

Determinants Factor of The Use Of E-Wallets for Students and According to The Islamic Perspective

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ABSTRACT

One of the best inventions of the 21st century is the electronic wallet (e-wallet) which is an integral part of the electronic payment system. As of today, almost all citizens in Indonesia use e-wallets as a payment method. E-wallet is an application or feature developed to make it easier for users to make payments. The use of e-wallets can be accessed easily via the internet, can have a positive impact and also have a negative impact on the use of electronic money services. The study involved students consisting of a man, as well as a woman with ages varying from 19 to 24 years old. Using a qualitative approach, this study uses in-depth interviews as a data collection technique and also obtains from relevant websites or journals. This research shows that E-wallets have grown very rapidly and are used by various groups, including students as millennials. E-wallets are not only understood as a place to store money electronically, but also as a digital payment system with various features, such as top ups, bill payments, bank card storage, money transfers and withdrawals, etc. Students use e-wallets for various purposes, such as paying for online transportation, buying food/drinks, paying bills, etc. There are several fundamental reasons students use e-wallets as a payment method because of the promos offered, ease of transactions, and ease of operation. In using e-wallets, students not only feel comfortable in shopping, but also the convenience of paying because it can be done anywhere as long as the user is connected to the internet. Various conveniences offered by e-wallets, one of which is the simple appearance of the application that allows many users to understand how to operate it quickly.

Keywords: E-Wallets, Islamic Economics, Finance Innovation

INTRODUCTION

In the current period of globalization, human life is not adversely affected by the expansion of technological use over the entire global population. In order to reduce the risk associated with technology and information growth, the rapid development of technology and information may require security and an effective payment system (Bagale, 2021). The system of payments that is used as a transactional tool in economic initiatives will also grow stronger through time as a result of the advancement of technology and information. In addition, the bank uses nontunai currency as a cutting-edge technological innovation to facilitate economic transactions for the general populace (Hatamleh, 2023).

An electronic wallet (e-wallet), which is a crucial component of the electronic payment system, is one of the greatest inventions of the twenty-first century. As of right now, practically all Indonesian citizens utilize e-wallets to make payments (Ramli, 2021). E-wallets are programs or features created to simplify the payment process for users. You deposit a set quantity of money into your e-wallet account according to the e-own wallet's procedure. Later, this money can also be used directly to make purchases at businesses who have partnered with the e-wallet provider. The use of e-wallets can be easily accessed online, and it can both positively and negatively affect how electronic money services are used (Subaramaniam, 2020).

Digital e-wallet is an online payment application installed on devices like IOS and android smartphones. The use of e-wallet services is increasingly growing along with the increasing public awareness and needs to conduct electronicbased transactions (Ciptariato, 2022). The use of this e-wallet is growing along with increasing technological advances and also the awareness and need of the public to make electronic-based transactions (Chelvarayan, 2022). From year to year, the use of this e-wallet is growing among the public, especially among students. The facilities obtained by students when using this e-wallet are due to the many promos offered through the e-wallet application. Starting from discounts to points that can be exchanged for free services or products. Therefore, its users feel that it is more profitable to use this facility provided for shopping. Not only used for shopping, another facility provided by this e-wallet for students is to make it easier for them to pay tuition fees (UKT) online without having to come to the bank (Munawar, 2022).

After writing what facilities are provided by this e-wallet and the benefits felt by students, how this e-wallet is according to the Islamic view. One of the great scholars in Indonesia, namely Buya Yahya, gave his opinion on digital wallets, including: "If our intention is to pay for services, then we are legally halal. Because they have an agreement, and there is no usury here. A simple picture when we pay for our needs first, through the system there is a balance cut. And given to the giver of the service is legally not usury". So in essence the law of digital wallets

is allowed because the existence of digital wallets is actually to make it easier.

LITERATURE REVIEW

Theoretical Framework

According to [Rahmawati \(2020\)](#) with research entitled PENGARUH PERSEPSI MANFAAT, PERSEPSI KEMUDAHAN, DAN PERSEPSI KEAMANAN TERHADAP KEPUTUSAN PENGGUNAAN E-WALLET PADA MAHASISWA STIE BANK BPD JATENG bahwa E-wallet is an application or service feature developed by banks to make it easier for users to make transactions or non-cash payments, with the availability of a cash e-wallet service, fraud will decrease and more people will be aware of the benefits of switching from cash to non-cash payments. One kind of e-wallet is different, like Ovo, Go-Pay, Dana, and LinkAja, which can be downloaded for free on the Google Play Store and App Store and offers online transaction services that can be used without carrying a lot of cash and does not thicken the wallet so that in order to make buying and selling transactions more securely, just by displaying the e-wallet application in which there are balances and points that provide benefits for users, e-wallets are currently not even used.

According to [Silaen and Prabawani \(2019\)](#) Promotion is a type of marketing used in commercial activities to disseminate information intended to convince or remind the market and business to buy and stick with the product. E-wallet companies frequently run promotions that include cashback, discounts, no admin fees, and other special incentives. Therefore, the higher the intention to use the e-wallet, the more appealing and promotions held.

This e-wallet also provides facilities in Islamic as well as Shariah, From what was observed that paying zakat can also use e-wallets where only for scanning barcodes at charities can already be used to make differences based on the nominal desired by the e-wallet users themselves. Not only paying zakat, to save for hajj, you can also use an e-wallet. The use of this e-wallet can be done as long as there is no transaction interest in it, because it is based on **QS Ali Imron Paragraph 130**: It means: "O people of faith, do not eat usury by multiplying and be devoted to God that you may have good luck.

Empirical Review

E-wallets simplify corporate operations, save time, and improve financial controls. One of the key elements of a technology's effective implementation is ease of use, which in turn will influence how useful and approachable it is seen to be. Even perceived usability is a factor in perceived usefulness. The perceived usefulness will also increase if the perceived ease of use is high. Someone will use an application if he thinks it's simple to use and can meet his needs. The benefit of using e-wallets for purchasing transactions is that there are numerous techniques that students can use, depending on the kind of method offered by the retailer or store. Each payment

option has benefits and drawbacks of its own, thus it is crucial that the retailer or provider of the goods does not hurt customers. Students utilize e-wallets for transactions for a variety of reasons, including promotions and convenience. For students, promotions seem to be the most alluring thing, as if they were a major draw. Every time they wish to purchase anything at a substantial discount, they are given consideration since they will be able to save money, especially if they are students who live in nomadic communities. Additionally, they benefit from convenience. When using this e-wallet, users can pay for the items they purchase by simply scanning the QR code when making a payment. (*Determinants of the Use of E-Wallet for Transaction Payment among College Students, Alwan Sri Kustono , Ardhyayudistira Adi Nanggala , Imam Mas'ud, 2020*)

In the view of Islam, especially the field of muamalat, it holds the principle of " basically in terms of muamalat everything is allowed unless there is a proposition that prohibits it ". Therefore, it is only natural that Islam views a change as sunnatullah. One example is that paying zakat can also use an e-wallet where only to scan barcodes at charities can already be used to make differences based on the nominal desired by the e-wallet user himself. The use of this e-wallet can be done as long as there are no usury transactions in it, because it is based on QS. Al Baqarah: 275 "Allah has justified buying and selling and forbidden usury." Not only that, but also based on QS. Al Baqarah: 278 "O people of faith, be devoted to Allah and leave the rest of usury (which belum is levied) if you are people of faith". As a result, the rule governing digital wallets is permissible because the purpose of digital wallets is to make things simpler. Payment for the services they have offered to customers is also made via digital methods by them. Back to the users of the digital wallet themselves to determine whether or not it is fraudulent. Typically, terms and conditions are offered online as part of an agreement with the customer and require their consent. (*PERLUKAH E-WALLET BERBASIS SYARIAH?, (Nuha , 2020)*

Islam allows humans to invent muamalah needs that they require in their lives, which are based on the Qur'an and as-sunnah, or on basic norms that apply in Islamic law, or on ijtihad conclusions that are justified by Islam. Islamic law includes muamalah. This is in accordance with the scholars' belief that muamala law, which governs how people interact in society in terms of goods and obligations, is a component of Islamic law. (*Raihan Maldini Ibrahim*)

METHODOLOGY

In this research, The method I used is a qualitative method because the results of this method produced several perspectives from the speakers in this study. The data was obtained from interviews with speakers, these resource persons were students in Yogyakarta City who used e-wallets as a payment method they used. How I choose them is by asking them first if they use this e-wallet as a payment method.

This interview process was carried out in Alun alunKidul Yogyakarta, because there are many students in alunlunkidul to relax to entertain themselves or are gathering with their friends. Then after getting the results of their answers regarding what was asked of them, I will collect the answers from them and then compress them with some journal that have been read. The way to analyze this data obtained, namely by interviewing e-wallet users and then asking their opinions about the use of this e-wallet, after getting answers from them, the answers from them will be collected and the next is to compare the results of the brand answer a, compare and discuss with the journal relevant that I will use in this research I made.

FINDINGS

1. what factors determine why students use e-wallet as a means of payment compared to using cash?

The reason some students use e-wallets compared to cash is because the use of this e-wallet is easier as we can make transactions without having to go to an atm first to take money and then the use of this e-wallet becomes very useful for students because of attractive promo promos that make students interested in using it, because as we know that this student life must save money for the reason that they only get money We parents send their monthly money, but not many students also have extra money from part-time work, although having additional money most of them also have to save money that's why the promo on this e-wallet is very useful for students.

2. What benefits do you get from using an e-wallet for students with religious values

The benefits that this e-wallet provides for students are actually a lot not only providing benefits for daily life but also for their religious values. Now in this technological era, doing good can be from anywhere, one of which is through this e-wallet. E-wallet can be a means for people to pay zakat, because there have been many Islamic banks that have met religious requirements such as no usury in it, Then also not only pay zakat, but this e-wallet is a means for people who want to do hajj, this e-wallet is useful as a means for them to save for their Hajj costs and the system of this e-wallet itself is safe and certainly without usury, because there have been many banks based on islam

DISCUSSIONS

The reason why the use of e-wallets is Students favor e-wallets because of how convenient they are to use. A user's desire to utilize a product for an extended period of time may be strongly persuaded by something that makes their lives easier. for example, considers that payments via e-wallets are quite fast and convenient. Additionally, as the balance may also be topped up using M-banking from a smartphone, individuals can make payments anywhere. For instance, if users want to top up the balance, they just launch the M-banking application on their device, choose the payment option, and then transfer the appropriate amount to the desired e-wallet balance. Each M-payment

banking's menu can differ based on how well both sides cooperate (banks and e-wallets). The convenience of using e-wallets will make users consumptive. For example, revealed that: "The response of people around me when I use this e-wallet is that I am a person who has a lot of money and feel modern, sometimes my family also says it's wasteful, especially when there are promos or cashback "

However, there are also those who consider that the use of e-wallets as a payment method does not make their users look excessive in shopping. Because it depends on how we control ourselves, sometimes the use of e-wallets can make them restrain themselves and can save, with the use of cash in shopping, sometimes of them become wasteful because they store money in the form of cash that is easy to spend.

A user may choose to utilize a certain product due to how simple it is to complete certain transactions. Since they are thought to finish their job quickly, students frequently prefer things that are simple to use. E-wallets are well known for being user-friendly. Dina (20) claims that using an e-wallet is simple, convenient, and easy because it only requires a cellphone and can be done anywhere. In this context, the Manikan and Jayakodi (2017) study hypothesizes that a variety of factors, including lower pricing and user-friendly payment methods, influence the use of mobile wallets. The results of this study support Manikan and Jayakodi's conclusions regarding the simplicity of utilizing e-wallets. To make a payment one simply scanned the barcode (QR Code) and after that automatically the deposit in the e-wallet is deducted by itself.

REFERENCE

CONCLUSION

E-wallets that are utilized by many different groups, including students and millennials, and have expanded quite quickly. E-wallet service providers offer a range of products, albeit not all of these are used by students. Students, who are millennials, are the main target market for using the most recent technology available to them, including popular e-wallets. E-wallets aren't just thought of as a location to store money digitally; they're also seen as a digital payment system with a number of capabilities, including top-ups, bill payments, the ability to store bank cards, the ability to transfer and withdraw money, etc. E-wallets are used by students for a range of things, including paying for online transportation, purchasing food and beverages, paying bills, and more.

Students generally use e-wallets as a payment mechanism due to the incentives provided, transaction convenience, and simplicity of usage. However, service providers must collaborate with numerous merchants whose promotions are progressively luring customers to use e-wallets when shopping in order to encourage them to do so. Students who use e-wallets appreciate the ease of buying and the convenience of paying because they can do

both from any location as long as they have internet access. E-wallets provide a number of benefits, one of which is the application's straightforward design, which enables many users to easily grasp how to use it.

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