

Millennials and Digital Wallets: Addressing Consumer Behavior in the Technology Era

Andek Widodo¹, Rizki Lala Amelia²

¹ Universitas Islam Negeri Sulthan Thaha Saifuddin Jambi, Indonesia; andekawidodo@uinjambi.ac.id

² Universitas Syarif Hidayatullah Jakarta, Indonesia; riskilala14@mail.com

| Article History | Abstract |
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| Received: 06 July 2025 | In Indonesia, the use of digital wallets (e-wallets) such as GoPay, OVO, DANA, and ShopeePay is increasing, especially among the millennial generation who prioritize ease and speed of transactions. This study aims to analyze the factors that influence student consumer behavior in using digital wallets. The method used is qualitative with a phenomenological approach. Based on a Populix survey of 1,000 respondents, the most widely used digital wallet applications are Dana (88%), Gopay (83%), ShopeePay (79%), OVO (76%), and LinkAja! (30%). The results of the study show that ease of access, cashback, and promotions play a significant role in encouraging the use of digital wallets. However, low financial literacy leads to a tendency towards uncontrolled consumer behavior. Therefore, education about financial literacy is an important aspect in using digital wallets wisely. |
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| Corresponding Author Andeka Widodo Universitas Islam Negeri Sulthan Thaha Saifuddin Jambi, Indonesia; andekawidodo@uinjambi.ac.id | |

1. INTRODUCTION

Financial technology (Fintech) has experienced rapid growth, making online payment systems and data storage easier, simpler, and faster (Arner et al., 2016). One of the positive impacts of fintech is the reduction in credit interest rates and the increase in e-commerce sales (Gomber et al., 2017). In Indonesia, the use of e-wallets such as GoPay, OVO, DANA, and ShopeePay has become increasingly popular, particularly among the millennial generation who value convenience and transaction speed (Susanti & Nurhayati, 2022). GoPay, introduced by Gojek, has become the most popular digital wallet, showing significant growth in its usage over the past ten years (Adiwijaya et al., 2021).

The use of digital wallets has transformed people's lifestyles, with many now preferring practical payment methods over traditional approaches (Hamdani et al., 2020). One of the applications that becomes the focus of this research is DANA, which is examined to measure public acceptance and the factors influencing its repeated use. Factors such as trust, ease of use, social influence, and service quality are analyzed using the Technology Acceptance Model (TAM) (Davis, 1989; Venkatesh & Davis, 2000).

Digital wallets enable cashless transactions more conveniently while increasing public awareness of the shift from cash payments to digital payments (Kurnia et al., 2020; Shaikh & Karjaluoto, 2015). Although the concept of digital wallets has emerged since the late 2000s, their usage has now expanded widely, covering generations X, Y, and Z (Alalwan, 2020).

The progress of the modern era has also brought significant changes in the way consumers shop. Consumers are no longer required to visit sellers physically; instead, they can make purchases through websites, marketplaces, or messaging applications such as WhatsApp (Hwang et al., 2021). Additionally, payment systems have shifted from cash-based methods to digital payments through debit cards, credit cards, and various applications provided by leading banks and other service providers (Wang et al., 2020; Nguyen & Huynh, 2022).

According to Boku Inc.'s "Mobile Wallets Report 2021," 73% of Indonesians use e-wallets because they require online payment methods. The report indicates that this is the highest-ranked reason among Indonesian consumers for using digital wallets. Additionally, 69% reported that cashback or discounts were a motivating factor for using digital wallets, while 61% stated that they wanted to try new technology. Furthermore, 53% indicated that they wanted to stop using cash, and 42% reported that they were encouraged to use e-wallets based on recommendations from friends. Moreover, 35% and 26% of users were driven to use digital wallets due to the influence of advertisements (Boku Inc., 2021).

One of the factors influencing consumer behavior is financial literacy. Financial literacy is defined as having a basic understanding of financial management. Financial literacy helps individuals to be more discerning regarding services, quality, and price, thereby aiding them in becoming more responsible consumers. Conversely, low financial literacy tends to increase the likelihood of individuals exhibiting consumptive behavior. Based on the 2019 National Survey on Financial Literacy and Inclusion, the financial literacy rate among Indonesians was recorded at 38.03%, indicating that less than half of the Indonesian population possesses adequate financial literacy. Similarly, the financial literacy rate in Central Java was reported at 47.38%. This low level of financial literacy highlights the need for financial education on how to develop financial planning to avoid unnecessary purchases (OJK, 2019).

The advantages of using digital wallets in transactions have also contributed to the emergence of consumptive behavior. These advantages include practicality and ease of use, security, convenience, time efficiency, cashback and promotional offers, and various features that support all types of payments. However, the convenience offered by electronic money can lead to spending patterns that are disproportionate to income, resulting in a lack of financial awareness and a tendency to engage in excessive transactions.

This study aims to examine the influence of digital wallet usage on consumer behavior. The urgency of this research lies in the importance of understanding that the use of digital wallets should be adjusted to each individual's needs in order to minimize the tendency toward consumptive behavior, such as excessive purchasing of goods or services merely to attain personal satisfaction. The focus of this study is directed toward university students, aiming to identify their primary motivations in utilizing digital wallet services. A digital wallet is an application-based electronic service that enables users to store digital money and conduct various transactions conveniently through electronic devices. The available balance in the digital wallet can be used to purchase goods and services as well

as to make a variety of other payments. Through a more comprehensive understanding of the influence of digital wallets on consumer behavior, it is expected that individuals will be able to manage their spending more wisely and responsibly.

According to (Schiffman and Kanuk, 2007), consumptive behavior can be driven by psychological factors (motivation and perception), social factors (reference groups and social status), and economic factors (income levels and product prices). In the context of digital wallet usage, consumptive behavior often arises due to the ease of transactions and the various attractive promotions offered by service providers. The convenience provided by digital wallets also becomes a trigger for consumptive behavior.

Millennials, or Generation Y, are a demographic group born between 1981 and 1996 (Howe & Strauss, 2000; Dimock, 2019). In the context of this study conducted in 2025, the millennial age range falls between 29 and 44 years old. This generation grew up during the rapid development of digital technology and the internet, and therefore tends to have a high level of adoption of technology-based innovations, including the use of digital wallets (e-wallets).

However, this convenience can also lead to spending patterns that are disproportionate to income, increasing the risk of excessive transactions. Therefore, this study aims to examine the influence of digital wallet usage on consumptive behavior. Research by (Setiawan and Putri, 2020) found that the use of e-wallets has a positive correlation with increased spending among university students in major cities in Indonesia. They tend to engage in impulsive buying due to easy access and attractive promotions. Similarly, (Rahmawati, 2021) found that cashback and discounts offered by digital wallets increase the frequency of transactions among users, particularly among the millennial generation.

Furthermore, this article proposes a study focusing specifically on university students to explore their reasons for using digital wallets. A digital wallet is an electronic service in the form of a software program (application) that serves as a digital payment tool accessible via electronic media and server-based systems, typically through smartphones. It functions to store digital money that is used as a payment instrument, enabling users to conduct transactions with others to purchase desired goods and services using the previously deposited balance in the digital wallet.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Digital Wallet

According to the Corporate Finance Institute (CFI, 2023), a digital wallet is a software, electronic device, or online service that allows individuals or businesses to make transactions electronically. Digital wallets work by storing user payment information that can be used for various payment methods on various websites. In addition, digital wallets can also store other items such as gift vouchers, loyalty cards, even digital driver's licenses or other personal identification information. One of the main features of a digital wallet is the ease of storing payment information such as credit cards, debit cards, or bank accounts, which allows users to make transactions faster without having to enter payment data

each time they make a transaction. Digital wallets also support payments using NFC (Near Field Communication) technology, allowing users to make payments in stores simply by holding their smartphone close to the payment terminal device. Security is an important aspect, where digital wallets use data encryption and biometric authentication to protect payment information. In addition, digital wallets provide flexibility by supporting various types of payments, including payments using QR codes or even cryptocurrencies. Thus, digital wallets not only make transactions easier but also provide a high level of convenience and security for their users.

2.2. Consumer Behavior

According to Engel, Blackwell, and Miniard (1995), consumer behavior is all individual activities that are directly involved in obtaining, consuming, and spending products and services, including the entire decision-making process that occurs before and after consumption. In this view, consumer behavior is not only limited to the act of buying goods or services, but also includes the process of searching for information, considering alternatives, making purchasing decisions, using products, and post-consumption evaluations. They emphasize that consumer behavior is influenced by various factors such as personal factors (age, occupation, lifestyle, and economic level), social factors (family, friends, and reference groups), psychological factors (motivation, perception, and attitude), and cultural factors (values and norms of society). In addition, environmental influences such as mass media and advertising also play an important role in shaping a person's consumer behavior. Thus, consumer behavior is a complex and dynamic process, which is influenced by the interaction between individual needs, environmental stimuli, and personal experiences in consuming products and services.

2.3. Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), introduced by Davis (1989), is widely used to explain individuals' acceptance of new technologies. TAM identifies two main constructs that influence user behavior: *perceived usefulness* (PU), which refers to the degree to which a person believes that using a particular system would enhance their performance; and *perceived ease of use* (PEOU), which refers to the degree to which a person believes that using the system would be free of effort. Both of these perceptions shape users' attitudes, intentions, and ultimately, their actual use of technology.

In the context of digital wallets, millennials often perceive these platforms as useful due to their ability to facilitate faster, more efficient, and convenient financial transactions. The ease of use is reinforced by user-friendly interfaces, quick payment features such as QRIS, and seamless integration with e-commerce platforms.

3. RESEARCH METHOD

This study employs a qualitative approach to explore the behavior of millennial. This study employed a qualitative approach using in-depth interviews to thoroughly understand the experiences, perceptions, and consumer behavior tendencies of millennial students in using digital wallets. The

qualitative approach was chosen because it enables researchers to explore social realities in their natural context and to uncover subjective meanings that cannot be adequately captured through quantitative methods (Creswell, 2014). This study focuses on gaining a deep understanding of the motivations behind digital wallet usage and the resulting consumption patterns, rather than on measuring or generalizing data. Therefore, the qualitative approach is considered the most appropriate for capturing the complex social and psychological dynamics of millennial students as research subjects.

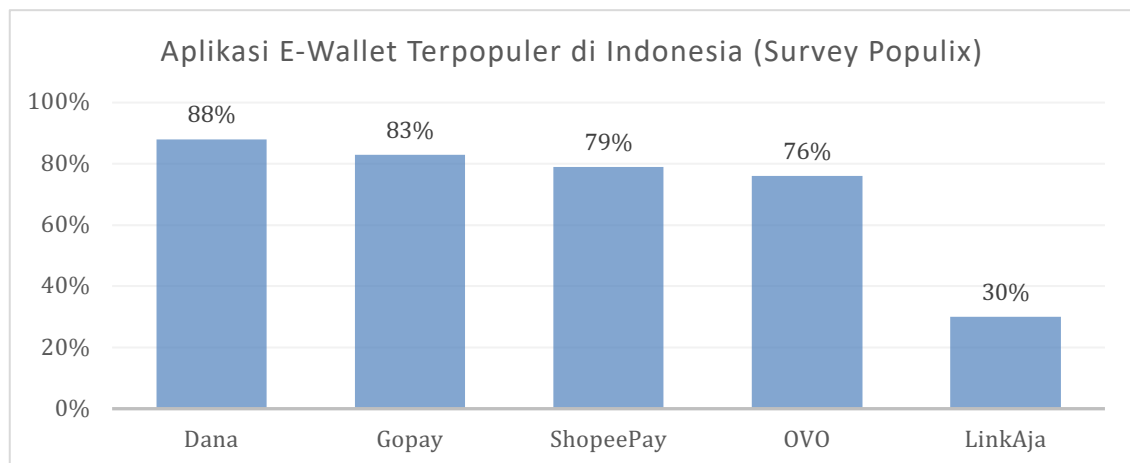
The sampling technique used in this study was purposive sampling, in which participants were deliberately selected based on specific criteria. These criteria included: (1) being an active university student, (2) belonging to the millennial generation (born between 1981 and 1996), and (3) having used a digital wallet regularly for at least the past six months. A total of ten student participants were involved in this study, drawn from several universities in Jambi City, including Universitas Islam Negeri Sulthan Thaha Saifuddin Jambi and Universitas Muhammadiyah Jambi. Basic demographic information such as age, gender, and type of digital wallet used by each participant is presented in tabular form in the results section.

Data collection was conducted through semi-structured interviews with open-ended questions that allowed participants to reflectively and narratively describe their experiences. The interviews were conducted face-to-face and were audio-recorded with the participants' consent. The collected data were analyzed using thematic analysis, which involves identifying, organizing, and interpreting patterns of meaning (themes) in qualitative data (Braun & Clarke, 2006). This analysis aimed to reveal the motivations, perceptions, and psychological effects of digital wallet usage on students' consumer behavior.

4. RESULTS AND DISCUSSIONS

Digital wallets, or better known as e-wallets, are electronic services that function as applications that facilitate digital payments through various electronic media connected to a server. This service can be accessed and used via smartphones. According to the American market research firm, Forrester Research, payments using e-wallets are a form of cashless transactions that allow users to purchase products using other devices, such as smartphones or digital financial tools, by transferring payment information online. Some examples of widely used e-wallet applications include Go-Pay, OVO, DANA, and ShopeePay. Figure 1 presents the results of a Populix survey regarding the most popular digital wallet applications according to 1,000 respondents spread across Jambi Province, Indonesia:

Figure 1. the Populix survey on digital wallet usage



Source: from Populix survey (2025).

Based on the results of a Populix survey with 1,000 respondents, the digital wallet applications most widely used by the people of Jambi are Dana (88 percent), Gopay (83 percent), Shopee pay (79 percent), OVO (76 percent), and LinkAja! (30 percent). In addition to the five applications above, there are several other e-wallet applications that are also used by the public, such as i.Saku, OCTO Mobile, DOKU, Sakuku, and JakOneMobile. However, the number of users of these applications is not as many as Dana! users. Based on the same data report, 1,000 respondents admitted that they enjoyed using digital wallet applications for several reasons: 81 percent said that digital wallet applications were more practical, 80 percent enjoyed using digital wallets because they were integrated with e-commerce applications, 79 percent consider digital wallet applications easier to use. The frequency of use of the application is 2-3 times a week.

A digital wallet is a digital service used to store payment instrument data, for example, a payment instrument using a card or with digital money that can also accommodate funds to make transactions. The digital wallet service itself is included in the e-money category which is server-based, namely the value of money is stored digitally/online in a server media. Digital wallets are also included in the Payment System Service Provider Grouping. Digital wallets can also be used to store money with a fairly large nominal value.

In using a digital wallet, the millennial generation not only feels the convenience of shopping, but also the convenience of paying because it can be done anytime as long as the user is connected to an internet connection. The purchasing decision made by the millennial generation is one form of the convenience of the presence of a digital wallet in their lives. Digital wallets have many things to offer, one of which is a simple application display that makes many users understand how to make it easier for users. The millennial generation prefers to complete something or an activity briefly and quickly. With just one smartphone and one application, the millennial generation can determine their fastest decision in completing these things.

The features of the digital wallet are very popular among the millennial generation, such as merchants, promotions, bill payments, online transportation payments, and online food order payments. In this case, there are various interesting features that can make it easier for users to pay bills such as electricity, telephone, PAM water, internet, and insurance bills. In addition, users can also top up their credit anywhere and anytime with just one platform. E-wallet is also available in food orders used in one of the Gojek/Grab application features, namely Gofood/Grab Food. OVO, Gopay or Dana can be used as alternative payment options besides cash payments. The mechanism is very simple, namely by topping up the OVO or Gopay balance, then the balance will automatically be deducted according to the nominal purchase.

The “Pay with Card via DANA” promotion, offering a Rp50,000 discount for the first QRIS transaction, is a digital marketing strategy designed not only to introduce a new feature but also to shape positive perceptions regarding the convenience and benefits of using e-wallets. Within the framework of the Technology Acceptance Model (TAM), this advertisement clearly emphasizes two core constructs: perceived usefulness and perceived ease of use. *Perceived usefulness* is reflected in the immediate economic benefit offered to users through a significant discount, suggesting that using this feature is more advantageous than other payment methods. Meanwhile, *perceived ease of use* is conveyed through a visual depiction of a simple transaction process scanning QRIS with a Visa card via the DANA app – reinforcing the perception that the technology is easy to learn and use without technical obstacles (Davis, 1989).

From a consumer psychology perspective, the promotion activates several cognitive and emotional mechanisms that influence purchase decisions. For instance, using a large, round number like “Rp50,000” leverages the anchoring effect, in which consumers perceive high value even if the transaction amount is relatively small (Kahneman, 2011). Additionally, the phrase “first time” creates a sense of scarcity and urgency, prompting users to take advantage of the offer before it expires—an approach rooted in loss aversion theory (Thaler & Sunstein, 2008). Visually, the clean design dominated by blue tones and the call-to-action button “Save Now” enhances consumers’ tendency to act quickly, in line with the simplicity bias, which favors low-effort decision-making (Schiffman & Kanuk, 2007).

Overall, this promotion is not merely visually appealing but also strategically crafted to encourage behavioral intention to use—the likelihood that users will try and continue using the new card-based payment feature via e-wallet. The combination of perceived benefits (discount), ease of use (QRIS), and emotional triggers (urgency and incentives) makes this advertisement an effective persuasive tool in promoting financial technology adoption, particularly among millennials and Gen Z consumers who are highly responsive to app-based digital promotions (Cialdini, 2009).

The feature of transferring and withdrawing balances is also a feature provided by OVO and Gopay, but what makes it different is the merchants from OVO and Gopay partners. Users can transfer their OVO and Gopay balances to other people's accounts but must be with the same brand. In addition, users can withdraw their balances to partner merchants. The last feature that is usually in demand by

the current millennial generation is the feature for paying for online transportation. As we know, OVO and Gopay are both electronic wallets and payment methods on their respective applications, such as OVO which is used for Grab and Gopay which is used for the Gojek feature. With the presence of digital wallets, the millennial generation finds it easier to get attractive promotional offers and create convenience in using them. Most millennials feel comfortable when deciding to make a purchase using a digital wallet. Digital wallets can last a long time in society because they can provide convenience as an application that contains everything in one and attractive offers for its users. The use of digital wallets can also change the perception of the millennial generation that shopping does not need to feel wasted because it does not use cash.

However, everyone must control themselves against the effects of using a digital wallet. The reason someone, especially the millennial generation, uses a particular product is because they feel comfortable using a digital wallet, because they want to do something quickly and easily with one device and one application. As stated by Resti, it is more comfortable to use a digital wallet than a traditional wallet because it is simpler. Security features are also what cause many millennials to be interested in using digital wallets. A person's interest in using technology cannot be separated from the security of the system information. In order to gain consumer trust, the level of security of the system must also be prioritized. If the level of security is higher, the level of risk in use is lower, which will cause users to be more willing to use the technology.

With the verification system in application security, consumers, most of whom are millennials, feel that when they use E-wallet, their personal data and information are protected by the system. As conveyed by Fikri (21 years old), the importance of increasing security in electronic wallet applications, so that digital wallet users feel that the data and money they store in the digital wallet are safer and more reliable. Like the feeling of security of GoPay service users, because Gojek continues to maintain and improve their application security system, so that Gojek can maintain the comfort of its customers in using digital wallets. But of course there must be some concerns from users because there are many individuals who try to commit cybercrimes by hacking accounts and stealing money in this way and also many individuals who take data from users to be sold on the black market and used to carry out illegal online loan transactions which can harm users who do not know that their personal data is being used by these individuals.

Of course, e-wallets need to provide solutions to overcome the various challenges that exist. In addition to increasing the use of PINs, GoPay's latest innovations include fingerprint and facial verification features to validate users when making payments. GoPay also provides additional services in the form of guides, cashback guarantee programs, and international certification standards to maintain the security of its users' data.

ShopeePay is also not inferior in improving protection for its customers, by launching similar facial recognition and fingerprint verification features. In general, the level of maturity of digital wallet security among the millennial generation in Indonesia shows good progress, as seen from the increase

in their knowledge, attitudes, and behavior related to important aspects such as PIN/password, software, and the internet. However, attention to the hard aspects (hardware) is still considered low.

This improvement is intended to provide maximum service and create a sense of security for digital wallet users, especially the millennial generation. However, if the application developer ignores the importance of user data security, it can potentially threaten the sustainability of digital wallets in the future. Therefore, the role of the government is very important in ensuring the security system of digital wallet applications so as not to harm the public in conducting digital transactions. The government can utilize the OJK institution to supervise the digital wallet application.

Figure 2. Promo12.12 shopee



Source: Apk shopee

The Shopee 12.12 Birthday Sale promotion (Figure 2) is a powerful example of digital marketing that combines event-based urgency, high-stakes rewards, and reinforcement of habitual online shopping behaviors. From the perspective of the Technology Acceptance Model (TAM), this campaign strengthens two core constructs: perceived usefulness and perceived ease of use. *Perceived usefulness* is reflected in the promise of substantial benefits such as unlimited free shipping, a year-end bonus worth IDR 12 million, and a chance to win a car for only IDR 12,000. These offers create the perception that consumers will gain significant value even from minimal spending. This strengthens the belief that using the Shopee app not only simplifies transactions but also delivers meaningful financial rewards (Davis, 1989).

Regarding perceived ease of use, Shopee streamlines the complexity of online shopping into a single, clear transaction event. By concentrating all major deals into one peak day December 12 (12.12) the platform creates a strong temporal focus. Consumers only need to open the app on that day without having to browse daily or weekly promotions. This creates a user experience that is concise, intuitive, and time-efficient, which further encourages both new and existing users to engage with the app (Davis, 1989).

From a consumer psychology standpoint, this promotion activates several behavioral mechanisms. First, the use of time-limited phrases like "12 Dec Peak Promo" introduces urgency and scarcity, evoking fear of missing out (FOMO) among consumers (Cialdini, 2009). Second, the use of large, round numbers such as "12K" and "12M" leverages the anchoring effect, where consumers assess the value of an offer based on the presence of striking reference figures (Kahneman, 2011). Third, the combination of entertainment (chance to win a car) and savings (free shipping and discounts) generates hedonic motivation purchases driven not only by need but by the enjoyment and thrill of shopping (Schiffman & Kanuk, 2007).

More than just a price-based promotion, the 12.12 campaign represents an *experience design* that strategically combines impulse-buying triggers, emotional stimulation, and perceived efficiency, all working together to drive the behavioral intention to use the Shopee application. When consumers simultaneously experience both benefit and ease of use, their likelihood of continued engagement increases. In this context, Shopee is not merely selling products it is selling a digital shopping experience that is enjoyable, fast, and perceived as rewarding, particularly for millennials and Gen Z users who value convenience, entertainment, and surprise in their digital interactions.

In today's modern era, shopping is no longer a troublesome activity. Various applications that offer online buying and selling and delivery services have made it easier for people to shop without having to leave the house. In Indonesia, the two most popular applications that dominate the market are Gojek and Grab. With these applications, our daily lives feel more practical, for example through ordering food that can be done with just a few touches on the cellphone, without having to move from your seat.

Payment methods are also made easier; users can pay in cash or use digital payment systems such as GoPay and OVO. This digital payment innovation is known as a digital wallet, which allows people to store their money virtually. That way, when making a transaction, just one click on your phone is enough to complete the payment. The presence of this technology has clearly changed the way we shop and transact, making it more efficient and convenient.

4.1. Consumptive Behavior Patterns Among Millennials

Today, people's shopping trends are undergoing significant changes, with more and more people switching from traditional transaction methods to online transactions. Despite the current challenging conditions, people's consumerism levels remain high. This urge to shop drives people to continue spending money, often as a form of self-reward or to pamper themselves. Consumerism activities seem to continue, driving the wheels of the economy, even amidst difficulties economy. This shows that despite the difficult situation, the desire to shop remains in many people.

Consumptive behavior Lina and Rosyid's theory states that consumptive behavior is a behavior of buying goods excessively. Sumartono's consumptive theory states that "Pragmatically consumptive behavior is a form of action using a product that is not finished. This means that before a product is finished being used, someone has used the same type of product from another brand. Or it can be

interpreted as buying goods because of the prizes offered or buying a product because many people use the product

This certainly does not happen by itself but is caused by business owners who see opportunities. When they know they cannot sell traditionally face to face, they switch to online. They advertise their products online so that they attract consumers again. In this condition, it can be seen that even though human movement is physically limited, opportunities and possibilities cannot be closed along with the advancement of the times. Physically there is no space to make buying and selling transactions, but online via the internet that space is always there and wide open. Even with products that are starting to promise their own satisfaction as a way to fill free time while at home, it has caused people to be interested in buying. This can all happen with the help of online service applications and also the digital wallets they offer. Without having to leave the house they can order many things and goods that are needed. The level of consumerism continues to increase because it is too easy to order and buy goods.

The use of digital wallets is increasing in line with the increasing use of the internet as a window and a pandemic to the outside world for people in this difficult pandemic period. There are four factors that influence the consumer shopping process, including the psychological condition of the buyer, actions from the company/retailer, social, and technology. This change in consumer behavior is called the adaptive shopper. Consumers can adapt fluidly or flexibly to conditions and situations by immediately switching to the use of digital wallets and service and buying and selling applications. With wide access via the internet, consumers are even easier to find out about the items they want to buy, from brands to colors.

In this modern era, digital wallets are making payment transactions easier, especially to maintain physical distance. A businessman also prefers using a digital wallet because it makes it easier to run your business.

There are six main advantages for customers who use digital wallets, namely: Transactions with digital wallets are safer, without involving cash, and more practical.

1. Users can easily track transactions, which helps monitor spending thanks to the records provided for each payment.
2. Digital wallets offer convenience in recharging balances, including the option of using cash, debit/credit cards, or bank transfers
3. The money-back guarantee system provided by digital wallet providers provides a sense of security for users when making payments, thanks to enhanced security features.
4. The money transfer process offered by digital wallets covers a variety of products and services, as well as a wide payment network, thus improving the user experience in making transactions.
5. Digital wallets also support fund transfers between users, making money movement smoother and more efficient.

This research aims to explore the understanding and use of digital wallets among university students in Jambi, specifically the DANA application. Based on the results of the research conducted

with ten respondents, it was found that 90% of them use DANA as their primary digital wallet. Several reasons for using DANA were mentioned, including its convenience and practicality in conducting transactions. Most respondents stated that DANA makes it easier to transact on online platforms as well as make offline payments using QRIS. This indicates that digital wallets provide comfort and convenience in daily transactions, both for online shopping and direct payments in stores. Additionally, most respondents feel that using a digital wallet is more practical and efficient because they no longer need to carry cash, thus reducing the hassle of making transactions.

Security is also an important factor that digital wallet users consider. Although not all respondents use this application intensively, most of them stated that they feel safe when using DANA because they have never encountered security issues. Security is a sensitive issue because it directly relates to money, making users more cautious in selecting digital wallet applications.

However, the use of digital wallets also influences the shopping habits and spending patterns of some respondents. Some feel that traditional wallets are more economical compared to digital wallets, while others feel that using a digital wallet actually encourages them to shop online more frequently. They expressed that online shopping via digital wallets is cheaper and more practical because they do not need to go to physical stores. This reflects a trend where digital wallets facilitate access to online shopping, which can ultimately lead to higher spending.

From the research findings, it can be concluded that DANA is the most widely used digital wallet application, with nine out of ten respondents choosing this app. Meanwhile, one respondent uses ShopeePay, and another uses GoPay. These findings indicate that DANA dominates the choices of students in Jambi when it comes to digital wallet use. Overall, this study shows that the ease of conducting transactions and security aspects are the main factors driving the use of digital wallets, although there is also a potential increase in spending due to the convenience of online shopping.

4.2. Ease and Accessibility

Ease and accessibility are two crucial aspects driving the high adoption rate of digital wallets among millennials. Digital wallets such as ShopeePay, GoPay, and OVO offer fast, efficient payment systems without the need for physical cash interaction. This aligns well with the lifestyle of millennials, who tend to prioritize practicality and efficiency in their daily activities (Alalwan et al., 2018).

Within the framework of the Technology Acceptance Model (TAM) developed by Davis (1989), the constructs of perceived ease of use and perceived usefulness are key determinants in the acceptance of new technologies. Millennials are more likely to adopt digital wallets because they find these applications easy to understand, simple to operate, and significantly helpful in facilitating financial transactions (Venkatesh & Davis, 2000).

This technical simplicity is further supported by high accessibility. Digital wallet apps are widely available, compatible with most smartphones, and often integrated with services like QRIS (Quick Response Code Indonesian Standard), enabling fast and simple payments (Bank Indonesia, 2021). The

convenience of digital payments not only increases transaction efficiency but also subtly encourages more frequent and less-considered spending behavior.

4.3. Factors Influencing Usage

Digital wallet usage among millennials is shaped by a variety of psychological, social, and functional factors. Beyond ease of use and usefulness, promotional strategies such as cashback and discounts play a vital role in attracting and retaining users. Repeated promotions and limited-time offer have been shown to increase digital wallet dependency among younger consumers who are highly price-sensitive (Moghavvemi et al., 2021).

Social influence is also a significant factor. Peers, family members, and social media affect adoption decisions. As more people within a user's circle adopt digital wallets, others tend to follow to maintain convenience and social relevance (Zhou, 2011).

Lastly, trust and perceived security directly affect usage. If users feel that their personal and financial information is protected through mechanisms like two-factor authentication and encryption, they are more likely to continue using digital wallets (Kim et al., 2010). Thus, a combination of utility, incentives, social reinforcement, and trust drives digital wallet engagement.

4.4. Security Concerns and Trust

While digital wallets offer convenience, security concerns remain a key issue for users. Perceived risk associated with data breaches, fraud, and identity theft often hinders adoption (Featherman & Pavlou, 2003). Users are particularly cautious when linking digital wallets to their bank accounts or storing large balances.

To address these concerns, providers have implemented various security features, including real-time monitoring, encryption, and biometric login, which increase user confidence. According to McKnight et al. (2002), trust in digital services is built through perceptions of competence (technical reliability), integrity (ethical data handling), and benevolence (customer-oriented policies).

Previous user experiences also shape trust. Positive, seamless interactions promote brand loyalty, while negative experiences can lead to avoidance and distrust (Gefen et al., 2003). Therefore, enhancing both actual and perceived security is crucial in strengthening long-term trust in digital wallet platforms.

4.5. Patterns of Consumptive Behavior

The increasing use of digital wallets has reshaped millennials' consumption patterns, shifting behavior toward more frequent and often impulsive transactions. With low transaction friction—enabled by QR codes, seamless interfaces, and one-click payments—users are more prone to impulse buying (Verhagen & van Dolen, 2011).

The availability of personalized promotions and notifications further reinforces spontaneous purchasing habits. From a consumer psychology standpoint, these behaviors can evolve into compulsive buying, especially when spending is driven more by emotional triggers than rational need (Dittmar et al., 2007).

Again, perceived ease of use and perceived usefulness play a central role. Users who find digital wallets helpful and convenient tend to rely on them more, which may gradually increase overall

spending. In today's digital culture, where online presence and social influence are paramount, consumption is often tied to personal identity and social validation.

5. CONCLUSION

A digital wallet, or e-wallet, is an electronic service functioning as an application product that enables digital payments through electronic media on a server-based system, accessible and usable via smartphones. According to a survey conducted by Populix with 1,000 respondents, the most widely used digital wallet applications in Indonesia are Dana (88%), GoPay (83%), ShopeePay (79%), OVO (76%), and LinkAja! (30%). In addition to these five applications, several other e-wallet platforms are also utilized by the public, including i.Saku, OCTO Mobile, DOKU, Sakuku, and JakOne Mobile.

Currently, consumer shopping trends in Indonesia are undergoing significant changes, with an increasing number of people shifting from traditional transaction methods to online transactions. Despite various challenges, the level of consumerism within society remains stable. This continuous urge to shop leads many individuals to feel the need to fulfill their desires, often treating and pampering themselves through ongoing consumption habits. Regardless of the situation, consumerism remains active, driving economic activity. Even amid economic difficulties, people continue to spend money to meet their needs and desires, sustaining the momentum of consumer-driven economic movement.

Furthermore, this study highlights that consumer behavior in using digital wallets is driven by psychological, social, and practical factors, including the ease of transactions, the availability of attractive promotions, and the desire to adopt new technologies. The convenience offered by digital wallets encourages impulsive buying behavior and increases the frequency of transactions, particularly among millennials and Generation Z, who value speed and efficiency in their consumption activities. Therefore, while digital wallets contribute to facilitating financial transactions and supporting economic activity, there is a need for consumers to maintain awareness of their spending patterns to avoid excessive and impulsive consumption, ensuring that digital wallet usage aligns with their financial capabilities and needs.

This study offers implications for several stakeholders. For educational institutions, it is important to enhance digital financial literacy among students. For app developers, adding features such as automated budgeting tools and transaction transparency is recommended to help users manage their finances more effectively. For the government, especially the Financial Services Authority (OJK), stronger oversight and consumer protection regulations are needed to support a healthy digital financial ecosystem. Future research is recommended to use larger samples and adopt mixed-method approaches to gain more in-depth and representative results.

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