ABSTRACT

The development technology in the current era of digitalization is doing a

fierce competition in the business world. Companies must have an innovated and

creative business ideas that make it easy to meet the needs of people's lives and can

still maintain customer satisfaction, especially in Financial Technology industry

such as E-Wallet (payment). In Indonesia, the top 4 e-wallet-internet based industry

such as Go-Pay, OVO, DANA, and LinkAja. The growth of those 4 e-wallets will

not survive without efforts to improve service quality and understand the consumer

preference in using e-wallets. Since the success of those 4 e-wallets in Indonesia, it

is important to analyse the factors motivating the use of e-wallets.

This paper aims to find out the factors that motivate the use of e-wallets in

Indonesia and identify the most dominant factors that motivate Indonesian people

in using e-wallets. This research is a descriptive study uses quantitative methods.

Quantitative methods are method with the aim of testing hypotheses that have been

established. The sample in this study are Indonesian who used e-wallets (Go-Pay,

OVO, DANA, and Link Aja) as many as 400 respondents were randomly selected

by using nonprobability accidental sampling method. The analysis technique used

in this paper is Factor Analysis, which uses 8 factors from previous studies that has

been conducted. The research result using EFA and it carried out there are 6 factors

that motivate the use of e-wallet in Indonesia, namely Efficiency, Personal

Engagement, Security, Subjective Norms, Perceived Usefulness, and Switching

Costs.

Keywords: E-Wallet, Factor Analysis, Indonesia

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