Electronic Wallet as a Payment Transaction Instrument

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Abstract. The purpose of this study is to see the effectiveness or efficiency of the use of wallets and electronic money as a means of payment. This research used a descriptive method by trying to offer and display various payment examples through electronic wallets as a transaction tool. The results show this payment method is so helpful that now consumers no longer have to carry a lot of money in their pockets to shopping. From these results, it can be seen that the electronic wallet method is suitable for use in the current digital era, with various conveniences offered in it.

1. Introduction
The current era of globalization online business is growing rapidly in Indonesia, online business is increasingly in demand. This extraordinary growth of online companies that are everywhere has created many business opportunities for different segments [1]. The important component in the process of buying and selling online is the electronic payment process (e-payment) [2]. E-payment offers a variety of benefits such as speeding up the transaction process and being able to sell products at lower prices. The parties involved in the transaction process can transfer and receive money from other parties anytime and anywhere. Besides, e-payment can also support the green technology movement where paper usage can be reduced [3].

Previous research stated that the high development of internet technology in Indonesia has made the development of electronic payments among people continue to increase. Many research shows that 56.80% of new respondents have an electronic money card for one year or less 42.43% of respondents feel electronic money has helped them better control their spending. If monitored, there are several types of electronic payment services in Indonesia, including E-Wallet consisting of Bank Mandiri E-Cash, LinkAja, CIMB Niaga Bank Mobile Accounts, and Go-Pay [4]. Other examples are Train tickets purchased via mobile phones, online purchases, and social interactions that are carried out via SMS, email, and social networks. The next step in the digital revolution is the transformation of the time-honored traditional physical wallet into an e-wallet [5]. Nowadays, people make digital transactions via the internet [6]. Purchases of services or goods using cellular technology have greatly increased depending on the availability, reliability, and acceptance of the cellular wallet system [7]. Even though there are e-wallets, many people still do not know about this service [8]. The success of any e-wallet service depends on a specific strategy and a team dedicated to implementing the strategy, without that, the organization might fail [9]. To achieve increased and sustainable results, service providers need to implement strategies and engage customers to maintain them. The focus of relationship management is to maintain and retain existing customers and not focus on new customers [10].

The purpose of this study is to determine the extent of the efficiency of the use of e-wallet as a payment method in the entrepreneurial field. This is important for us to know and begin to use them...
because it is very helpful for us, especially in making transactions of goods. The method used in this research is a descriptive method about using features of e-wallet.

2. Method
This research used a descriptive research method. It is done by examining payment methods through the electronic wallet feature or e-wallet and the efficient use of this feature by users.

3. Results and Discussion
Nowadays, the digital world has developed rapidly, as is the case with existing payment methods, payments using cash have started to turn into digital payments. To support this research, we analyzed the e-wallet payment method that most frequently used based on monthly active users. We took the example of an electronic wallet in Indonesia namely Gopay and LinkAja based on data from iprice from the website iprice.co.id, as shown in Figure 1 below.

![Figure 1](image.png)

**Figure 1.** List of the largest e-wallet applications in Indonesia based on monthly active users.

It can be seen based on Figure 1 that iPrice shows Gopay, which is ranked as the top e-wallet application, with the most active monthly users in the second quarter of 2019. Besides, LinkAja, which is in the top 5 as an e-wallet application that is often used, ranked 4th. In this case, each electronic wallet application offers a variety of conveniences so that they can compete with other applications. The
following is the display of the advantages and conveniences offered by these two electronic wallet applications.

3.1 Gopay
Gopay is a feature of electronic money or digital wallet issued by one of the online transportation applications from Indonesia, namely Go-Jek. The balance can be used to pay for all available services on Gojek, such as credit, etc. (Figure 2).

![Gopay Logo](image)

**Figure 2.** Gopay Logo.

As a two-wheeled and four-wheeled transportation mode service that has many users, Gojek provides transaction convenience by launching Gopay as a payment transaction tool. Appearing for the first time around April in 2018, Gopay is fairly new in the world of virtual wallets. With the emergence of Gopay as a payment method which certainly facilitates the public because it is cashless as well as many conveniences and advantages offered in it.

1. **Promo for users**
   By using this service, the public will be given attractive promos when making transactions.

2. **There is no time bond**
   Gopay's own balance can be used anywhere and anytime with any transaction such as food, transportation, and others.

3. **Easy balance topping up**
   To fill out the balance, it can be done through banks that have collaborated with this application and through minimarket such as Alfamart.

4. **Non-cash or cashless**
   With its non-cash form, it is very easy for the community because there is no need to carry much money.

5. **QR Code**
   The existence of a QR code is intended to make payments, simply by scanning the existing barcode and entering the nominal amount according to what we will pay.

6. **Easy to get**
   This application can be found in the Google Store or Appstore and simply download the application, after that, this virtual wallet services can be used easily.

3.2 **LinkAja**
LinkAja is an application-based electronic money or wallet service that is used to perform various non-cash transactions. This service can be used the same as other digital-based services, which make various transactions easily and quickly (Figure 3).
LinkAja is a combination of finance from SOEs in Indonesia, namely PT Bank Mandiri (Persero) Tbk, PT Bank Negara Indonesia (Persero) Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, and PT Bank Tabungan Negara (Persero) Tbk. The shares are now divided to Telkomsel, Bank Mandiri, BRI, BNI, BTN, PT Pertamina (Persero), and PT Asuransi Jiwasraya (Persero).

The change of Tcash to LinkAja occurred on February 22, 2019, and has been used by the community since March 3, 2019. This service exists to facilitate the public in making any transactions including electricity bills, PDAM, BPJS, and internet packages. Transactions can also be done at merchants such as Pertamina, payment of transportation modes, and online purchases. The following is the common

LinkAja features:

1. **Ease of transaction**
The payment transactions are done online and do not have to use credit cards or cash. We just have to download the LinkAja application in the Google Store or Appstore.

2. **Complete services**
The services offered by LinkAja can also be completed through online or offline transactions.

3. **Different payment methods**
The payment method is easy, just by attaching a cellphone (TAP) or by scanning the QR code listed in the LinkAja application.

4. **Lots of interesting promos**
Users will get freedom of shopping and other special price discounts for Link users from Telkomsel.

5. **Flexible payment services**
Payment transactions can be done anywhere and at any time without time limit through the application on our mobile.

6. **Guaranteed safe**
All transactions including balance information and personal information are protected by Telkomsel’s sophisticated security system.

Based on the rapidly growing number of internet users in Indonesia, e-money or electronic wallets will come forward as time goes by. Bearing in mind that in the current digital era it will continue to demand that people be able to master the market of online business (See Figure 4).
Figure 4. Internet User Projection in Indonesia.

4. Conclusion
From the results above, it can be concluded that each e-wallet has advantages and ease of services that Gopay and LinkAja offer. With the advanced features and technology in their application, they want to make it easier for consumers to make a transaction. Therefore, they can compete in the online business field also provide discounts when using the application when making transactions.

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