

The Effect Of Consumer Satisfaction On Reuse Intention Of Digital Wallet Services (E-Wallet) In Indonesia

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Abstract – In today's digital era, digital wallets are increasingly popular in Indonesia. However, only some studies still examine the factors influencing users' intention to reuse digital wallet services in Indonesia. This study aimed to examine the effect of consumer satisfaction on the intention to reuse digital wallet services (e-wallet). A total of 354 digital wallet users in Indonesia were selected as research subjects using a purposive sampling method to collect data on consumer satisfaction and intention to reuse digital wallet services. Linear regression was used as the data analysis method. The results showed that consumer satisfaction positively and significantly affect the intention to reuse digital wallet services. This research contributed to understanding the factors that influence users' intention to reuse digital wallet services and provides insight for digital wallet service providers to focus on consumer satisfaction to increase users' intention to reuse their services.

Keywords – consumer satisfaction, reuse intention, digital wallet

I. INTRODUCTION

Today's digital age has changed the way everyday commerce is conducted. Technological innovation has created an electronic payment model called digital wallet or e-wallet. The emergence of electronic money opens up the possibility for people to make financial transactions without having to use cash. E-wallets are seen as a more effective non-cash payment option. Generally, electronic money is stored in a digital wallet for easy access [1]. In 2021, the use of e-wallets for transactions in Indonesia is projected to reach a share of 45%, while in 2022 it will reach 49%, and finally reach 50% in 2023 [2]. The large number of transactions using e-wallets showed that there is interest among Indonesians in making purchases using digital wallet services (e-wallets) repeatedly [3]. The activity of returning to buy or repeatedly buying the same item or buying the same brand is commonly called repeat purchase or repurchase [4]. In the context of digital wallet services, repeat purchase of the services can be referred as reuse due to the low, barely noticeable cost nature of the services.

Repeated use is a behavior, and every form of behavior always begins with intention. Intention is an indication of a person's readiness to take a certain action or behavior, which is likely to be followed by the implementation of the action [5]. Thus, reuse intention can be referred as the likelihood of a person to use the services of the same provider in the future [6]. Intention is defined as a person's commitment, plan, or decision to take an action or achieve a goal and can lead to an action immediately or after a certain time lag [7]. Repurchase intention describes the subjective level of likelihood that a consumer will repeat a product purchase from the same seller [8]. This desire to repurchase occurs after consumers make trial purchases or trial purchases where consumers carry out an extensive problem-solving process which includes comparing important attributes which ultimately results in a strong preference for the product [9].

As the number of digital wallet service users increases, so does the competition between digital wallet service providers [10]. How to retain existing consumers so that they repeatedly use their service is an important concern for digital wallet service

providers. Previous research showed that reuse intention can be influenced by consumer satisfaction with the product [11]. If consumers feel that the goods or services offered by the provider can meet their wants and needs, it could increase the likelihood of consumers to repurchase or reuse the services [12]. This is consistent with the results of previous surveys [10] which showed that 70-86% of e-wallet service users are satisfied with the use of e-wallet services, which indicates high consumer satisfaction with the services they use.

Consumer satisfaction refers to the level of satisfaction or dissatisfaction that a person feels after comparing the expected performance or results with the performance or results provided by the product or service [4]. The desire to repurchase a product or service could arise when consumers feel that their experience with the product or service could provide satisfaction [13]. Satisfaction is a response from consumers to the sense of fulfillment obtained from the product or service provided, where it is evaluated as the level of match between product/service features and consumer expectations, thus providing a pleasant experience for consumers [14]. Consumer satisfaction is a post-decision activity that occurs after consumption activities take place which is a subjective evaluation of the consumption experience derived from the state of mind resulting from the comparison between what consumers expect and what they receive [15]. Other research also suggested that if the service used can provide a sense of satisfaction, consumers will have a desire to reuse services [16–18].

II. PURPOSE AND METHODS

A quantitative approach using the regression analysis method was used in this study with the aim of estimating or identifying the main factors that affect the variables under study. The research sample consisted of 349 people who had used digital wallet services. The research sample was selected using a purposive sampling technique. Research data was collected using consumer satisfaction scale based on theory proposed by Oliver [14] and repurchase/reuse intention scale based on theory proposed by Fishbein and Ajzen [5]. The scale consisted of 5 answer choice in Likert style ranged 1 (strongly disagree) to 5 (strongly agree).

Confirmatory Factor Analysis was used to check the validity of the scale. The scale was tested on 100 samples first. From the test results, items with factor loading below 0.5 were removed from the scale. The scale reliability values are presented in Table I and the factor loading values of each item are presented in Table II.

Before analyzing the research results, a research assumption test is carried out to evaluate the distribution of research data. The assumption test includes several stages such as normality test, collinearity test, and autocorrelation test. The results of each assumption test are presented in Table III. To further check the assumption of normality, a q-q plot curve array is used which can be seen in Fig 1. Based on the assumption test, it can be concluded that the data was normally distributed and there is no violation on the collinearity and the autocorrelation. Thus, hypothesis testing can be carried out.

TABLE I. RELIABILITY AND MODEL FIT

Reuse Intention Scale					Consumer Satisfaction Scale				
<i>Cronbach's α</i>	<i>CFI</i>	<i>TLI</i>	<i>SRMR</i>	<i>RMSEA</i>	<i>Cronbach's α</i>	<i>CFI</i>	<i>TLI</i>	<i>SRMR</i>	<i>RMSEA</i>
0.966	0.913	0.893	0.053	0.114	0.960	0.930	0.919	0.055	0.084

TABLE II. ITEMS FACTOR LOADING

Reuse Intention Scale		Reuse Intention Scale	
<i>Items Code</i>	<i>Factor Loadings</i>	<i>Items Code</i>	<i>Factor Loadings</i>
CS1	0.774	RI1	0.888
CS2	0.797	RI2	0.842
CS3	0.813	RI3	0.796
CS4	0.875	RI4	0.867
CS5	0.833	RI5	0.890

Reuse Intention Scale		Reuse Intention Scale	
Items Code	Factor Loadings	Items Code	Factor Loadings
CS6	0.721	RI6	0.814
CS7	0.913	RI7	0.915
CS8	0.713	RI8	0.873
CS9	0.910	RI9	0.854
CS10	0.869	RI10	0.806
CS11	0.827	RI11	0.836
CS12	0.817	RI12	0.927
CS13	0.790	RI13	0.859
CS14	0.774	RI14	0.827
CS15	0.797	RI15	0.888
CS16	0.714	RI16	0.842

TABLE III. ASSUMPTION TEST RESULTS

Normality Test (Shapiro-Wilk)		Collinearity Statistics		Durbin–Watson Test for Autocorrelation
Statistic	p	VIF	Tolerance	DW Statistic
0.996	0.417	1.00	1.00	1.91

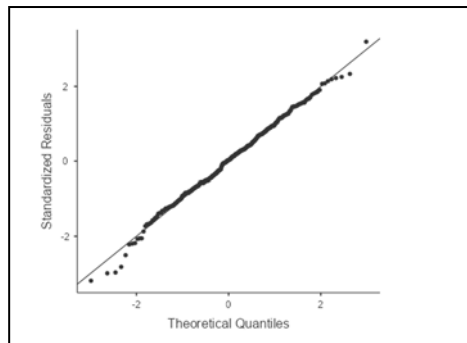


Fig. 1. Q-Q Plot Graph

III. RESULTS AND DISCUSSIONS

Table IV contains the results of the ANOVA test which shows a significance value of $p < 0.001$. This means that consumer satisfaction has an influence on reuse intention in digital wallet service users. Referring to the coefficient value in Table V, the coefficient of the consumer satisfaction variable has a value of 0.827 ($p < 0.001$). This showed that consumer satisfaction has a positive influence on reuse intention in digital wallet service users. Furthermore, Table VI contains a research summary model which showed the coefficient of determination (Adjusted R Square) of 0.660 or 66%. Thus, the consumer satisfaction variable provides an effective contribution of 66%, which can be categorized as moderate contribution, to the intention to reuse digital wallet services.

From the results of regression analysis, a regression equation can be drawn which can be used to predict how consumer satisfaction can affect the intention to reuse digital wallet services. The regression line equation from the results of this study are presented in equation (1). A constant of 13.129 means that if there is no consumer satisfaction, the intention to reuse digital wallet services is positive at 13.129. The regression coefficient of 0.827 on consumer satisfaction means that if consumer satisfaction increases by one unit, the intention will increase by 0.827.

$$Y = 13,219 + 0,827X1 \tag{1}$$

The research result showed that consumer satisfaction has a positive and significant effect on reuse intention in users of digital wallet services. This means that, the higher the consumer satisfaction with the digital wallet, the greater the desire to return to using digital wallet services. Consumer satisfaction has been proven as one of the factors that influence repurchase intention in many previous studies with different populations [12,17,19]. The results of this study showed that the same is true for users of digital wallet services.

When consumers buy a product and consume it, they develop an attitude towards the product. An attitude is a fairly stable liking or disliking of a product based on previous experiences, such as previous satisfaction [14]. If consumers have a positive attitude towards a behavior, which in this case is buying and consuming behavior, then consumers will have the intention to do that behavior again [5]. Satisfaction is also considered a positive emotion resulting from a good assessment of the results of consumption activities [20]. When referring to the concept of operant conditioning, positive emotions in the form of satisfaction can be interpreted as rewards from consumption activities that support consumers to return to these consumption activities, which starts from the desire to buy products that provide satisfaction again. This is in accordance with the statement of Ling et al. [21] which states that in the consumption process, consumers learn to assess which products are good, and which products cause losses or difficulties to get what we want when purchased or used. Based on this explanation, it can be interpreted that if consumers get a sense of satisfaction because digital wallets meet their expectations after use, then consumers will have the intention to buy or use digital wallet services again.

TABLE IV. ANOVA TEST

	Sum of Squares	df	Mean Square	F	p
Consumer Satisfaction	23531	1	23530.7	685	< .001
Residuals	12090	352	34.3		

TABLE V. MODEL COEFFICIENTS

Predictor	Estimate	SE	t	p	Stand. Estimate
Intercept	13.219	20.061	6.59	< .001	
KK	0.827	0.0316	26.17	< .001	0.813

TABLE VI. MODEL SUMMARY

Model	R	R ²	Adjusted R ²
1	0.813	0.661	0.660

IV. CONCLUSION

This study aimed to examine the effect of consumer satisfaction on the intention to reuse digital wallet services (e-wallet). Based on the results of research conducted with a sample of 354 people, consumer satisfaction has a positive and significant effect on the repurchase intention of digital wallet service users. This means that the higher the consumer satisfaction, the higher the repurchase intention of digital wallet service users. The results of this study are expected to provide information about factors that can influence a person's intention to use digital wallet services.

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