.5

q = 50% chance of being wrong = 0.5

e = 10% margin of error

$n = \underline{z2pq}$

$\quad e2$

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n = (1,98)2(0,5)(0,5)
         (0,10)2

 n = 98,04 = 100 orang

From the results above 98.04 is a fraction and in calculations that produce fractions (there are commas) it should be rounded up, so that the number of samples in the study was 100 respondents. This research is a quantitative descriptive study and the data used in this study is primary data. The research data was obtained by distributing questionnaires online to respondents as e-wallet users. The questionnaire used was a data collection questionnaire and assisted by the Google Form application in distributing the questionnaire and using the Likert Scale.

RESEARCH RESULTS
Description of Respondents
Based on the distribution of respondent profile data in this study, it shows that the respondent profile based on gender, domicile and employment status shows that:

Table 1. Respondent Profile

No.	Gender	Frequency	Percent
1	Male	28	28
	Female	72	72
	Total	100	100
No.	**Origin of Domicile**	**Frequency**	**Percent**
2	Kota Pinang	19	19
	Sungai Kanan	13	13
	Kampung Rakyat	12	12
	Torgamba	45	45
	Silang Kitang	11	11
	Total	100	100
No.	**Employment Status**	**Frequency**	**Percent**
3	Housewife	21	21
	Student	20	20
	Ordinary Employee	16	16
	Student	30	30
	Civil Servant	13	13
	Total	100	100

Source: Processed data, 2024.

From the data in Table 1. Regarding the profile of respondents that were successfully collected, it is clear that the female gender dominates compared to the male gender, while in terms of domicile, many respondents come from Torgamba District and e-wallet users are dominated by students and students and evenly all of them have used e-wallets.

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Hypothesis Testing

In testing this hypothesis, the researcher used bootstrapping output by looking at the path coefficients as follows.:

Table 2. Hypothesis Test Results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P VALUES
Digital Financial Literacy -> Knowledge Level	0.377	0.354	0.170	2.437	0.015
Internet Usage -> Knowledge Level	0.087	0.110	0.197	0.466	0.641
Smartphone Usage -> Knowledge Level	0.410	0.413	0.135	3.000	0.003

Source: SmartPLS output, 3.0

DISCUSSION

From the results of the path analysis, a discussion is carried out through hypothesis testing which will be described as follows:

H1: Digital financial literacy has a positive and significant effect on the level of knowledge.

Based on hypothesis testing, it shows that Digital Financial Literacy -> Level of Knowledge has a p-value of 0.015 or less than the significant value of 0.05 so that it can be stated that this hypothesis can be accepted and stated that the digital financial literacy variable is able to influence the level of knowledge. The results of this study are in line with the opinion of (Muat et al., 2024) that financial literacy has been studied as one of the main determinants of financial well-being, and experts define it differently and consider it identical to financial knowledge. In the digital era, where digital financial products and services are developing rapidly, individual understanding of digital financial literacy is very important. According to (Abdallah et al., 2024) the findings show a significant relationship between digital financial literacy and financial behavior.

H2: Internet use has a positive and significant effect on the level of knowledge.

Based on hypothesis testing, it shows that Internet Usage -> Knowledge Level has a p-value of 0.641 or greater than the significant value of 0.05 so that it can be stated that this hypothesis can be rejected and stated that the internet usage variable is unable to influence the level of knowledge. The results of this study support the research (Rahardjo et al., 2016) internet usage is still low due to limited internet facilities that affect students' knowledge and willingness to access the internet. The strategy used to increase internet usage is to use social media as a guide that can be accessed via mobile phones. In addition, limited internet usage results in inhibition of information and internet accessibility (Benvenuto et al., 2020).

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H3: Smartphone usage has a Positive and Significant effect on the level of knowledge.

Based on hypothesis testing, it shows that Smartphone Usage -> Knowledge Level has a p-value of 0.003 or less than the significant value of 0.05 so that it can be stated that this hypothesis can be accepted and stated that the smartphone usage variable is able to influence the level of knowledge. The results of the study strongly support the research (Sunday et al., 2021) there has been a surge in global use has led to an increasing dependence on smartphones due to their embedded functionality and portability factors. In addition, according to (Wang et al., 2023) mobile technology has driven a paradigm shift in learning; learning activities can now be done anytime, anywhere, as long as the opportunity to get information is available. This means that the widespread use of smartphones is not only for e-wallet use but smartphones have an important role in increasing the knowledge of the wider community.

CONCLUSION

Descriptively, it is known that e-wallet users are dominated by students and college students and evenly all of them have used e-wallets. The results of the study show that the variables of digital financial literacy and smartphone use affect the level of knowledge. Meanwhile, the variable of internet use has no effect on the level of knowledge because the internet can be accessed if there is a media that can connect it. The suggestion from this study is that future researchers must be able to study in depth the factors that someone uses e-wallets for the community so that better factors or indicators will be obtained as novelty in research.

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