INTENTION TO USE DIGITAL PAYMENT DURING THE COVID-19 PANDEMIC IN THE RURAL AREA

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ABSTRACT

A cashless society and technical progress are now more widely accepted. The widespread covid-19 epidemic, which coincided with the creation of formal financial services globally, has significantly increased digital payment. Even in a pandemic, the use of digital payment may be discovered to be different if segregated by geography. There is a significant disparity in financial inclusion between urban and rural areas. This study will look at people's intentions to use digital payment during the covid-19 pandemic. This research will continue to learn about the intention to utilize digital payment in rural communities in *West Java, Indonesia*. This study is based on quantitative data. The survey was carried out using online questionnaires. The information was gathered from 225 digital payment consumers in rural *West Java, Indonesia*. SEM-PLS is used in this study. Statistical analysis software that works with SMART-PLS4. Our findings reveal that users in rural areas prefer digital payments due to performance expectations and social influence. People in rural areas do not use digital payments for health reasons, such as fears of contracting covid-19, as reflected by perceived severity and susceptibility.

Keywords : intention to use; digital payment; covid-19; rural areas

ABSTRAK

Masyarakat tanpa uang tunai dan kemajuan teknis sekarang diterima secara lebih luas. Epidemi covid-19 yang meluas, yang bertepatan dengan penciptaan layanan keuangan formal secara global, telah meningkatkan pembayaran digital secara signifikan. Bahkan dalam pandemi, penggunaan pembayaran digital mungkin berbeda jika dipisahkan berdasarkan geografi. Ada perbedaan yang signifikan dalam inklusi keuangan antara daerah perkotaan dan pedesaan. Studi ini akan melihat niat masyarakat untuk menggunakan pembayaran digital selama pandemi covid-19. Penelitian ini akan terus mempelajari niat untuk memanfaatkan pembayaran digital pada masyarakat pedesaan di Jawa Barat, Indonesia. Penelitian ini didasarkan pada data kuantitatif. Survei dilakukan dengan menggunakan kuesioner online. Informasi tersebut dikumpulkan dari 225 konsumen pembayaran digital di pedesaan Jawa Barat, Indonesia. SEM-PLS digunakan dalam penelitian ini. Perangkat lunak analisis statistik yang bekerja dengan SMART-PLS4. Temuan kami mengungkapkan bahwa pengguna di daerah pedesaan lebih menyukai pembayaran digital karena ekspektasi kinerja dan pengaruh sosial. Orang-orang di daerah pedesaan tidak menggunakan pembayaran digital karena alasan kesehatan, seperti ketakutan tertular covid-19, sebagaimana tercermin dari tingkat keparahan dan kerentanan yang dirasakan.

Kata kunci : niat menggunakan; pembayaran digital; covid-19; pedesaan

INTRODUCTION

Global acceptance of technological advancement and a cashless society has increased (Fabris, 2019). Payments made with cards or other electronic means rather than actual currency are referred to as cashless payments. One of the cashless methods is server base or digital payment. "Digital payments" refer to any type of payment made with digital means, such as mobile payments, e-wallets, digital currency, and electronic payments (Sardana & Singhania, 2020).

A major rise in digital payment has been caused by the widespread covid-19 pandemic, which has coincided with the establishment of formal financial services globally (Worldbank, 2022). According to Bilińska-Reformat & Kieżel (2016), transactions in the worldwide digital payments market in 2020 were to be USD 5.44 trillion. According to Bank Indonesia data about digital payment transactions in 2017-2021, the growth is 122.89%, and during the Covid-19 pandemic (2020-2021) digital payment transactions increased by more than 100%. It is because of social distancing behavior, digital payment can minimize the spread of the Covid-19 virus.

Before the covid-19 pandemic, the adoption of digital payment already begins. There are a lot of motivations or factors that influence people's use of digital payment. The past research found several reasons people adopting digital payment, such as perceived usefulness or performance expectancy (Kim, Mirusmonov, Lee, 2010; Sharma and Sharma, 2019; Alkhowaiter, 2020; Al-Okaily, 2020; Aseng, 2020; Rahman, Ismail, Bahri 2020; Alam et al, 2021; Hardioko, Titalessy, Krisanta, 2021), effort expectancy or perceived ease of use (Kim, Mirusmonov, Lee, 2010; Sharma and Sharma, 2019), social influence (Lu, 2014; Sharma and Sharma, 2019; Aseng, 2020; Rahman, Ismail, Bahri 2020; Tusyanah, 2021), facilitating condition (Sharma and Sharma, 2019; Tusyanah, 2021).

During covid-19 pandemic the adoption and intention to continue the use of digital payment increases significantly. Social distancing behavior during the Covid-19 pandemic is one of the motivations why people use digital payment (Alam et al, 2021). Several people who already adopted digital payment decided to continue to use digital payment while the covid-19 pandemic because of self-efficacy (Daragmeh, Sagi, Zeman, 2021), perceived usefulness, health perception, or preventive health behavior (Sreelakshmi & Sangeetha, 2020). The majority of individuals believe that the covid-19

pandemic virus travels from person to person through droplets or contaminated surfaces (Fang et al, 2020).

Even in the pandemic there is increasing in the use of digital payment, however, might be found different if separated based on areas. According to financial service authorities (OJK) in 2024 Indonesia targeted 90% in financial inclusion. In 2019 Indonesia has to reach 76,19% in national financial inclusion. However, based on areas there is a large gap between urban and rural financial inclusion. The financial inclusion index for the urban area and rural area is 83.60% and 68.49%, respectively. Several studies in the case of rural areas discovered that the intention to use digital payment is influenced by effort expectancy (Sharma and Sharma, 2019; Dzogbenuku et al, 2021), performance expectancy, social influence, and facilitating conditions (Sharma and Sharma, 2019).

This study will look at people's intentions to adopt digital payment during the covid-19 pandemic. This research will continue to learn about the intention to utilize digital payment in rural locations throughout Indonesia. The Health Belief Model (HBM) and the Unified Theory of Acceptance and Use of Technology (UTAUT) will be merged in this study. The integrated theory was used by Jaafar (2020) and Dissanayek et al (2022). They discovered that several factors can be used to predict the intention to use digital payment, including perceived susceptibility, perceived severity, effort expectancy, performance expectancy, social influence, and facilitating condition.

This study investigates the elements that influence consumers' willingness to use digital payments. Based on a rigorous investigation of particular characteristics influencing intention to use, this study will provide practitioners with practical information that can be used to design strategies that help increase the use and quality of digital payment systems. Because Indonesia aspires to digitalize the economy and create an integrated digital economy across the country, it is critical to understand the factors that influence the desire to use digital payment in rural areas. The research topic is, "What factors influence the intention to use digital payment in rural areas during a covid-19 pandemic?".

LITERATURE REVIEW

Health Believe Model (HBM)

HBM explains why people adopt preventive or curative measures; in other words, the model is interpreted as a predictor of preventative health behavior. This concept is based on the premise that an individual's desire to change health-related behavior is influenced by health perceptions (Sreelaksmi and Sangeetha, 2020). HBM originally defined five primary constructs that predict health-related behavior: signals to action, perceived advantage, perceived threat, perceived vulnerability, and perceived severity (Dissanayake et al, 2022). Across all research, perceived severity and perceived susceptibility are the most important predictors of preventive health-related behavior (Jones et al., 2015).

HBM has also been extensively used in studies on technological use. According to Melzenar (2014), perceived severity and perceived susceptibility constructs have been used to investigate technology-based health behavior. This framework was created by combining HBM, the unified theory of acceptance, and technology use (UTAUT) to describe the variables that affect how often people use mobile app applications. Wei et al. (2020), combined HBM and UTAUT to analyze determinants in mobile app consumption.

Unified Theory of Acceptance, and Use of Technology (UTAUT)

Another theory that can be utilized to develop individual behavior in the usage of technology is UTAUT (Sreelakshmi & Sangeetha, 2020). This explains why humans want to use new technology. It was designed with four primary predictors of intention to use and four moderating variables, namely gender, age, experience, and volunteerism (Venkatesh et al., 2003). According to the UTAUT model, there are four constructs: effort expectations, enabling conditions, performance expectations, and social impact (Ndifon et al., 2020). When developing this model, Venkatesh (2003) considered "effort expectancy" to be synonymous with "perceived ease of use and complexity," "performance expectation" to be synonymous with "perceived usefulness and relative advantage," "social influence" to be synonymous with "subjective norm," and "facilitating conditions" to be synonymous with "perceived control behavior."

Digital payment in the rural area of Indonesia

In rural areas, it is known that digital technology used is only limited to communication tools such as cell phones. Not a reason, because internet access that has not been evenly distributed causes people to still experience problems in accessing the

internet using their digital devices. As a result, this also affects the spending behavior in rural areas. The Bank Indonesia Representative Office of *West Kalimantan* Province conducted socialization and education about digital money QRIS and the mandatory use of Rupiah in the territory of the Republic of Indonesia, in the hall and market of the Entikong Cross-Border Post (PLBN), on March 2, 2021 (Kumparan.com, 2021). This is done to encourage the implementation of digital money in rural areas of Indonesia. According to a prior study done in *West Kalimantan*, the general public uses digital payments when conducting online transactions. Shopee pay is the most popular option (76% of users) followed by Gopay (57% of users), Ovo (54% of users), and QRIS (21% of users). The use of digital payments is based on a large number of people in rural areas who use online shopping start-ups (Yulia & Hilda, 2021). This shows that Indonesia has enormous potential for digital payment growth. Therefore, this study tries to explore opportunities for digital payments in rural areas of Indonesia and offers a model that is appropriate to the rural conditions around Indonesia to determine the factors for using digital payments in rural areas of Indonesia.

Research framework and hypothesis

The proposed conceptual framework connects the dependent variable (intention to use digital payments) and the independent variables (perceived severity, perceived susceptibility, social influence, effort Expectancy, performance Expectancy, and facilitating Condition) from the HBM and UTAUT.

Intention to Use

Intention to use can also refer to a person's desire to utilize item repeatedly (Daragmeh *et al*., 2021). Therefore, this research defines the intention to use digital payments in response to the COVID-19 pandemic. Venkatesh & Morris (2005) argue that behavioral intention is one of the main determinants for measuring behavior in technology use. Behavioral intention toward acceptance of technology can also be measured to show the same characteristics that determine intentions in using digital payments, such as perceived risk, ease of use, etc. Both internally and externally. Due to network restrictions brought on by the Covid-19 epidemic, which also affected how customers used digital payments, this is one example of a behavioral desire to utilize technology (Zhao & Bacao, 2021).

Perceived susceptibility

Perceived susceptibility is an individual's evaluation of the likelihood that something may endanger their safety (Sreelakshmi & Sangeetha, 2020). A illness or something called'susceptibility' is likely to affect a condition. According to the definition previously, susceptibility perception is a person's impression of the danger of contracting and altering health issues (Rosenstock, 1974). Perceived susceptibility is a preventive action against a disease that can arise when people already feel that they or their families are susceptible to the disease. In this context, if consumers feel they are vulnerable to infection, they tend to take preventive measures themselves (Pramatatya & William, 2021). The health belief model suggests that those who often think that they are vulnerable to a health issue will engage in practices that lower their chances of acquiring that health problem. Therefore, those who perceive low susceptibility may deny that they are at risk for certain diseases. Certain individuals may acknowledge the possibility that they may have experienced the disease, but may also doubt the disease (Ishaq Jaafar, 2020). Due to restrictions on physical contact to prevent the spread of the covid 19 virus, people's behavior also changes. Using contactless technology to make cashless payments is considered a much safer alternative option. It has been applied as a key construct when describing individual health-related behaviors (Jones et al., 2015; Rosenstock, 1974).

Perceived Severity

The term "perceived severity" relates to an individual's prospective view about how serious the ailment and its implications are (Becker et al, 1977). In this case, they will seek all means to prevent the disease based on the seriousness of the disease's impact on individuals or society (Jones et al, 2014). Perceived severity refers to an individual's assessment of the severity of the health situation and the accompanying concerns. According to the health belief model, those who regard a health crisis as severe are more inclined to engage in actions to prevent the likelihood of a health crisis occurring (or reduce the severity caused by it). Perceived severity consists of an individual's opinion regarding the disease itself (for example, whether it can be life-threatening or can cause disability in the body or cause pain) as well as the broader effects of the disease on society at large (Ishaq Jaafar, 2020). For instance, a person may believe that having the flu is psychologically normal, but if that person thinks otherwise and

believes that being out of work for several days will result in financial penalties, that person may believe that influenza is a very serious sickness.

Performance Expectancy

The degree to which customers think that utilizing the system will help them reach their full potential in their job is related to performance expectations (Chua, Rezaei, Gu, Oh, & Jambulingam, 2018). Because this model is a hybrid of existing models, the five performance expectation variables on the previous model are external motivation (motivation model), perceived usefulness (technology acceptance model), relative advantage (innovation diffusion theory), expected results (social cognition theory), and job fit (PC utilization model). It's like perceived usefulness; Perceived usefulness can be explained as a belief in the use of the system which will help in improving job performance. This could be one of the factors that can predict consumers to use technology (Lin et al, 2010). The majority's performance expectations are considered one of the most significant factors influencing behavioral intentions in various types of contexts (Venkatesh et al., 2003).

Effort Expectancy

The phrase effort expectancy is defined as the level presented from other relevant aspects from earlier theories, including ease of use (Venkatesh et al, 2003; Moore, & Benbasat, 1991), perceived ease of use Davis et al., (2014) and complexity (Thompson et al., 1991). Both mandatory and voluntary settings showed a degree of substantial effect on behavioral intention, according to effort expectation. Because digital payment methods are designed to be simple to use on technological gadgets, consumers are more at ease using them (Chang, Tsai & Lin, 2012; Islam et al., 2017).

Social influence

The extent to which other people influence other people in their social context is referred to as social influence (Sharma et al, 2017). Family, spouse, and friends come from the same social group. In this case, Adiwibowo et al. (2012) define social influence as the amount to which an individual's perceptions of something that other people believe in influence their use of a new system in their life. Kelman (2017) defines social influence as "how a person changes his behavior to adapt to the social environment and, as a result, how that person sees himself as an influencer on other people and society." Important thoughts and desires of others, such as those of relatives,

spouses, and partners, influence people's decisions and how they view specific conduct (Phau and Teah 2009; Limayem et al. 2004). Wijenayake et al. (2020) define social influence as societal norms that are pushed to be adopted by individuals.

Facilitating Condition

The Facilitating Conditions are the extent to which someone believes that current institutional and technological facilities can facilitate the utilization of a system. This description incorporates perceptions of behavioral control, adaptability (theory of innovation diffusion), facilitating conditions (the PC utilization model), and (the theory of planned behavior and the deconstructed theory of planned behavior). Facilitating conditions as described by UTAUT is the point where certain individuals are highly dependent on organizational infrastructure and technology that assists them in the use of these technologies (Venkatesh et al., 2003). In this study, consumer intentions to use digital payments, in general, must be assisted by facilitation related to consumer access, availability to use the system, and the cost of using the system, (Pan & Jordan, 2010). In the Digital payment framework, this refers to features such as smart devices with a good internet network, and of course knowledge of how digital payments work.

Hypothesis Development

Perceived susceptibility-intention to use

During the covid-19 pandemic, anticipated susceptibility significantly influences the decision to make digital payments. 2020; Daragmeh, Segi, and Zeman, 2021; Pramatatya and William, 2021). People routinely undertake digital money transactions to avoid catching the Covid-19 virus in the worst-case situation. Daragmeh et al. (2021) discovered that Perceived Susceptibility to COVID-19 boosted Generation X consumers' propensity to adopt m-pay. Furthermore, the COVID-19 pandemic will enhance consumer use of e-Wallet because it can aid in disease transmission reduction (AlRefai et al., 2021). As a result, the higher the P-Sus to COVID-19 ratio, the more consumers consider an e-Wallet is a helpful and simple instrument for their daily money operations. This is because the e-Wallet may help to reduce physical money transactions while also lowering the danger of SARS-CoV-2 infection (Daragmeh et al., 2021). Sreelakshmi and Sangeetha (2020) discover that during Covid-19, a high level of vulnerability leads to the adoption of mobile payment systems, which enable to avoid

handling traditional cash while conducting a transaction, potentially limiting the virus's transmission.

H.1: Perceived susceptibility and intention to use digital payments during the COVID-19 pandemic are strongly and positively connected.

Perceived Severity-intention to use

During the COVID-19 outbreak, perceived severity influences the decision to use contactless payment methods or digital payments (Sreelakshmi and Sangeetha, 2020; Daragmeh, Segi, and Zeman, 2021; Nguyen, 2021; Pramatatya and William, 2021). In the context of digital payment, perceived severity is significant since it shows how dangers can raise awareness in order to avoid potential threats. A increasing corpus of studies has proven the effect of perceived severity on mobile medical device intent to use and actual uptake (Wei et al, 2021; Zhao et al, 2018). In accordance with Alaiad et al. (2019), patients who comprehend the application of mobile payment apps have favorable attitudes toward using such technologies when health risks are anticipated. In the setting of mobile health adoption, Dou et al. (2017) found that perceived severity affects technology adoption. Ming tu et al. (2022) find that the external influence of perceived severity enhances the internal psychological process of judging QR code mobile payment, implying that environmental dangers like COVID-19 can have a significant impact on mobile payment acceptance.

H2: Perceived severity and intention to use digital payments during the COVID-19 pandemic are strongly and positively connected.

Performance expectancy-intention to use

The impact of performance expectancy on behavioral intention was found to be both favorable and significant (Foon and Fah, 2011; Suharto, 2019) in the case of acceptance of a new information system (Thakur and Srivastava, 2014), to use an e-wallet (Lail, 2019; Syifa and Tohang, 2020), to use mobile payment service (Shaikh and Karjaluoto, 2015), and to use mobile banking service (Peng, Xiong, and Yang, 2012). Jin-Myong lee et al (2019) confirmed that the intention to use Mobile Payment Services has been beneficially affected by performance expectations. These findings are consistent with earlier research suggesting that the use of technology by users may affect Mobile Payment Services acceptance. Expectancy of performance has an important and beneficial impact on Attitudes toward Technology Use, according to Kai-Ying Chen

and Meng-lin Chang (2013). In this study, people attach great importance to the performance of mobile payment devices in their lives. For example, using an m-payment device when shopping at a supermarket can speed up queues instead of using cash.

H.3: Performance expectancy and intention to use digital payments are strongly and positively connected.

Social influence-intention to use

In the context of high technological innovation (Kulviwat, Bruner, and Al-Shuridah, 2009), and mobile banking (Rana et al, 2017), social impact is discovered to be critical in the intention to adopt or use (Lu, 2014). It is because information or stories from other people can sometimes influence how a person behaves. Other research has identified a negative and significant association between social influence and the intention to adopt digital payment (Tusyanah, 2021) and mobile application usage (Gu et al, 2009). There was also a weak link amongst social influence and the proclivity to utilize mobile banking (Govender and Sihlali, 2014). In the study by Slade et al. (2015), social influence influences behavioral intent to use mobile payments. This correlation demonstrates that using payments via mobile devices benefits those in the comparison group even if it is detrimental to the adopter. This suggests that social influence is important in convincing an individual to reach a quick choice and embrace new technologies so as to remain a part of a reference group (Thakur, 2013). According to Edi Purwanto (2020), social impact is not significantly related to the fact that customers utilize m-banking because it is optional. They are not influenced by others when using mobile banking since they have assessed and felt the value of m-banking, as a result, personal gain motivates the intention to use mobile banking instead of the effect of social factors.

H.4: Social influence and intention to use digital payment are strongly and positively connected.

Effort Expectancy-intention to use

It was shown that an intention to use technology has an important and beneficial impact on effort expectancy (Davis, 1989), and another situation is digital payment (Alalwan et al, 2017; Sharma and Sharma, 2019). Other research, however, has found that effort expectations are unrelated to the willingness to use digital payment (Ooi and

Tan, 2016). Most consumers desire technology that is adaptable, helpful, and easy to operate. Based on Giesing (2003), commitment anticipation is an important factor in influencing intention to use. In this example, effort expectation refers to the perceived ease of M-payment. Nyesiga et al. (2017) discovered an important beneficial connection between Effort Expectancy and Intent to Use Technology. This meant that if consumers perceive that their interactions with electronic payments will be clear, intelligible, and simple to use, their behavioral intentions to use will improve.

H.5: Effort expectancy and intention to use digital payment are strongly and positively connected.

Facilitating Condition-intention to use

Facilitating conditions possess a considerable favorable impact on the intention to use. in the case of online banking (Foon and Fah, 2011), mobile banking services (Kwateng et al, 2019), E-commerce (Mizal and Wijayangka, 2020), and digital transactions (Tusyanah, 2021). In accordance with Nyesiga et al. (2017), enabling conditions have a favorable relationship with the behavioral intention for the utilization and adoption of technology. People in this research will be willing to adopt M-payment when they believe that that the resources and facilities are available to make it possible. Edi Purwanto (2020) believes that mobile devices and internet connectivity are essential, and that they have them. Their cell phones and internet access must assist or simplify their work. People discovered that having access to m-banking greatly improved their efficiency in executing various financial activities.

H.6: Facilitating conditions and intention to use digital payment are strongly and positively connected.

RESEARCH METHOD

Research Design

This research focuses on the intention to use digital payment during the covid-19 pandemic in rural areas. This study is conducted using quantitative data. The type of non-probability sampling used is purposive sampling. Today, people using digital payment continue to grow in all ages. The population used is every user of digital payment in rural areas. Characteristics of the population in general have Characteristics with an age range of 18-45 years, resident in rural areas. Variable is measured using the Likert scale. The Likert scale is intended to examine how well respondent agrees with

the statement in a questionnaire. From 1 for "strongly disagree" to 5 for "strongly agree".

Data Analysis

This study employs partial least squares (PLS) SEM to model and estimate complex correlations between numerous dependent and independent variables at the same time. Supporting software for statistical analysis with SMART-PLS 4 and other PLS-SEM.In this research, the test was carried out using a composite reliability indicator and Cronbach's alpha. The validity test through the AVE (Average Variance Extracted).

RESULT AND DISCUSSION

Data Collection and Sample Characteristics

The survey was conducted over the course of 5 weeks through visiting door-to-door and online questionnaires. The data set was obtained from 246 digital payment users in rural areas, *west java*, by survey. The final sample size is 225 respondents after a number of responses were excluded by control questions. Table 2 shows the demographic characteristics of the responders. Approximately, more than one-third of those polled are around the ages of 18 and 22, 8% are within the ages of 23 and 26, and the rest is more than 26 years old. Moreover, 111 were male (49,33%), and 107 were female (47,56%). The majority of the respondent's monthly income comes from under Rp 5.000.000.

Data processing was continued by analyzing the summary statistics of the study's 225 participants shared in Table 3 below. The total valid data (N) in this study was 225 data from 225 respondents. The smallest value that can be given by respondents on each item on the research questionnaire is 1 and the maximum value that can be given by respondents is 5. Each recorded indicator has an average value of more than 3. This can mean that the average respondent agrees with the statement given. In addition, an average score that is not equal to 3 gives an indication of respondents' answers that are not neutral. The standard deviation value indicates the presence or absence of outlier data indications in the study if the value is greater than the mean value. In this study, there is no standard deviation value greater than the mean value so it can be indicated that each indicator has been free from outlier data.

The convergent validity in this study used three parameters, namely the AVE value parameter > 0.5, the communality value > 0.5, and the loading factor value > 0.7. Based on the Table 4, reliability and validity testing requirements have been met.

To accept the hypothesis, the value of the coefficient in the original sample is used which is positive or negative according to the direction of the relationship in the hypothesis. The significant impact seen from the statistical value of T (T-Statistics) will be compared with the standard value of T-Statistics research. This study uses a one-tailed hypothesis model so that a T-statistic value of ≥ 1.64 is needed to reject the null hypothesis and accept alternative hypotheses. Acceptance of the hypothesis can also use a significance standard < 0.05. The outcomes of hypothesis testing are reported in based on the analysis following Hypothesis Testing Table 5.

Hypotheses 1 and 2 investigated the role of perceived susceptibility and severity as a proxy of covid-19 condition on the intention to use digital payment in rural areas. However, both of them were not accepted (p = >0.05). Hypotheses 3 and 4 are concerned with the influence of performance expectations and social influence on the intention to utilize digital payment in rural areas. The findings revealed that both had a considerable impact on the intention to utilize digital payment in rural areas, therefore hypotheses 3 and 4 were accepted. Hypotheses 5 and 6 assessed the effect of effort expectancy and facilitating conditions which were not significant to the intention to use digital payment; therefore hypotheses 5 and 6 were not accepted.

Our results show that users in rural areas use digital payment because of first, performance expectancy. People place a high value on the performance of digital payment devices in their daily lives. Using digital payments allows users to make various transactions wherever they are and whenever. Transactions that used to need to be done by going from home, such as making bill payments, with digital payments make it possible to do without visiting a payment point. Especially in rural areas, where generally places that can process payments are rare and the distance from residence to the place of payment has a considerable distance. Another example is when buying at a supermarket, utilizing a digital payment device rather than cash can help to shorten lines.

Second, social influence, is because information or stories from other people can sometimes influence how a person behaves. Especially in rural areas where kinship is still closely maintained, between neighbors can have a significant influence on how

others behave. Generally, they will influence each other about something that they know can facilitate their lives in the countryside. for example, a neighbor influences another neighbor to make bill payments, make purchases, and make transfers using digital payments, because this allows them to make payments without the need to spend more time and money by going to a place that serves payments.

CONCLUSION

The use of digital payment for rural areas is rising on a daily basis in the digital age. Rural citizens' adoption of this financial technology is critical to achieving the acceptance of electronic payments in rural areas. As the outcome, this study aimed to develop a research framework based on the combination of UTAUT and HBM theory that will aid in finding major forces impacting the rural population of West Java's willingness to embrace digital payments. The secondary purpose of the article was to propose a conceptual framework capable of encourage the continued usage of digital payments in rural Indonesia, starting with West Java.

IMPLICATION

The study's conclusions have a wide range of implications. First, the growth of the Cashless Society in rural areas, as well as the identification of the drivers of cashless adoption, will be valuable to future academics interested in this field. Second, identifying the drivers of cashless adoption in rural areas will tremendously benefit digital payment service providers (such as Gopay, Dana, and Ovo) since more emphasis can be placed on them. For example, it was observed that Social Influence has an important impact on consumers' cashless adoption; consequently, initiatives to inform the public and improve consumer understanding can be geared to encourage better acceptance of the products.

LIMITATION

Despite this, the study contains several flaws. Despite the fact that the respondents in this study ranged in age from 18 to 45, they are all from rural West Java. Because the cash-free society is intended to involve the vast majority, additional investigations might adapt the study's methodology and cover people from various Java islands, such as east Java, particularly individuals from less developed towns or those with a lower education level. Furthermore, because they may be a hindrance to the usage of digital payment systems, more low-income respondents should be recruited. It

could allow government entities to work with providers of services to provide additional financial assistance to low-income people in the form of promotions or special packages.

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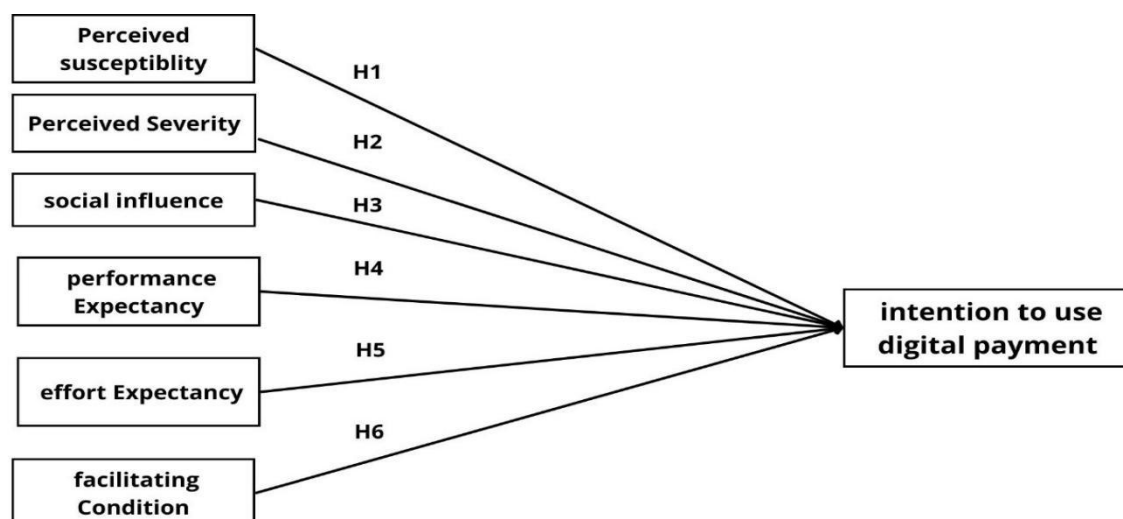
FIGURE AND TABLE

Figure 1.Research Framework

Table 2. Respondent Demographic

Sample Criteria	n	%
Age		
18-22	89	39,56
23-26	67	29,78
27-30	29	12,89
31-35	15	6,67
36-39	11	4,89
40-45	14	6,22
Gender		
Male	111	49,33
Female	107	47,56
Not Answered	7	3,11
Monthly Income		
< Rp 5.000.000	114	50,67
Rp 5.000.000 - <10.000.000	19	8,44
Rp 10.000.000 - <20.000.000	81	36,00
> Rp 20.000.000	11	4,89

Table 3. Descriptive Statistics

Indicator	Lost Data	Average	Min	Maks	St. Dev
IU1	0	3.898	1	5	1.167
IU2	0	3.751	1	5	1.189
IU3	0	3.693	1	5	1.058
PSu1	0	3.636	1	5	1.258
PSu2	0	3.604	1	5	1.107
PSu3	0	3.804	1	5	1.126
PSev1	0	3.622	1	5	1.168
PSev2	0	3.604	1	5	1.123
PSev3	0	3.498	1	5	1.237
PSev4	0	3.942	1	5	1.136
PSev5	0	3.778	1	5	1.179
PE1	0	4.169	1	5	1.023
PE2	0	4.053	1	5	1.014
PE3	0	3.836	1	5	1.056
SI1	0	3.729	1	5	1.116
SI2	0	3.618	1	5	1.094
SI3	0	3.676	1	5	1.018

EE1	0	4.067	1	5	1.071
EE2	0	3.956	1	5	1.032
EE3	0	3.964	1	5	0.988
FC1	0	3.916	1	5	1.065
FC2	0	3.867	1	5	1.033
FC3	0	3.849	1	5	1.022

Table 4. Validity and Reliability Test

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Intention to Use	0.860	0.863	0.914	0.781
Perceived Susceptibility	0.847	0.847	0.907	0.766
Perceived Severity	0.886	0.901	0.916	0.687
Performance Expectancy	0.875	0.876	0.923	0.800
Social Influence	0.862	0.868	0.916	0.783
Effort Expectancy	0.886	0.888	0.929	0.814
Facilitating Condition	0.881	0.883	0.927	0.808

Table 5. Hypotheses Testing

Path	Original Sample (O)	Sample Mean (M)	STDEV	T Stat	P Values	Hypothesis
PSu-> IU	0.114	0.103	0.112	1.016	0.155	Not Accepted
PSev -> IU	-0.072	-0.070	0.111	0.654	0.257	Not Accepted
PE -> IU	0.249	0.254	0.128	1.950	0.026	Accepted
SI -> IU	0.221	0.224	0.124	1.783	0.037	Accepted
EE-> IU	0.138	0.141	0.113	1.220	0.111	Not Accepted
FC-> IU	0.185	0.187	0.116	1.588	0.056	Not Accepted