

**Factors Affecting The Decision Of The Generation Z On E-Payment Adoption**

Nadzar, F

**I. Abstract**

Online shopping is one of the leading activities done online, especially with the Generation Z hence, E-payment emerged. In line with this, online fraud and scam cases become a massive problem, thus, security should be given an importance to make online payment reliable, for this is one of the most challenging thing that people faced which hinders them to adopt online payment. This study aims to measure how the demographic profile of the Generation Z affects the influencing factors of e-payment adoption. Data were gathered through survey questionnaire given personally to the 337 College of Business Administration students in the Polytechnic University of the Philippines. Simple random probability sampling was used to give all the CBA students an equal chance in getting selected. It has identified that gender and course differences affect the attitude towards adoption and use of technology. The study shows that there is no significant difference in perceived risk, perceived usefulness, ease of use and e-payment adoption while there is a significant difference between the gender and trust as well as the course and trust factor. Thus, found out that Generation Z are still open to use E-payment adoption in the near future. It is therefore, consumers must only trust the legitimate websites to set awareness towards the risk of fraud and the service must advocate consumer the trust that they can rely on, advertise the service provider to raise awareness that this type of transaction is easy and safe.

**II. Introduction**

Internet-users are gradually growing, over 1 million people are increasing annually worldwide, and in fact there has been a growth of 1,157% internet users from 2000-2019. From the 7,716,223,209 population (as of June 2019) throughout the world, 58.8% of them are with the use of internet (World Internet Stat, 2019). It figure out that internet-user were introduced to the new and more advance kind of shopping, no wonder that online shopping is one of the leading activities done online. Thus, 14.1% e-

retail sales are accounted from all the retail sales worldwide (Clement, 2019). Moreover, 50.7% of the internet-user came from Asia which brought India as the fastest growing online retail market. E-commerce emerged and was given a great opportunity however paved the way of traditional process of paying. Consequently e-payment was also become popular as of today.

E-payment or online payment is the new way of paying or exchanging money which done through the use of technology, computer system and internet. It has become one of the important components for the businesses financial transaction which contribute success to the companies (Kousaridas et al. 2008). Online consumers and even businesses find benefits from using online payment system, this includes convenience, reduced cost and flexible that it became a normal activity for every internet-user. Despite of the popularity of online payment given by the widespread of internet, people still find it hard to trust in the process, as the internet outpace, fraud and online scams became relevant and rapidly emerging. Recently in US, the FBI arrested 14 people who allegedly used online fraud scheme that tries to scam atleast \$46 million targeting older adult. "We believe this is one of the largest cases of its kind in U.S. history," U.S. Attorney Nick Hanna for the Central District of California said at a news conference. Their tactics of online fraud grew and was spread targeted people not just in US but around the world (Urban, 2019). Furthermore, in Singapore the crime reported increase up to 7% from 2018 up to the half of the year 2019 and majority of the reports was due to e-commerce scams. From 1,013 cases in 2018 to 1,435 cases in 2019, almost 42% were increased having a total amount of \$1.2 million were cheated from the scam (Channel news Asia).

Online fraud and scam cases presented is a massive problem indeed, hence, security should be given an importance to make online payment reliable, for this is one of the most challenging thing that people faced which hinders them to adopt online payment.

According to the study (Tao, 2010) both technical protection and security statement has a direct impact on building the consumer's trust. State that perceived trust and security plays an important role in

promoting the use of online payment. Various conditions and support that Philippines have the most number of internet users globally with the most time spent averaging 10 hours per day. Notwithstanding, Philippines' online security is weak which make it prone to the attack of online frauds. That is why Filipinos having a hard time to adopt online payment and still stick to the traditional way of mode of payment which is through cash. Corresponds to the survey that conducted by TheNerve( a data insights company) in Feb 2019, 51.3% of the respondents preferred cash as their mode of payment when buying online. Most of them think that paying online is very risky to do and they don't want to take that risk especially that the security was too weak to keep their money safe.

The purpose of this study is to measure the students from the Polytechnic University of the Philippines' perspective with regards to the factors affecting the decision of the Generation Z on E-payment adoption which contains 5 parts; perceived risk, trust, perceived usefulness, ease of use, e-payment adoption. We choose the Polytechnic University of the Philippines as our scope of respondents because students in this school are diverse which came from different region of the country. It promotes different perspective towards e-payment adoption that varies depending upon the culture they have in their area.

### **III. Review of Related Literature**

#### **Perceived Risk**

As the technology launches the market it is expected to adapt with the e-payment process as well the consumer will able to know the usefulness of the system and the risk that consumer may encounter. Technology Acceptance Model (TAM), the increase of perceived usefulness more likely to use (Jalil, 2010).

Perceived risk is defined as uncertainty appraisal or lack of knowledge referring to possible outcome and the uncontrollable variable attainment. The increase usage of e-payment by the consumers affects the traditional way of payment, however the e-payment for the young adult is somehow low.

According to study this type of market is considered as the heavy users of e-payment system in the future due to the technology that makes the consumer to rely on and good income levels, the study for the young adult behavior towards e-payment transaction is still on the process. In order for the consumer to use e-payment system is to encourage the user to understand the perceived risk, with the data gather from the consumers will help the service provider to perform better services, in line with this the service provider will able to create policies to limit the possible risk and the exposure of risk. Uncertainties about their financial information is handled by the service provider will increase the perceived risk associated with online transaction. The study adapts the idea proposed by the Theory of Reasoned Action (TRA) "the higher the perceived risk, the lower risk tolerance and the less likely intention to use". The success of e-payment system will depend on how the consumer viewed the service provider's perceived risk and as well the consumer if it was done properly done. In this study it will improve the markets capacities to rely on electronic transaction. (Hamid, Jan 2013).

## **Trust**

Trust plays a big role in business transaction, a lack of trust in e-payment is one of the reasons why many choose not to shop online (Wu & Chang, 2006, p. 1254). Trust is able you to feel secure and willing to depend on something (Chung & Kwon, 2009). In business, building trust is the most important factor in enhancing the relationship between the consumer and the service provider to provide better performance. Trust is considered as component that makes the partnership and strategic alliances become strong and dependent to each other. (Brusco 1985, Powell 1996, Smitka 1991). Nowadays where technology is rising, trust is considered as one element to success that is important source of competitiveness in the market and much better if it's high trust production system than in a low trust one. (Sako, 1992). Fam et al. (2004, p. 198) introduced that trust and customer satisfaction is continuously changing process wherein it needs enough time to find the customer's satisfaction in a period of time.

**Perceived Usefulness**

A study conducted in 2003 state that you could attract internet-user to shop online through the usefulness of the technologies. Meaning, their decision to use online system would be based on the benefit and effectiveness that system is giving. In line with this, perceived usefulness refers to the degree on which a person believes that using system would enhance their performance (Davis,1989). Organization always looked at the information and communication technology as a way to improve the performance and productivity of the white-collar job or work usually done in office (Edelman, 1981). Internet-users believe in a use-performance relationship. The study about perceived usefulness and perceived ease of use in acceptance of information technology (Davis, 1989 develops and validates two methods; initial scale and pretest. The last method used categorization task wherein 15 participants were given 13 cards with the statement written on it; Job difficult without, control over work, job performance, addresses my needs, saves time, work more quickly, critical to my job, accomplish more work, cut unproductive time, effectiveness, quality work, increase productivity, makes job easier. Perceived usefulness statement related was provided by the researchers, and then participants will categorized it into 3-5 according to its implication so that statement on each category were likely to most similar like any other category. After the test under perceived usefulness results were fall into 3 categories, the first cluster relates to job effectiveness, second was productivity and time saving and third one was importance of system to one's job. The study found that technology and system would improve the performance and increase productivity within the organization, it also saves time and make those unproductive time useful that they could access information and communicate via multiple channels regardless of location without leaving their desk. (Davis, 1989).

**Ease of Use**

E-payment is very easy to use whether you are a consumer or a businessman since in a just a click of a mouse you can transact and pay all the needed payment. According to Singh (2002), online customers expect fast, friendly and high quality service and that's why e-payment is an important factor in terms of transactions because whenever and wherever you are as long as there is technology you can pay all your bills. E-commerce has been embraced by the consumer because of the thought that it can help them to save time, money and effort as well as security because they don't need to go to a store just to pay and there's a different circumstances whenever you have a money in your hand.

### **E-payment Adoption**

E-payment has been very popular nowadays since it is easier and convenient and there's also a growth in information and communication technology. The payment system of a country plays a crucial role in its economy; however, despite the benefits of e-Payment and efforts by financial authorities, there are some countries still has a low e-Payment adoption rate. E-payment is also known as a phenomenon in terms of cashless payment and with the use of e-payment the consumer doesn't have to bring cash all the time since they can pay goods and services without an actual money all they need is technology and internet. Technology has been emerging and in line with this e-payment is playing an important role in terms of e-commerce and the lack of online e-payment can be a hindrance in the successful implementation of e-commerce.

### **IV. Methods and materials**

This study utilized Descriptive research method in order to evaluate the participants' response towards the factors affecting their decision in E-payment adoption. Descriptive research method seeks to understand the participants' characteristics and behavior towards the research. As the word suggests,

Descriptive method design to describe and validate some sort of hypothesis or objective. Furthermore, with this methodology, we used surveys which conducted through survey sheets.

The survey questionnaire used for this study was adapted from Nguyen, Thanh and Huynh, Phuc with their study “The Roles of Perceived Risk and Trust on E-Payment Adoption”. The survey questionnaire has two portions; the demographic profile and the likert-type questionnaire which will measure the participants’ response on E-payment adoption. This study used 5-point likert-type of questionnaire; 1-strongly disagree, 2-disagree, 3-undecided, 4-agree, 5-strongly disagree, to measure the response of the participants towards Factors Affecting the Decision of the Generation Z on E-Payment Adoption.

The questionnaire are divided into 5 categories having different number of statements; perceived risk with 5 items, trust with 3 items, perceived usefulness with 5 items, ease of use with 4 items and e-payment adoption with 3 items. Those statements will measure how the participants will response to the idea of adopting e-payment.

The participants for this study are 337 College of Business Administration students of school year 2019-2020 of the Polytechnic University of Philippines which were conducted through simple random probability sampling in which the participants; CBA students has an equal chance of getting selected.

The questionnaire were given personally by the researchers to the participants and were given enough time and collected right after they answer all the data needed. As the sample size was met, all the questionnaire sheets were classify according to the participants’ course, then each course were assorted with its gender and rank it from lowest to highest according to age bracket of the participants so it will be easier for the researchers to encode and tally the data gathered. The data encoded were rechecked to make sure that it will be accurately interpreted. Subsequently, from the data encoded, the researchers made a table to specify the frequency and percentage distribution of demographic profile of the participants. Furthermore, the researchers used SPSS (Statistical Package for the Social Sciences), statistical software

designed to test hypotheses, understand data, validate assumptions and drive accurate conclusion. T-test was used to determine if there's a significant difference between the means of two groups; gender, year level and type of student whereas, ANOVA was used to analyze the differences between several means at one time, with this, the data needed to know was accurately run. Lastly, the data that was compiled and encoded were interpreted. The in-depth survey procedure of this study is limited only on the CBA students of the Polytechnic University of the Philippines but it is applicable on others as the participants are diverse.

The researchers assured confidentiality of their survey sheets. They also understood that people's consciousness may also affect their honesty and effectiveness in answering the survey, and so, the participants given the option of being anonymous and were given enough time to answer the survey sheets after that, they collected the surveys after they fully completed the data needed. There were no incentives offered for participating in the research.

## **V. Results**

### **1. What is the profile of the respondents in terms of:**

- 1.1. course,
- 1.2. gender,
- 1.3. year level,
- 1.4. age,
- 1.5. type of student,
- 1.6. mode of payment,

| Course                | Frequency  | Percent      |
|-----------------------|------------|--------------|
| Marketing Management  | 102        | 30.3         |
| HRDM                  | 101        | 30.0         |
| Office Administration | 78         | 23.1         |
| Entrepreneurship      | 56         | 16.6         |
| <b>Total</b>          | <b>337</b> | <b>100.0</b> |

**Table 1. Frequency and Percentage Distribution of the Respondents by Course**

Table 1 shows the frequency and percentage distribution of the respondents' course. Out of 337 respondents, majority of the respondents were Marketing Management with 102 (30.3%) followed by Human Resource Development Management with 101 (30 %) students and then Office Administration with 78 (23.1 %) students and lastly Entrepreneurship with 56 (16.6 %) students.

| Gender       | Frequency  | Percent      |
|--------------|------------|--------------|
| Male         | 121        | 35.9         |
| Female       | 216        | 64.1         |
| <b>Total</b> | <b>337</b> | <b>100.0</b> |

**Table 2. Frequency and Percentage Distribution of the Respondents by Gender**

Table 2 shows the frequency and percentage distribution of the respondents' gender. Out of 337 respondents, majority of them were female with 216 (64.1 %) whereas male with 121 (35.9%).

| <b>Year</b>          | <b>Frequency</b> | <b>Percent</b> |
|----------------------|------------------|----------------|
| 1 <sup>st</sup> Year | 83               | 24.6           |
| 2 <sup>nd</sup> Year | 254              | 75.4           |
| <b>Total</b>         | <b>337</b>       | <b>100.0</b>   |

**Table 3. Frequency and Percentage Distribution of the Respondents by Year Level**

Table 3 shows the frequency and percentage distribution of the respondents' year level. Out of 337 respondents, majority of them were 2<sup>nd</sup> year with 254 (75.4 %) whereas 1<sup>st</sup> year with 83 (24.6%).

| <b>Age</b>   | <b>Frequency</b> | <b>Percent</b> |
|--------------|------------------|----------------|
| 17 years old | 6                | 1.8            |
| 18 years old | 97               | 28.8           |
| 19 years old | 189              | 56.1           |
| 20 years old | 41               | 12.2           |
| 21 years old | 4                | 1.2            |
| <b>Total</b> | <b>337</b>       | <b>100.0</b>   |

**Table 4. Frequency and Percentage Distribution of the Respondents by Age**

Table 4 shows the frequency and percentage distribution of the respondents' age. Out of 337 respondents, majority of them were 19 years old with 189 (56.1 %) followed by 18 years old with 97 (28.8%) then, 20 years old with 41 (12.2%) followed by 17 years old with 6 (1.8%) and lastly, 21 years old with 4 (1.2%).

| Type of Student | Frequency  | Percent      |
|-----------------|------------|--------------|
| Full Time       | 321        | 95.3         |
| Working Student | 16         | 4.7          |
| <b>Total</b>    | <b>337</b> | <b>100.0</b> |

**Table 5. Frequency and Percentage Distribution of the Respondents by Type of Student**

Table 5 shows the frequency and percentage distribution of the respondents' type of student. Out of 337 respondents, majority of them were full time student with 321 (95.6 %) whereas working student with 16 (4.7%).

| Mode of Payment  | Frequency  | Percent      |
|------------------|------------|--------------|
| Cash on Delivery | 276        | 81.9         |
| Credit Card      | 8          | 2.4          |
| Debit Card       | 14         | 4.2          |
| Cash Card        | 11         | 3.3          |
| GCash            | 9          | 2.7          |
| Others           | 19         | 5.6          |
| <b>Total</b>     | <b>337</b> | <b>100.0</b> |

**Table 6. Frequency and Percentage Distribution of the Respondents by Mode of Payment**

Table 6 shows the frequency and percentage distribution of the respondents' mode of payment. Out of 337 respondents, majority of them uses cash on delivery as their mode of payment with 276

(81.9%) followed by other type of mode of payment with 19 (5.6%) followed by debit card with 14 (4.2%) then, cash card with 11 (3.3%) then Gcash with 9 (2.7%) and lastly, credit card with 8 (2.4%).

## 2. How do the respondents evaluate the factors that affect their decisions in adopting e-payment

| Statements   | Weighted Mean | Verbal Interpretation |
|--------------|---------------|-----------------------|
| PER1         | 4.02          | Strongly Agree        |
| PER2         | 4.16          | Strongly Agree        |
| PER3         | 4.01          | Strongly Agree        |
| PER4         | 4.07          | Strongly Agree        |
| PER5         | 3.85          | Agree                 |
| <b>TOTAL</b> | <b>4.02</b>   | <b>Strongly Agree</b> |

**Table 7. Weighted Mean and Verbal Interpretation of the Respondents towards Perceived Risk**

Table 7 shows the total weighted mean of Perceived Risk with 4.022 and with verbal interpretation of Strongly Disagree. Among the statement under Perceived Risk, PER2 got the highest weighted mean with 4.16 with the verbal interpretation of Strongly Agree, next is the PER4 with 4.07 with the verbal interpretation of Strongly Agree followed by the PER1 with 4.02 with the verbal interpretation of Strongly Agree, then PER3 with 4.01 with the verbal interpretation of Strongly Agree and lastly, PER5 with 3.85 with the verbal interpretation of Agree.

| Statements   | Weighted Mean | Verbal Interpretation |
|--------------|---------------|-----------------------|
| TRU1         | 3.56          | Agree                 |
| TRU2         | 3.42          | Agree                 |
| TRU3         | 3.69          | Agree                 |
| <b>TOTAL</b> | <b>3.56</b>   | <b>Agree</b>          |

**Table 8. Weighted Mean and Verbal Interpretation of the Respondents towards Trust**

Table 8 shows the total weighted mean of Trust with 3.56 and with verbal interpretation of Agree. Among the statement under Trust, TRU3 got the highest weighted mean with 3.69 with the verbal interpretation of Agree, next is the TRU1 with 3.56 with the verbal interpretation of Agree and lastly, TRU2 with 3.42 with the verbal interpretation of Agree.

| Statements   | Weighted Mean | Verbal Interpretation |
|--------------|---------------|-----------------------|
| PEU1         | 3.63          | Agree                 |
| PEU2         | 3.21          | Agree                 |
| PEU3         | 3.72          | Agree                 |
| PEU4         | 4.09          | Strongly Agree        |
| PEU5         | 4.09          | Strongly Agree        |
| <b>TOTAL</b> | <b>3.75</b>   | <b>Agree</b>          |

**Table 9. Weighted Mean and Verbal Interpretation of the Respondents towards Perceived Usefulness**

Table 9 shows the total weighted mean of Perceived Usefulness with 3.75 and with verbal interpretation of Agree. Among the statement under Perceived Usefulness, both PEU4 and PEU5 got the highest weighted mean with 4.09 with the verbal interpretation of Strongly Agree, next is the PEU3 with 3.72 with the verbal interpretation of Agree followed by the PEU1 with 3.63 with the verbal interpretation of Agree and lastly, PEU2 with 3.21 with the verbal interpretation of Agree

| Statements   | Weighted Mean | Verbal Interpretation |
|--------------|---------------|-----------------------|
| EOU1         | 3.93          | Agree                 |
| EOU2         | 3.76          | Agree                 |
| EOU3         | 3.82          | Agree                 |
| EOU4         | 3.88          | Agree                 |
| <b>TOTAL</b> | <b>3.85</b>   | <b>Agree</b>          |

**Table 10. Weighted Mean and Verbal Interpretation of the Respondents towards Ease of Use**

Table 10 shows the total weighted mean of Ease of Use with 3.85 and with verbal interpretation of Agree. Among the statement under Ease of Use, EOU1 got the highest weighted mean with 3.93 with the verbal interpretation of Agree, next is the EOU4 with 3.88 with the verbal interpretation of Agree followed by the EOU3 with 3.82 with the verbal interpretation of Agree and lastly, EOU2 with 3.76 with the verbal interpretation of Agree.

| Statements   | Weighted Mean | Verbal Interpretation |
|--------------|---------------|-----------------------|
| EPA1         | 3.73          | Agree                 |
| EPA2         | 3.89          | Agree                 |
| EPA3         | 3.72          | Agree                 |
| <b>TOTAL</b> | <b>3.78</b>   | <b>Agree</b>          |

**Table 11. Weighted Mean and Verbal Interpretation of the Respondents towards E-payment Adoption**

Table 11 shows the total weighted mean of E-payment Adoption with 3.78 and with verbal interpretation of Agree. Among the statement under E-payment Adoption, EPA2 got the highest weighted mean with 3.89 with the verbal interpretation of Agree, next is the EPA1 with 3.73 with the verbal interpretation of Agree and lastly, EPA3 with 3.72 with the verbal interpretation of Agree.

**3 Is there a significant difference on the factors that affect their decision when grouped according to profile?**

|                       | Gender | Mean   | T      | P value | Decision    | Remarks         |
|-----------------------|--------|--------|--------|---------|-------------|-----------------|
| <b>Perceived Risk</b> | Male   | 4.0165 | -0.157 | 0.875   | Accept Null | not significant |
|                       | Female | 4.0269 |        |         | Hypothesis  |                 |

|                             |        |        |       |       |             |                 |
|-----------------------------|--------|--------|-------|-------|-------------|-----------------|
| <b>Trust</b>                | Male   | 3.6639 | 2.267 | 0.024 | Reject Null | significant     |
|                             | Female | 3.4954 |       |       | Hypothesis  |                 |
| <b>Perceived Usefulness</b> | Male   | 3.8231 | 1.74  | 0.083 | Accept Null | not significant |
|                             | Female | 3.7074 |       |       | Hypothesis  |                 |
| <b>Ease Of Use</b>          | Male   | 3.9153 |       | 0.13  | Accept Null | not significant |
|                             | Female | 3.8067 | 1.519 |       | Hypothesis  |                 |
| <b>E-payment Adoption</b>   | Male   | 3.8375 | 1.172 | 0.242 | Accept Null | not significant |
|                             | Female | 3.7454 |       |       | Hypothesis  |                 |

H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to gender.

H<sub>02</sub>: There is significant difference in the Trust factor that affects their decision on e-payment adoption when group according to gender.

H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to gender.

H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to gender.

H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to gender.

|                             | YEAR    | Mean   | T      | P Value | Decision    | Remarks         |
|-----------------------------|---------|--------|--------|---------|-------------|-----------------|
| <b>Perceived Risk</b>       | 1stYear | 3.8867 | -2.492 | 0.13    | Accept Null | not significant |
|                             | 2ndYear | 4.0677 |        |         | Hypothesis  |                 |
| <b>Trust</b>                | 1stYear | 3.5261 | -0.474 | 0.636   | Accept Null | not significant |
|                             | 2ndYear | 3.5656 |        |         | Hypothesis  |                 |
| <b>Perceived Usefulness</b> | 1stYear | 3.7783 | 0.524  | 0.601   | Accept Null | not significant |
|                             | 2ndYear | 3.7394 |        |         | Hypothesis  |                 |
| <b>Ease Of Use</b>          | 1stYear | 3.8253 | -0.339 | 0.735   | Accept Null | not significant |
|                             | 2ndYear | 3.8524 |        |         | Hypothesis  |                 |
| <b>E-payment Adoption</b>   | 1stYear | 3.6908 | -1.331 | 0.184   | Accept Null | not significant |
|                             | 2ndYear | 3.8071 |        |         | Hypothesis  |                 |

H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to year level.

H<sub>02</sub>: There is no significant difference in the Trust factor that affects their decision on e-payment adoption when group according to year level.

H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to year level.

H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to year level.

H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to year level.

|                             | TYPE OF STUDENT | Mean   | T      | P Value | Decision    | Remarks         |
|-----------------------------|-----------------|--------|--------|---------|-------------|-----------------|
| <b>Perceived Risk</b>       | Full Time       | 4.0361 | -2.492 | 0.13    | Accept Null | not significant |
|                             | Working Student | 3.7625 |        |         | Hypothesis  |                 |
| <b>Trust</b>                | Full Time       | 3.5462 | -0.474 | 0.636   | Accept Null | not significant |
|                             | Working Student | 3.75   |        |         | Hypothesis  |                 |
| <b>Perceived Usefulness</b> | Full Time       | 3.7489 | 0.524  | 0.601   | Accept Null | not significant |
|                             | Working Student | 3.75   |        |         | Hypothesis  |                 |
| <b>Ease Of Use</b>          | Full Time       | 3.8403 | -0.339 | 0.735   | Accept Null | not significant |
|                             | Working Student | 3.9531 |        |         | Hypothesis  |                 |
| <b>E-payment Adoption</b>   | Full Time       | 3.7757 | -1.331 | 0.184   | Accept Null | not significant |
|                             | Working Student | 3.8333 |        |         | Hypothesis  |                 |

H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to type of student.

H<sub>02</sub>: There is no significant difference in the Trust factor that affects their decision on e-payment adoption when group according to type of student.

H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to type of student.

H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to type of student.

H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to type of student.

| COURSE                      |                | F     | P Value | Decision               | Remarks         |
|-----------------------------|----------------|-------|---------|------------------------|-----------------|
| <b>Perceived Risk</b>       | Between Groups | 0.591 | 0.621   | Accept Null Hypothesis | not significant |
| <b>Trust</b>                | Between Groups | 6.218 | 0       | Reject Null Hypothesis | significant     |
| <b>Perceived Usefulness</b> | Between Groups | 0.558 | 0.643   | Accept Null Hypothesis | not significant |
| <b>Ease of Use</b>          | Between Groups | 1.325 | 0.266   | Accept Null Hypothesis | not significant |
| <b>E-payment Adoption</b>   | Between Groups | 1.846 | 0.139   | Accept Null Hypothesis | not significant |

H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to course.

H<sub>02</sub>: There is significant difference in the Trust factor that affects their decision on e-payment adoption when group according to course.

H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to course.

H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to course.

H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to course.

| AGE                   |                | F     | P Value | Decision               | Remarks         |
|-----------------------|----------------|-------|---------|------------------------|-----------------|
| <b>Perceived Risk</b> | Between Groups | 1.023 | 0.395   | Accept Null Hypothesis | not significant |

|                             |                |       |       |                        |                 |
|-----------------------------|----------------|-------|-------|------------------------|-----------------|
| <b>Trust</b>                | Between Groups | 0.874 | 0.48  | Accept Null Hypothesis | not significant |
| <b>Perceived Usefulness</b> | Between Groups | 1.594 | 0.175 | Accept Null Hypothesis | not significant |
| <b>Ease Of Use</b>          | Between Groups | 1.197 | 0.312 | Accept Null Hypothesis | not significant |
| <b>E-payment Adoption</b>   | Between Groups | 1.308 | 0.267 | Accept Null Hypothesis | not significant |

H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to age.

H<sub>02</sub>: There is no significant difference in the Trust factor that affects their decision on e-payment adoption when group according to age.

H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to age.

H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to age.

H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to age

| MODE OF PAYMENT             |                | F     | P Value | Decision               | Remarks         |
|-----------------------------|----------------|-------|---------|------------------------|-----------------|
| <b>Perceived Risk</b>       | Between Groups | 0.552 | 0.737   | Accept Null Hypothesis | not significant |
| <b>Trust</b>                | Between Groups | 1.097 | 0.362   | Accept Null Hypothesis | not significant |
| <b>Perceived Usefulness</b> | Between Groups | 1.31  | 0.259   | Accept Null Hypothesis | not significant |
| <b>Ease Of Use</b>          | Between Groups | 1.399 | 0.224   | Accept Null Hypothesis | not significant |
| <b>E-payment Adoption</b>   | Between Groups | 1.247 | 0.287   | Accept Null Hypothesis | not significant |

- H<sub>01</sub>: There is no significant difference in the Perceived Risk factor that affects their decision on e-payment adoption when group according to mode of payment.
- H<sub>02</sub>: There is no significant difference in the Trust factor that affects their decision on e-payment adoption when group according to mode of payment.
- H<sub>03</sub>: There is no significant difference in the Perceived Usefulness factor that affects their decision on e-payment adoption when group according to mode of payment.
- H<sub>04</sub>: There is no significant difference in the Ease of Use factor that affects their decision on e-payment adoption when group according to mode of payment.
- H<sub>05</sub>: There is no significant difference in the E-payment Adoption factor that affects their decision on e-payment adoption when group according to mode of payment.

## \Discussion

E-payment adoption has different factors that show how a demographic profile of a consumer affects their decision in terms of adopting in electronic payment. Those factors are Perceived Risk, Trust, Perceived Usefulness, Ease of Use and E-payment Adoption. According to a prior research it has identified that gender differences and self-efficiency affect the attitude towards adoption and use of technology. The study showed result that gender differences moderated the acceptance of e-banking of users in the research context and in the research results shows that there is no significant difference in perceived risk, perceived usefulness, ease of use and e-payment adoption while there is a significant difference between the gender and trust. According to Sah Wei (2017) in his research "FACTORS AFFECTING ADOPTION OF E-PAYMENT AMONG PRIVATE UNIVERSITY STUDENTS IN KLANG VALLEY" it can be concluded that there is a significant relationship between the attitude, subjective norm, perceived ease of use, perceived usefulness, perceived security, trust, benefit and self-

efficacy to the e-payment intention of private universities' students while the data gathered by the researchers shows that there is a no significant difference between the factors and the year and course. Sah Wei found out that self-efficacy has the strongest relationship with online shopping intention and payment. Oladejo (2015) states in his research namely "Socio Economic Factors Influencing E-Payments Adoption by the Nigerian Deposits Money Banks (DMBS): Perspective of the Bankers" demographic characteristics such as Sex, Age, Educational level and Position were associated with e-payments usage and significantly influence EPS adoption. There is no significant difference between the type of student and factors that can affect decision on e-payment adoption. According to a research named "The Moderation Effect of Age on Adopting E-Payment Technology" only perceived ease of use has a positive effect on perceived of usefulness, that was moderated by age and in the data there is no significant difference between the five factors and age. According to Ching (2017) doing online transaction is equivalent to convenience where the current technologies we have contributed and the diverse payment idea encourages doing online transactions. It shows that consumers who switch to digital payments maintain their purchase frequency but spend more and are less likely to return their purchases. Findings show that firms in emerging markets may enjoy gains from consumer demand in addition to operational gains resulting from payment digitization and it is according to the study "The Effect of Payment Choices on

Online Retail: Evidence from the 2016 Indian Demonetization" by Bandi (2019) and in the data it shows that there is no significant difference between the mode of payment and the factors that can affect in e-payment adoption and those factors are Perceived Risk, Trust, Perceived Usefulness, Ease of Use and E-payment Adoption.

## **VI. Conclusion**

The current findings of this study show that Generation Z is highly affected by the factors on e-payment adoption and perceived risk which e-payment would bring has a strong effect on the respondents. Since, Philippines have fragile security systems, people might think that it would be a gamble if they use e-payment this conclude that the protection and security has a direct impact on building the consumers' trust. However, despite of the perceived risk, some still believe that it is safe and reliable which also could bring a lot of benefits to them. Moreover, this study found that e-payment is so convenient that will make their time save and utilize it in more useful and productive thing. Using e-payment will not be necessary for them to bring cash all the time and will reduce spending. We cannot reject the fact that technology makes our life easier and faster. From this study, we conclude that Generation Z, regardless of the perceived risks, still open to use e-payment adoption in the near future since, other factor such as perceived usefulness, trust and ease of use has a positive relationship on their decision. Furthermore, majority of the factors has no significance on the profile demographic of the Generation Z. In order to provide a high quality of security, it also needs internet security to rely on. Set rules and measure the harm against the accounts. Internet information leads to scam, in order to avoid that consumers must only trust the legitimate websites to trust on to set awareness towards the risk of fraud. For your information, e-commerce is actually more trusted and secure than the real world of commerce. One example is that, when you leave your credit card receipt in the shop, you lose your card, you accidentally gave your number to someone else. The service provider will send some information about your recent transaction, with that. It can limit the harm of fraud or scam from your account. Although some people think that online transaction is smooth and way much safer. But that can't change the fact that some people think that offline or traditional way is much safer. To break the stereotype towards e-payment, the service must advocate the consumer the trust that they can rely on, advertise the service provider to raise awareness that this type of transaction is easy and safe.

**References:**

Breu, K., Hemingway C., Ashurst, C. (2005): The Impact of Mobile and Wireless Technology on knowledge Workers: An Exploratory Study. European Conference on Information Systems

Blanton, K (2012): The Rise of Financial Fraud: Scams Never Change but Disguises Do

Hendrickson, A., Massey, P. (1993) On the Test-Retest Reliability of Perceived Usefulness and Perceived ease of Use Scales.

Branstetter, L., Chen, J. (2005): The Impact of Technology Transfer and R&D on Productivity growth in Taiwanese Industry: Microeconomic analysis Using Zpanel and Firm-Level Data.

Bukit, J. (2013): A Risk perception Analysis on the Use of Electronic Payment Systems by young Adult.

Chung, Kwon (2009): Effect of Trust Level on Mobile Banking Satisfaction: A multi-group Analysis of Information System Success Instruments

Clement, J. (2019): E-commerce worldwide- Statistics and facts. Retrieved from <https://www.statista.com/topics/871/online-shopping/>

Davis, F.: Perceived usefulness, perceived ease of use, and user acceptance of information technology. MIS Q. 13(3), 319–340 (1989)

Hasan, H., Nadzar, F., (2010): Acceptance of Technological Changes and Job Performance among Administrative Support Personnel in the Government Offices in Maran, Pahang Darul Makmur. Gading Business and Management Journal

He F., Mykytyn,P., (2009): Decision Factors for the Adoption of an Online Payment System by Customers

Internet World Stats: Usage and Population Statistics (2019): Retrieved from <https://internetworldstats.com/stats.htm>

Kabir, M. A., Saidin, S.Z., Ahmi, A. (2017): Analysis of Factors that Influence Electronic Payment Adoption. Journal of Engineering and Applied Sciences, 12: 6560-6568

Kesharwani, A., Bisht, S.(2012): The impact of Trust and Perceived Risk on Internet Banking Adoption in India: An Extension of Technology acceptance Model. International Journal of Bank Marketing

Kim, C., Tao, W., (2009): Electronic Commerce Research and Application

Lowry, PB., Wells, TM., et al. (2006): Online Payment Gateways Used to Facilitate E-Commerce Transactions and Improve Risk Management: Communications of AIS Volume 17 Article 6

Oladejo, M.O (2015) Socio Economic factors influencing E-payments Adoption by the Nigerian Deposits Money Banks (DMBS); Perspective of Bankers. International Journal of Management Sciences, Research Academy of Social Sciences, vol. 5(11), pages 747-758

Ramayah, T., Ignatius, J. (Impact of Perceived Usefulness, Perceived Ease of Use and Perceived Enjoyment on the Intention to Shop Online

Riskinanto, A., Hilmawan, D. (2017): The Moderation Effect of Age on Adoption E-payment Technology. Volume 124, p. 536-543

Sako, M. (1992): Does trust Improve Business Performance?

Wu. Chang(2006): The Perceived Trust on Electronic commerce: Shopping Online for Tourism Products and Services in South Korea