

## CASHLESS TRANSACTION THROUGH E-WALLET: ANALYSIS OF PERCEPTION AND USAGE INTENTION OF MICRO BUSINESS OWNERS IN CAVITE

MELONA I. SAQUIN  
JOMARIE D. BOYBOY  
JOHN MARK D. CANON  
CHERRY ANN O. DELACRUZ  
LEALYN P. DELACRUZ  
DANILO JR. R JORGE  
MICO ANGELO O. MACALINAO  
Cavite State University – Tanza Campus

<https://doi.org/10.37602/IJREHC.2024.5108>

### ABSTRACT

This study determined the perception and usage intention of micro-business owners in Cavite regarding cashless transactions through e-wallets. Hence, the study aimed to determine the business profile of micro business owners in Cavite in terms of the years of operation of their business and the estimated monthly income. Also, to determine the perception of the participants regarding cashless transactions through e-wallet in terms of accessibility, convenience, and security. Lastly, determine the usage intention of micro business owners in Cavite regarding cashless transactions through e-wallet.

The study used descriptive statistics and quantitative research methods to understand and interpret the variables in this study. It presents some information regarding micro business owners and the analysis of the perception and usage intention of micro business owners who are not yet using e-wallets for their business transactions.

The data were gathered from the responses of fifty (50) micro business owners in Cavite under retailing business from November 2023 to January 2024, and purposive sampling was used in selecting the participants from Cavite.

As a result, the majority of the participants have been operating for 4 to 6 years. Most of them have an estimated monthly income ranging from Php 20,000 to Php 30,000. Furthermore, this study revealed that micro-business owners perceived that cashless transactions through e-wallets are accessible, convenient, and secure. Hence, it was concluded that the microbusiness owners intend to use cashless transactions for business transactions.

**Keywords:** cashless transaction, e-wallet, perception, usage intention, micro business owners

### 1.0 INTRODUCTION

The shift towards cashless transactions has been a significant trend this year, with e-payment methods gaining popularity across the globe. The transformation of physical cash into cashless has not only impacted individuals but also the business industry, particularly for micro business

owners. Micro businesses play a vital role in local communities, and understanding the perception and usage intentions of micro business owners regarding cashless transactions through e-wallets is of utmost importance.

Moreover, in this generation, cashless transactions are frequently practiced, which has significantly altered how people exchange money. Due to the market's growing variety of digital payment choices, more consumers and businesses are converting to cashless systems. Micro business owners, in particular, are using cashless transactions as a way to enhance customer satisfaction and streamline operations. Aside from that, cashless transactions become more convenient to the customer, and it is easy for them to track and manage the money that comes in and out of their account. It's critical to understand how micro-business owners regard these technologies and how they intend to use them without challenges. It is important to weigh the pros and cons of the cashless transaction in order for the micro business owner to identify the potential drawbacks and make an objective decision instead of relying on feelings or intuition.

According to Olipane & Inocencio (2023), digital payment technologies have revolutionized the way individuals conduct financial transactions. The landscape of business and customer behavior has drastically transformed with the advent of digital payment systems. This adjustment has greatly impacted customer convenience in addition to providing numerous benefits to businesses. Aside from that, Mohamad and Kassim's (2022) study states that the adoption of e-payment services by micro-entrepreneurs could improve their financial inclusion because they are generally regarded as a community that is not profitable. The adoption of cashless payment systems by enterprises has been sluggish despite these advantages.

The study is of particular relevance in the current era, characterized by the increasing digitization of financial transactions and the ongoing global drive towards a cashless society. The insights garnered from this research will not only provide a comprehensive understanding of the micro business landscape in Cavite but also contribute to the broader discourse on the adoption of cashless payment methods by businesses in emerging markets.

In view of preceding statements, this study was conducted to:

1. Determine the business profile of the participants in terms of;
  - a. years in operation; and
  - b. monthly income
2. Determine the perception of the participants in the cashless transaction through e-wallet in terms of;
  - a. accessibility;
  - b. convenience; and
  - c. Security?
3. Determine the usage intention of the participants in the cashless transaction through e-wallet.

**2.0 METHODOLOGY**

The study utilized a descriptive research design. It was used to describe the perception and usage intention of micro business owners in cashless transactions through e-wallets. The researchers used purposive sampling techniques to select 50 participants who are not yet employing e-wallets in their business, and the data will be gathered from the micro business owners in Cavite. A close-ended survey questionnaire was distributed based on the criteria that were used in this study. The structured questionnaire was made up of several statements that determined the perception and usage intention of micro business owners in e-wallets.

The data was analyzed using statistical techniques such as frequency counts, percentages, and means. Frequency distribution tables and percentages were used to determine the business profile of the participants. The following descriptive interpretations table using the 5-point Likert scale was utilized to determine the authenticity of the influencers' sponsored contents about the perception and usage intention of microbusiness owners in cashless transactions through e-wallets.

**Table 1. Descriptive interpretation for perception of micro business owners in cashless transaction through e-wallets**

<b>WEIGHTED MEAN</b>	<b>VERBAL INTERPRETATION</b>
4.21-5.00	Strongly Agree
3.41-4.20	Agree
2.61-3.40	Somewhat Agree
1.81-2.60	Disagree
1.00-1.80	Strongly Disagree

**Table 2. Descriptive interpretation for usage intention of micro business owners in cashless transaction through e-wallets**

<b>WEIGHTED MEAN</b>	<b>VERBAL INTERPRETATION</b>
4.21-5.00	Strongly Agree
3.41-4.20	Agree
2.61-3.40	Somewhat Agree
1.81-2.60	Disagree
1.00-1.80	Strongly Disagree

### 3.0 RESULTS AND DISCUSSION

#### 3.1 Business Profile

As shown in Table 3, the results show that 42% of the micro business owners in Cavite under the retailing business mainly focus on the neighborhood sundry store (sari-sari store) have been operating for 4 to 6 years and 62 % of the micro business owners are earning Php 20,000 – Php 30,000 a month.

**Table 3. Distribution of participants according to their business profile.**

BUSINESS PROFILES	FREQUENCY (n=50)	PERCENTAGE (%)
<b>Years in Operation</b>		
3 years and below	13	26
4 to 6 years	42	42
7 to 9 years	5	10
10 years and above	11	22
<b>Estimated Monthly Income</b>		
PHP 20,000- PHP 30,000	31	62
PHP 31,000- PHP 40,000	18	18
PHP 41,000- PHP 50,000	4	8
PHP 50,000 and above	8	12

Table 4 presents the perception of micro-business owners in cashless transactions through e-wallets in terms of accessibility. The highest weighted mean of 4.02, interpreted as agree, was registered in item 4, e-wallets are easy to use. On the other hand, the lowest weighted mean of 3.52, interpreted as agree, was registered in item 5, that e-wallets can be used by anyone. As a result, the overall measure of the perception of microbusiness owners in Cavite regarding cashless transactions through e-wallets in terms of accessibility is 3.88 and was interpreted as agree. The results indicate that the micro-business owners perceived that cashless transactions through e-wallets are accessible.

The statement above was supported by the article that discussed that it is really important that the e-wallet companies improve the accessibility of the digital platform and their services due to the fact that it will help the micro business owners and other consumers to have a better financial system. Therefore, in the study of Asian Business Review (2022), that e-wallet companies offer an accessible way to engage in the financial system, and also the e-wallet

companies are seeking to make it accessible, affordability and to understand the financial services that the company offers to the market.

In addition, the e-wallet company offers a variety of services, such as a digital business solution that facilitates the growth and long-term survival of micro, small, and medium-sized businesses. This is done in an effort to encourage people to use e-wallets and to make them accessible to anyone, especially those who do not use the e-wallet.

**Table 4. Perception of micro business owners in cashless transaction through e-wallet in Cavite in terms of accessibility**

ACCESSIBILITY	WEIGHTED MEAN	VERBAL INTERPRETATION
1. It is easy to create an account	3.96	Agree
2. It can conduct transaction anywhere.	3.98	Agree
3. E-wallets payment is easy to use.	4.02	Agree
4. It allows the user to access multiple payment methods in one place.	3.94	Agree
5. It can be used by anyone	3.52	Agree
<b>OVERALL</b>	<b>3.88</b>	<b>AGREE</b>

Table 5 presents the perception of micro-business owners in cashless transactions through e-wallets in terms of convenience. The highest weighted mean of 4.56, interpreted as strongly agree, was registered in item 1, and indicates that paying through e-wallets saves time. On the other hand, the lowest weighted mean of 4.22, interpreted as strongly agree, was registered in the item 3, it can help the business to track the business expenses and income. As a result, the overall measure of the perception of microbusiness owners in Cavite regarding cashless transactions through e-wallets in terms of convenience is 4.37 and was interpreted as strongly agree. The results indicate that the micro-business owners highly perceived that cashless transactions through e-wallets are convenience.

The statement above was supported by the article that says that e-wallets provide convenience to the users since it eliminates the need to carry a physical cash or wallet. Aside from that, e-wallets save time, and transactions become faster (retailercustomerexperience.com, 2020).

**Table 5. Perception of microbusiness owners in cashless transaction through e-wallet in terms of convenience.**

CONVENIENCE	WEIGHTED MEAN	VERBAL INTERPRETATION
-------------	---------------	-----------------------

1. Paying through e-wallets saves time.	4.56	Strongly Agree
2. No need to carry physical cash.	4.32	Strongly Agree
3. It can help my business to track the business expense and income.	4.22	Strongly Agree
4. Using e-wallets can helps my business to transact in a faster way.	4.42	Strongly Agree
5. E-wallet compensate users for using their services with cashback or rewards points.	4.32	Strongly Agree
<b>OVERALL</b>	<b>4.37</b>	<b>STRONGLY AGREE</b>

Table 6 presents the perception of micro-business owners in cashless transactions through e-wallets in terms of security. The highest weighted mean of 4.50, interpreted as strongly agree, was registered in item 2, stated that there is always confirmation sent when doing transaction either on your mobile number or e-mail. On the other hand, the lowest weighted mean of 3.52, interpreted as agree, was registered in item 4, that e-wallets can be less susceptible to fraud. As a result, the overall measure of the perception of microbusiness owners in Cavite regarding cashless transactions through e-wallets in terms of security is 4.04 and was interpreted as agree. The results indicate that the micro-business owners perceived that cashless transactions through e-wallets are secured.

The statement above was supported by the blog of Tookitaki (2023); in order to protect the users and consumers, the bank company has released standards that include minimum risk management systems and controls, redress procedures, and record-keeping systems. Sensitive user data is protected by encryption technology in e-wallets, making it harder for unauthorized parties to access the data. An additional layer of security is added by the fact that e-wallets frequently need a password, PIN, or biometric authentication—such as fingerprint or face recognition—in order to allow transactions. The e-wallet provider will undoubtedly increase platform security and make it simpler for all users to feel secure while utilizing the service.

**Table 6. Perception of micro business owners in cashless transaction though e-wallet in terms of security**

<b>SECURITY</b>	<b>WEIGHTED MEAN</b>	<b>VERBAL INTERPRETATION</b>
1. There is a transaction history available to secure my cash-in and cash-out transaction.	4.34	Strongly Agree
2. There is always confirmation sent when doing transaction either on your mobile number or e-mail.	4.50	Strongly Agree

3. Paying using e-wallet payment is safer that traditional transaction.	4.04	Agree
4. E-wallets can be less susceptible to fraud.	3.52	Agree
5. E-wallets are much safer during transaction.	3.80	Agree
<b>OVERALL</b>	<b>4.04</b>	<b>AGREE</b>

Table 7 presents the overall results regarding the perception of microbusiness owners in cashless transactions through e-wallets in terms of accessibility, convenience, and security. The highest weighted mean of 4.37, which was interpreted as strongly agree, indicates that microbusiness owners highly perceived that cashless transactions through e-wallets are convenient. On the other hand, the lowest weighted mean of 3.88, which was interpreted as agree, indicates that microbusiness owners perceived that cashless transactions through e-wallets are accessible. While, the weighted mean of security is 4.04, which was interpreted as agree, indicated that microbusiness owners perceived that cashless transaction through e-wallets are secured. As the result, the overall weighted mean of the perception of microbusiness owners in cashless transaction through e-wallet in terms of accessibility, convenience and security was 4.09 which was interpreted as agree. The results indicate that micro-business owners perceived that cashless transactions through e-wallets are accessible, convenient, and secure.

The statement above was supported by Amber (2023). E-wallets are accessible everywhere as long as mobile phones have an internet connection, offer convenience to the user, and provide security to store payment and personal information.

**Table 7. Overall Perception of microbusiness owners in cashless transaction through e-wallet in terms of accessibility, convenience and security.**

PERCEPTION	WEIGHTED MEAN	VERBAL INTERPRETATION
1. Accessibility	3.88	Agree
2. Convenience	4.37	Strongly Agree
3. Security	4.04	Agree
<b>OVERALL</b>	<b>4.09</b>	<b>AGREE</b>

Table 8 presents the perception of micro-business owners in cashless transactions through e-wallets in terms of accessibility. The highest weighted mean of 4.66, interpreted as strongly agree, was registered in item 5 and 10, stated that they will use cashless transaction if it has a benefits like rewards and they will use cashless transaction if this can help them to not carry a



lot of cash when they need to buy stocks for their business. On the other hand, the lowest weighted mean of 4.18, interpreted as agree, was registered in item 3, that they will use cashless transaction if it can help their business to keep up with competitive market. As a result, the overall measure of the usage intention of microbusiness owners in Cavite regarding cashless transactions through e-wallets is 4.46 and was interpreted as strongly agree. The results indicate that the microbusiness owners highly used cashless transaction through e-wallets for business transactions.

The statement above was supported by the study of Ariffin et al. (2021); users' contentment and their intention to continue using e-wallets are positively correlated; however, this correlation is not significantly strengthened by perceived value. Additionally, the rewards, cashback, security of the transaction, and time and effort savings during payment did not influence customer behavior toward continued use of e-wallets. However, customers' attitudes are positively impacted by perceived usefulness and convenience of use.

**Table 8. Usage intention of microbusiness owners in cashless transaction through e-wallets**

USAGE INTENTION	WEIGHTED MEAN	VERBAL INTERPRETATION
1. I will use cashless payment option if it can help me to take on this business industry.	4.28	Strongly Agree
2. I will use cashless transaction if it can help me to have a better payment transaction.	4.38	Strongly Agree
3. I will use cashless transaction if it can help my business to keep up with competitive market.	4.18	Agree
4. I will use cashless transaction if this gives me convenience in my business.	4.48	Strongly Agree
5. I will use cashless transaction if it has a benefits like rewards.	4.66	Strongly Agree
6. I will use cashless transaction if this can help my business to have faster transaction.	4.58	Strongly Agree
7. I will use cashless transaction if this can help me to have a better security of money	4.38	Strongly Agree



8. I will use cashless transaction if this can help me to track my expenses and income.	4.42	Strongly Agree
9. I will use cashless transaction if it helps my business to less the risk of theft	4.58	Strongly Agree
10. I will use cashless transaction if this can help me to not carry a lot of cash when I need to buy stocks in my business.	4.66	Strongly Agree
<b>OVERALL</b>	<b>4.46</b>	<b>STRONGLY AGREE</b>

#### 4.0 CONCLUSION AND RECOMMENDATION

This study determined the perception and usage intention of cashless transactions through e-wallets. It specifically aimed to determine the business profile of the respondents in terms of years in operation and estimated monthly income; identify the perception of the participants in cashless transactions in terms of accessibility, convenience, and security; determine the usage intention of microbusiness owners in cashless transaction through e-wallets.

Based on the findings, the following conclusions were drawn:

1. Based on the data gathered from the survey questionnaire that was distributed to the participants, the majority of micro business owners in Cavite have been operating for 4 to 6 years, and the participants' monthly income ranges from Php20,000- Php30,000. This information is important due to the fact that it will be seen that even though the participants are managing their own businesses without having an employee and not being so much in technology, the participants are still earning enough to support the needs and to circulate the money in the business.
2. The results of the study revealed that the micro business owner perceived that cashless transactions through e-wallets are accessible, convenient, and secure. The perception of micro business owners in the cashless transaction through e-wallets is that e-wallets are easy to use and also save time when it comes to transacting through them. Aside from that, micro-business owners see that e-wallets give strong security for the privacy of the user and the safety of the user's money.
3. The microbusiness owners highly used cashless transactions through e-wallets for business transactions. It indicates that the usage intention of microbusiness owners in cashless transactions has high intention to used due to the fact that it has a benefits like rewards and it helps them to not carry a lot of cash when the they needed to buy stocks in their business. Lastly, it helps their business to have faster transactions and less risk of theft.

Based on the above conclusions, the following recommendations are made:

1. Microbusiness owners should learn more about e-wallets because they are a great help for business transactions and for better financial systems like managing the business income and expenses and tracking them.
2. Microbusiness owners should adapt and use e-wallets because transactions become faster and more secure with the help of e-wallets. Aside from that, it will also help their business keep up and thrive in the midst of the technological advancement that the world has now.
3. E-wallet companies should provide more security measures, easy set-up, also always enable two-factor authentication to enhance security and lastly, a range of features which are user-friendly such as invoicing, contactless payments, and transaction tracking.

## REFERENCES

- Amber Blog (2023). 8 Advantages of E-Wallet: Why Digital Wallets Are the Future. Retrieved from: <https://amberstudent.com/blog/post/advantages-of-e-wallet-why-digital-wallets-are-the-future#:~:text=8%20Advantages%20of%20E-Wallet%3A%20Why%20Digital%20Wallets%20Are,Global%20Accessibility%20...%208%208.%20Environmental%20Impact%20>
- Ariffin, S. K., Abd Rahman, M. F. R., Muhammad, A. M., & Zhang, Q. (2021). Retrieved from: Understanding the consumer's intention to use the e-wallet services. Spanish Journal of Marketing - ESIC, 25(3), 446–461. <https://doi.org/10.1108/sjme-07-2021-0138>
- Olipane, G., H. E., & Inocencio, M. D., (2023). "Digital payment and its influence to customer convenience." In American Journal of Humanities and Social Sciences Research (AJHSSR) 2023 American Journal of Humanities and Social Sciences Research (pp. 56–67). <https://www.ajhssr.com/wp-content/uploads/2023/09/D237095667.pdf>
- Retail Customers Experience (2020). The convenience of digital wallets during COVID-19. Retailexperience.com Retrieved from: <https://www.retailcustomerexperience.com/blogs/the-convenience-of-digital-wallets-during-covid-19/>
- The Asian Business Review (2023). Promoting financial inclusion through accessible e-wallet. Asianbusinessreview.com. Retrieved from: <https://asianbusinessreview.com/written-partner/event-news/promoting-financial-inclusion-through-accessible-e-wallet?fbclid=IwAR2zcCi71ei7a0R4DaNc3eCMMngaq4aK-dCu6EuAjhlyPswx8SThFy Jqk4>
- Tookitaki (2023). Empowering Inclusion: Benefits of Digital Wallets in the Philippines. Retrieved from: <https://www.tookitaki.com/blog/benefits-digital-wallets-philippines-tookitaki-solutions>