

Less Cash Society Movement: The Impact of Using E-Money on Social Changes

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ABSTRACT

This study aims to examine the phenomenon of electronic money and its impact on social change in urban areas described by Virilio's acceleration theory. Data collection techniques through interviews with informants using electronic money applications in Garut Regency. The results showed that the impact of using electronic money on social change led to a new transaction style that replaced the use of cash. During the Covid-19 pandemic, informants who use electronic money feel that it is easy to make transactions without having to bother carrying a lot of money. Product offerings are becoming more and more intense on social media which creates consumptive behavior in the community, such as being easily attracted to shopping vouchers, offered discounts, and tempted by the cashback phenomenon offered by several online shopping applications. So, the presence of technology is something that cannot be separated from human life. In accordance with Virilio's statement regarding dromology, society is experiencing accelerated social change due to the influence of technology that is developing continuously. The government's policy on the National Non-Cash Movement/National Non-Cash Movement is the reason that people are directed to a less cash society.

Keywords: Less Cash Society Movement; E-Money; Social Change.

1. INTRODUCTION

Technological development has an impact on all aspects of life including changes of the existing payment system. Cash payment by using money has begun to shift to non-cash instrument. The development of the use of non-cash payments are not only separated from technological development but also supported the government's efforts towards Less Cash Society [1]. A country's economic success is dependent on its payment system. The smoothness of a country's payment system has a considerable influence on the effectiveness and smoothness of its economy [2]. In the APAC digital banking sector, Indonesia is one of the most lucrative untapped areas. Sixty-six percent of the 260 million people in the country are "unbanked" (do not have a bank account). And, despite the fact that 66 percent of the present population was raised with internet access, less than 40 percent of Indonesian smartphone users had previously utilized financial services applications.

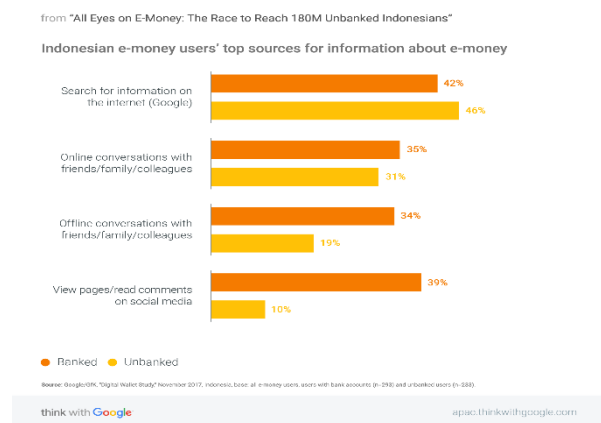


Figure 1. Indonesian e-money users' top sources for information about e-money

The abundant sources and media of information in the 21st century make social contacts with various cultures increasingly massive [3]. That social networks have a role in influencing consumer behaviour in a virtualized environment, especially when the level of exposure of

messages and relationships is made between the various information provided and Consumers who will make purchasing decisions. When one member has had these items, they are often the source of information for the other members [4].

The use of social media will certainly affect the users themselves in thinking and acting both personally and in groups [5]. Teenagers are more likely to make decision making and risky behaviour than adults and the influence of peers play an important role in explaining the behavior at risk during adolescence [6]. Peers influence the involvement of adolescent consumer products [7]. A consumptive behaviour is influenced by several factors. One of the influential factors is the reference group. Reference groups are a group of people who strongly influence individual behaviour. A person will see a group of references in determining the product they consume [8].

When we looked at why Indonesians use e-money, our surveys revealed that 48 percent of women aged 25-28 and 46 percent of males aged 29-34 were already using it to buy everyday essentials like food, drinks, and groceries online. In comparison to 28 percent and 32 percent of males in the same age groups, this suggests that women make more decisions about household expenditures and online food shopping. When opposed to monthly overhead payments like household utilities and bills, which are often paid for by male family members, these sorts of high-frequency domestic transactions are considerably simpler for e-money businesses to influence.

USES FOR E-MONEY	MALE				FEMALE			
	18-24	25-28	29-34	35-45	18-24	25-28	29-34	35-45
Pay for online shopping	58%	70%	72%	67%	68%	74%	75%	51%
Buy pulsa/provider-voucher data package	41%	60%	54%	55%	38%	64%	58%	32%
Buy Go-Jek/GrabPay credits	40%	36%	36%	41%	32%	44%	38%	38%
Pay for transportation online	41%	33%	30%	43%	45%	39%	31%	47%
Buy food, beverages, and groceries online	38%	28%	32%	28%	45%	48%	46%	30%

Figure 2. Indonesian e-money users

It's worth noting that more than half of Indonesia's population is under the age of 30, and so likely to be familiar with digital and e-money. On that topic, our survey found that 68 percent of women aged 18 to 24 utilized e-money to pay for online purchases, compared to 58 percent of males in the same age range. The lifestyle of hedonism is very appealing to teenagers, as it only wants pleasure. Such behavior will be accustomed to and become a culture [9]. The motivation of hedonists is a behavioral-driven buying activity with five senses, delusion and emotion that makes the pleasure and

enjoyment of the material the main goal of life [10]. With the existence of electronic money, it is a new trend that changes people's lifestyle a little with the convenience of shopping, so that the payment system for cash transactions is quickly shifted to non-cash or called cashless [11].

2. METHODS

A qualitative approach in the form of case studies was chosen in this study with data collection techniques using interviews. The research method was conducted to collect factual information. Interviews were conducted on informants consisting of E-money users. The data collection instrument used simple interviews to strengthen the data and was carried out directly. This research focuses on insemisive secats on one object that is to be studied as a cash. Case study data can be verified from all parties concerned, in others words in this study, all of them collected from various sources [12].

Descriptive qualitative research using data analysis namely, induction theory, data reduction, and data presentation. Then data collection techniques through interviews, observation, and literature review. The research subject is the community. The quality research instrument is the researcher himself. The instrument of qualitative research is that researcher is in harmony with the ghosts of other instruments, namely the interview guide, the researcher's observation as the main instrument because only the researcher can act as tool to exist and respond to reality because it is complex [13].

The data validity analysis techniques include data triangulation, technical triangulation, and source triangulation. As a way to identify data suitability and data factualization. Thus the qualitative method with the type of case study can analyze a problem that occurs according to the little raised [14].

3. RESULTS AND DISCUSSION

A. Less Cash Society Movement

The payment mechanism has evolved throughout time. Cash payment systems rely on currency-based instruments such as banknotes and coins. Non-cash payment systems, on the other hand, use an instrument in the form of a Card Payment Instrument [15].

LCS is a central bank endeavor to eliminate the shadow economy and strengthen governance in the process of placing and safeguarding Indonesian employees through transparent payment transaction tracking [16]. The smoothness of a country's payment system has a significant impact on the efficacy and smoothness of its economy.

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Based on the efficacy indicators of the Less Cash Society implementation through card-based non-cash payment instruments, it can be inferred that the presence of the Less Cash Society can facilitate the payment system. However, due to implementation challenges, the Less Cash Society is currently ineffective in satisfying the everyday requirements of residents in the Garut Regency area [17].

The biggest impediment in Garut Regency is a lack of supporting facilities. People who wish to utilize non-cash payment instruments to acquire their daily necessities must travel to the district center's retail mall. Not to mention that individuals just wish to obtain their daily consumptive necessities in order to avoid paying public administration fees that are imposed and are seen excessively damaging [18].

People prefer to utilize cash in their daily lives since its implementation is still fraught with difficulties. Internal and external factors cause problems in the implementation of the Less Cash Society. The presence of a non-cash payment instrument in the form of a card will raise the community's spending habit, leading individuals to believe that the presence of a non-cash payment instrument will really damage them.

B. Electronic Money (E-Money)

Money as a mode of payment is the next step in the evolution of the barter stage. Non-cash payment mechanisms have begun to replace cash payment instruments [19]. Non-cash payment transactions may be completed swiftly and conveniently, without the need for cash or the trouble of coinage. The numerous amenities that have been offered have garnered negative feedback from the community. Even if the majority of individuals have an account, the implementation is still confined to using a debit card or an ATM, despite the fact that they are aware that credit cards are available. This is due to the public's lack of understanding of non-cash payment mechanisms.

The perceived utility, convenience of transaction, sufficiency of information, and level of security and privacy all influence e-money user acceptance, yet transaction pleasure remains low. Electronic money has significant advantages over cash, but it also has drawbacks. However, since the launch of the National Non-Cash Movement/National Non-Cash Movement on August 14, 2014, e-money penetration is still only in urban areas.

Electronic money has negative macroeconomic impacts such as exchange rate volatility and lack of

collateral for real money. The lack of real money collateral arises because there is a suspicion that at some point, the amount of virtual money may exceed the amount of real money. Problems related to the use of e-money can also occur due to liquidity problems of their issuers, as well as the consequences of the obligations imposed by the issuers [20]. E-money provides greater convenience and is more efficient than cash payment systems, there are several factors that do not support the loss of cash payment systems.

C. The Impact of Using E-Money on Social Changes.

The phenomenon of this change is very visible in any society, especially in Indonesia, people want everything quickly and instantly, supported by advanced and sophisticated technology. Technological progress is a convenience that can meet a human need. Dromology at this stage is a new power, the impact is that people are really trapped and addicted to technological tools and the paradigm of society that has been shaped by it [21].

Dromology comes from the Greek dromos which means race or racecourse. Paul Virilio is a French theorist who created an innovative and interesting form of study that deserves wide acclaim. His study of dromology comes from the suffix "drome" which refers to a race track or a car race place in his study.

The findings showed that electronic money appeared in Indonesia and was then socialized by Bank Indonesia through certain seminars and then socialized through socialization agents both formally and informally. Socialization is also carried out to the wider community with the language of marketing [22]. Not only Bank Indonesia parties but also the mass media play a role in disseminating electronic money to the public such as in advertisements on social media. The development of electronic money was not realized from year to year.

In accordance with Virilio's statement regarding dromology, society is experiencing accelerated social change due to the influence of technology that is developing continuously. Dromology at this stage is a new power, the impact is that people are really trapped and addicted to technological tools and the paradigm of society that has been shaped by it [23]. Electronic money is an important issue because it is considered a future payment revolution that will replace the traditional system of cash and checks.

Further findings impact on society including the emergence of new consumerism. The development of technology, the proliferation of online markets and malls in the city of Bandung makes people tend to be consumptive, as stated by one of the informants who use electronic money. This makes me enjoy transactions without being complicated because of its convenience, but another impact is consumptive behavior, especially if there are discounts, vouchers or points [24]. provided by

merchants or electronic money companies, will regret not taking advantage of these discounts or vouchers.

The rapid industrial development makes the provision of public goods abundant. That way people are easily attracted to consuming goods with many available choices, if this is not controlled, it is not impossible that consumptive patterns will become a culture [25]. Technology that provides comfort in human life can cause people to behave consumptively. Consumptive behavior is a tendency of society because of the desires and needs this can encourage people to tend to consumerism if it cannot be controlled. Consumerism or consumer culture is one term that is often used to describe the social and cultural transformations that have occurred in modernity.

4. CONCLUSIONS

The government's policy on the National Non-Cash Movement/National Non-Cash Movement on August 14, 2014 became the reason for the public to be directed to a less cash society. The positive impact of electronic money is a necessity for its users, but behind the convenience it provides, electronic money has a negative impact, namely consumerism on its users. Consumerism arises due to the illusion given by electronic money in the form of discounts, points, and vouchers.

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