

The Influence Of Effort Expectancy And Social Influence On The Intention To Use E-Money Among Students In Kediri City

Faza Nurizza Hafidz*, Angga Rizka Lidiawan, Bothy Dewandaru

Kadiri University, Indonesia

*Corresponding author. Email: fazahafidz915@gmail.com

ABSTRACT

This investigation analyzes the influence of effort expectancy and social influence on students' behavioral intention to utilize electronic money within Kediri City. The research was prompted by the rapid proliferation of digital payment systems across Indonesia and the persistent disparities in adoption rates among university students, despite their extensive engagement with mobile technologies. A quantitative explanatory research design was adopted, employing a survey administered to a purposive sample of 100 active students from four universities in Kediri. Data analysis was conducted through multiple linear regression techniques. The measurement instrument comprised 18 items representing effort expectancy, social influence, and behavioral intention, each gauged on a five-point Likert scale. The findings indicate that effort expectancy exerts a positive and statistically significant impact on behavioral intention ($B = 0.301$; $t = 3.960$; $p < 0.001$), with social influence demonstrating an equally positive and significant effect, functioning as the more robust predictor ($B = 0.379$; $\beta = 0.543$; $t = 7.112$; $p < 0.001$). Collectively, these variables account for a significant proportion of the variance in behavioral intention to adopt e-money ($F = 44.525$; $p < 0.001$), with an adjusted R^2 of 0.468. The results substantiate the applicability of the Unified Theory of Acceptance and Use of Technology to digital payment adoption among students in a secondary urban setting in Indonesia. It is recommended that stakeholders and service providers enhance interface simplicity, leverage peer influence, and develop campus-centric digital payment ecosystems to promote adoption.

Keywords: *effort expectancy, social influence, behavioral intention, e-money, UTAUT.*

1. INTRODUCTION

Digital payment systems in Indonesia have experienced significant growth in recent years. Factors such as increased internet connectivity, widespread smartphone adoption, and national initiatives promoting cashless transactions have contributed to the mainstreaming of electronic money (e-money) as a prevalent payment modality. From a regulatory perspective, Bank Indonesia defines e-money as a prepaid payment instrument in which monetary value is stored electronically and used for payment transactions (Bank Indonesia, 2018). National transaction statistics cited in the thesis indicate substantial growth in electronic money utilization, with a significant surge following the broader adoption of QRIS and other digital payment infrastructure (Irhamni, 2024; Yonatan, 2025a).

Despite the ecosystem's increased maturity, the distribution of actual adoption remains uneven across user groups. University students are frequently regarded as early adopters due to their extensive familiarity with smartphones, mobile applications, and online services. Nevertheless, prior research indicates that a significant proportion of students continue to prefer cash for routine transactions, perceive certain digital payment applications as complex, or rely on established behaviors influenced by family and peer networks (Putri & Muizzudin, 2022; Faizul Haqi & Astuti, 2024). This suggests that technological readiness alone does not automatically translate into strong behavioral intention.

This study employs the Unified Theory of Acceptance and Use of Technology (UTAUT) to elucidate technology adoption processes, emphasizing effort expectancy and social influence as critical determinants of behavioral intention (Venkatesh et al., 2003). Effort expectancy pertains to the perceived ease of utilization of a system, whereas social influence denotes the degree to which influential others endorse or validate the adoption of technology. Empirical research has yielded inconsistent findings, with certain studies identifying both variables as significant determinants in the adoption of electronic wallets or electronic money (Hau et al., 2021; Bakri et al., 2023; Darma et al., 2025). Other

studies reported weaker or situationally influenced effects, particularly in terms of social impact (Faizul Haqi & Astuti, 2024).

This study aims to fill two identified research gaps. Firstly, there is a paucity of evidence regarding secondary Indonesian cities compared to metropolitan regions. Secondly, Kediri offers a pertinent context due to the implementation of digital payment initiatives, reinforced by local policies promoting non-cash transactions and the digitization of public services (Pemerintah Kota Kediri, 2021; Pemerintah Kota Kediri, 2025). In this context, the study aims to analyze whether effort expectancy and social influence affect students' intention to use e-money in Kediri City, both separately and jointly.

2. RESEARCH METHODS

A purposive sampling method was employed to select 100 active students from four universities, all of whom had substantial knowledge of e-money. This sample size exceeded the initially estimated 96 respondents, thereby enhancing the robustness and reliability of the data collected. Cochran's formula for large populations was utilized to determine an appropriate sample size, ensuring statistical validity and representativeness of the findings.

The majority of participants, approximately 70%, were aged 21 to 23 years. Slightly more than half of the sample were female (51%), and a significant proportion (58%) used e-wallets predominantly for transactions. Data collection was conducted via an 18-item online questionnaire designed to assess constructs such as effort expectancy, social influence, and behavioral intention, thereby providing comprehensive insights into user perceptions and behavioral determinants.

All items were measured on a five-point Likert scale, ranging from strongly disagree to agree strongly. The operational definitions of the constructs were adapted from prior studies based on the Unified Theory of Acceptance and Use of Technology (UTAUT) framework (Venkatesh et al., 2003; Hau et al., 2021; Bakri et al., 2023; Faizul Haqi & Astuti, 2024).

Data analysis involved validity testing through item-total correlation, with a threshold of 0.1946 for item validity. Reliability was assessed using Cronbach's alpha, with a minimum acceptable value of 0.60. The analytical model employed multiple linear regression to evaluate the following hypotheses: H1, effort expectancy positively influences behavioral intention; H2, social influence positively influences behavioral intention; and H3, effort expectancy and social influence collectively impact behavioral intention.

3. RESULTS AND DISCUSSION

All measurement items were valid, with item-total correlations above the required threshold, and all constructs were reliable. Normality, multicollinearity, and heteroscedasticity diagnostics also indicated that the regression model was acceptable (Kolmogorov-Smirnov Asymp. Sig. = 0.200; VIF = 1.085 for both predictors; Glejser significance > 0.05). Table 1 presents the descriptive profile of the three constructs.

Table 1. Descriptive statistics and reliability of constructs

Construct	Items	Mean	Cronbach's alpha	Interpretation
Effort expectancy	6	4.12	0.825	High
Social influence	6	3.57	0.877	Moderate
Behavioral intention	6	3.89	0.787	High

Source: Primary data processed from the thesis dataset, 2026

Table 1 shows that effort expectancy had the highest mean score (4.12), indicating that respondents generally perceived e-money as easy to learn and use. The item with the highest mean in this construct was the statement that e-money facilitates the payment process, which confirms that practical convenience is a salient motive for adoption. Behavioral intention was also relatively high (mean = 3.89), suggesting that the respondents were generally willing to continue using and recommending e-money. Social influence had a lower but still meaningful mean score (3.57), showing that peer and family influence remained relevant, although not all respondents used e-money for image-related reasons.

The regression results are presented in Table 2. Both hypotheses on partial effects were supported. Effort expectancy had a positive and significant effect on behavioral intention ($B = 0.301$; $\beta = 0.302$; $t = 3.960$; $p < 0.001$), meaning that greater perceived ease of use increased the likelihood that students intended to use e-money. This result supports the UTAUT proposition that ease of use lowers adoption barriers and strengthens intention (Venkatesh et al., 2003). It

also aligns with previous findings from Vietnam, Malaysia, and rural Indonesian Gen Z contexts (Hau et al., 2021; Bakri et al., 2023; Darma et al., 2025). In practical terms, the result implies that a frictionless registration process, intuitive interface, and uncomplicated payment flow are central to student acceptance.

Table 2. Multiple regression results for behavioral intention to use e-money

Predictor	B	Beta	t	Sig.	Decision
Constant	7.765	-	-	-	-
Effort expectancy	0.301	0.302	3.960	0.000	H1 supported
Social influence	0.379	0.543	7.112	0.000	H2 supported

Model fit: $F = 44.525$; $Sig. = 0.000$; $R = 0.692$; Adjusted R square = 0.468. Source: Primary data processed from the thesis dataset, 2026.

Social influence also had a positive and significant effect on behavioral intention ($B = 0.379$; $\beta = 0.543$; $t = 7.112$; $p < 0.001$), and it was the more dominant predictor. This indicates that students' intention to use e-money is shaped not only by interface simplicity, but also by social endorsement, habitual exposure, and the normalization of digital payments in their surrounding environment. The stronger standardized coefficient suggests that the student decision-making process is deeply embedded in peer networks and daily interaction patterns. This finding is consistent with studies that identified social influence as an important driver of mobile wallet adoption (Amin et al., 2022; Darma et al., 2025), but it contrasts with evidence from some Indonesian studies where social influence was not statistically significant (Faizul Haqi & Astuti, 2024). The difference may be explained by local context, particularly the growing prevalence of QR-based transactions on campuses and at public services in Kediri.

The simultaneous test further confirmed that effort expectancy and social influence jointly influenced behavioral intention ($F = 44.525$; $p < 0.001$). The adjusted R-squared of 0.468 means that the two predictors explained 46.8% of the variance in behavioral intention, while the remaining 53.2% was likely affected by other factors such as perceived usefulness, trust, security, habits, promotional incentives, or facilitating conditions. This result indicates that the model has moderate explanatory power and that a parsimonious UTAUT specification can still provide meaningful insight into student adoption behavior.

From an applied perspective, the findings imply that e-money providers should not rely solely on technical improvements. Simplifying onboarding, clarifying top-up and payment procedures, and minimizing transaction friction remain important, but these efforts should be reinforced with social strategies. Campus ambassadors, peer recommendations, merchant partnerships around student areas, and more visible campus-level digital payment ecosystems can strengthen adoption. The results, therefore, support a combined design-and-community approach to accelerating student use of e-money in non-metropolitan urban settings.

4. CONCLUSION

Effort expectancy and social influence are significant determinants of students' intentions to utilize electronic money (e-money) in Kediri City. Among these factors, social influence is the most substantial, primarily through peer behavior, family guidance, and the normalization of digital payments within the community. These social cues collectively create an environment conducive to e-money adoption, emphasizing the importance of social aspects in technological acceptance. The findings suggest that leveraging social networks and peer dynamics can effectively promote e-money usage among students.

The research validates the applicability of the Unified Theory of Acceptance and Use of Technology (UTAUT) model in understanding the adoption of digital payment systems among university students in Indonesia. It emphasizes the importance of enhancing usability and leveraging social influence to promote acceptance. For comprehensive insights, subsequent studies should incorporate variables such as trust, perceived risk, performance expectancy, facilitating conditions, and actual usage behaviors to understand better the factors influencing digital payment adoption in this demographic.

REFERENCES

- Amin, S. I. M., Hamid, S. N. A., & Norhisam, N. H. (2022). Faktor penentu niat penggunaan e-dompet pasca pandemik COVID-19 di Malaysia: Integrasi model UTAUT dan MAT. *Pengurusan*, 66, 109–121.

- Bakri, M. H., Almansoori, K. K. S. M., & Azlan, N. S. M. (2023). Determinants intention usage of Islamic e-wallet among millennials. *Global Business and Finance Review*, 28(1), 11–32. <https://doi.org/10.17549/gbfr.2023.28.1.11>
- Bank Indonesia. (2018). Peraturan Bank Indonesia Nomor 20/6/PBI/2018 tentang uang elektronik.
- Darma, S., Syahrul, Hardianti, Susanti, L., Rahmati, A., & Irfun. (2025). Gen Z rural area perspective on use of e-money applications in Indonesia. *Revista Mexicana de Economía y Finanzas*, 20(4), 1–22. <https://doi.org/10.21919/remef.v20i4.1294>
- Faizul Haqi, M., & Astuti, B. (2024). Analisis faktor-faktor yang berpengaruh terhadap behavioural intention to use e-wallet bagi Generasi Z Indonesia. *Inovasi Bisnis dan Ekonomi*, 6(1), 118–132. <https://doi.org/10.37034/infv.v6i1.805>
- Hau, H. T., Nhung, D. T. H., & Trang, P. H. (2021). An empirical analysis of factors affecting the intention of using digital wallets in Vietnam. *Journal of International Economics and Management*, 21(1), 86–107. <https://doi.org/10.38203/jiem.021.1.0024>
- Irhamni, M. A. F. (2024). Nilai transaksi transfer uang elektronik Indonesia capai Rp303 triliun di 2024. GoodStats.
- Pemerintah Kota Kediri. (2021). Wali Kota Kediri: Inovasi transaksi digital solusi pembayaran masyarakat.
- Pemerintah Kota Kediri. (2025). Launching parkir digital, Mbak Wali: Tingkatkan transparansi, kenyamanan dan keamanan bagi masyarakat.
- Putri, M. C., & Muizzudin, A. H. (2022). Pengaruh cashless transaction terhadap penggunaan digital payment pada mahasiswa IAIN Metro. *Jurnal Syariah dan Hukum Islam*, 1(1), 42–53.
- Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly*, 27(3), 425–478. <https://doi.org/10.2307/30036540>
- Yonatan, A. Z. (2025a). Nilai transaksi uang elektronik sepanjang 2024 capai Rp2,5 kuadriliun. GoodStats.