The Effect of Using a Digital Wallet for Small Business

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Abstract. The purpose of this research is to analyze and determine the influence of digital wallets for small businesses. The method used of this research is qualitative method. The results reveal that digital wallets have a lot of influence on small businesses. Digital payment services are now increasingly popular and become a community trend. Advances in technology create solutions in the form of payment applications that become platforms for small entrepreneurs that facilitate trade transactions. Digital wallets present to provide convenience for its users.

1. Introduction
The rapid development of technology provides new trends for small businesses. Indonesia currently have a tendency to utilize technology [1]. Nowadays, many small businesses utilize technology in payment schemes by using digital wallet applications in transaction activities that are easier and more practical.

Economic transformation into a digital economy is one of the results of computer technology development and communication that has an important role in small business [2]. A small business is an independently managed business and not dominating the market [1]. The comfort, safety, suitability of transactions and ease of transaction are factors that support small businesses to use technology. [3]. Technologically savvy customers are increasingly demanding small entrepreneurs to follow technological developments [4]. Besides, small businesses have been moving using a digital wallet system right now. A digital wallet is a transaction payment service that is used as a substitute for physical cash. Digital wallets create a new way to purchase products and providing the ability to perform secure transactions very quickly and efficiently by clicking the button on the application. Many advantages for small entrepreneurs by using digital wallet as they provide the ease of transaction process and increased sales revenue [5]. The special advantage of a digital wallet is that the Personal Identification Number (PIN) can be inserted directly so that fake terminal attacks can be prevented. Furthermore, customers approve the amount paid by their device. This feature is considered important by users. Customers also want to be able to see their previous payments [6].

In Indonesia, there are several digital payment systems that work with small businesses, such as Go-Pay, Ovo, and Dana [7]. Digital wallets can also increase small business revenue. In this case, one of the successes of small businesses can be achieved by following technological developments and can proactively apply [8].

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2. Method
The method used in this research is a descriptive method to know the influence of the use of digital wallets in payment transactions in small businesses. We were also conducting an interview with 5 small roadside traders who have used digital wallet applications.

3. Results and Discussion
Small business is easy in following innovations in technological developments [9]. The trend of electronic payment systems using digital wallets brings efficiency, reduction of counterfeit money fraud, and innovation in this payment system into a factor that affects the increase of sales [10]. Digital wallets provide convenience in making payments or transactions for goods and services through electronic media [11]. (See Figure 1).

The payment service with digital wallets in Indonesia is now loved by the community as technology evolves. Increasing transactions using digital wallets began to be perceived by the small business units (See Figure 2).
One of the digital wallets that are widely used in Indonesia is Go-Pay. The Digital wallet service facilitates simple registration for small businesses that want to join. In this case digital wallets provide convenience for small businesses that are not yet aware of technology. Small entrepreneurs can easily follow the step by step registration process that has been described by the digital wallet company in their website. (See Figure 3)

In Figure 3, QR Code is used to initiate the payment process. After the small business owner has finished the registration, the small business owner will be given a QR Code to scan by the customer. The application of QR Code in the Digital wallet service is an effective and efficient way to pay for transactions. QR codes have unique capabilities that can track customer information. Like the scan quantity, the type of phone used, the area code where the phone is registered in real time. This can be used to understand consumer behavior in order to build a marketing strategy tailored to their purchase. Besides, it will greatly help business owners to stay connected with anyone who has visited the website and increased the sales (See Figure 4)
In making a payment, the customer types the nominal according to the price indicated, fill in the PIN number and payment is complete. This payment method has benefit such as to save their time. (See Figure 5).

Figure 5. Transaction History

In Figure 5 shows Go-Pay has a transaction history feature that serves to view detailed incoming and outgoing transaction details, no time limit for viewing transaction history. So it is very effective to manage the finances better and make the income statements more accurate. (See Figure 6)

Figure 6. Promo Services

In Figure 6, Go-Pay provides promo services such as discounts, cashbacks, and cashback vouchers. With the promo, it is very profitable for small entrepreneurs. Buyers are increasing. This promo service is desirable by small business owners. (See Figure 7)
In the Figure 7, Digital wallets provide advanced security services that guarantee the financial protection of its users. It could be used for the owner as well as it will protect the balance.

4. Conclusion
Technological advances encourage small businesses to proactively implement technology. In this case, digital wallets have a role for small business growth. The use of digital wallets in the electronic payment process gives a lot of positive influence to small business. Digital wallets affect the ability of transactions that become easy, fast, and efficient.

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