

CHAPTER I

INTRODUCTION

A. Background

The rapid development of technology in this era gives us the ease of accessing all information in the fields of education, health, and economics. According to Maharsi (2000) technology is caused by globalization that is increasingly widespread in daily life. The amount of business competition, the shorter life cycle of goods and services on offer, and the high demand of consumer tastes for products and services offered.

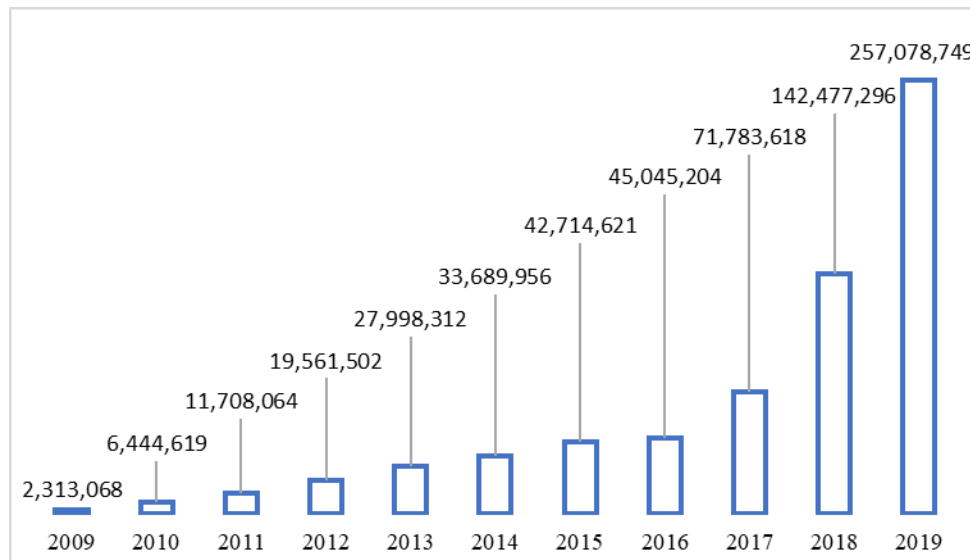
In the era of global business, the influence of technological advancement is inevitable. Information technology allows humans to be able to facilitate information from wherever we are at short and low cost (Maharsi, 2000). The rapid development of technology has changed in the field of economics, especially in the field of buying and selling using cashless systems. Technological advances in payment systems shift the role of cash (currency) as a means of payment in the form of more efficient and economical non-cash payments. Non-cash payments are generally made not by using money as a means of payment but through interbank transfers or intra-bank transfers through the bank's internal network. In addition, non-cash payments can also be made using the card as a means of payment, for example by using ATM, Debit card and Credit Card Pramono, Bambang et al. (2006).

A Credit Card is a means of payment that has the principle of "buy now pay later", at which time the transaction of the cardholder's obligation was previously redeemed by the Credit Card issuer. This is different from debit cards whose use depends on the amount in the person's account. Debit Card Definition by Bank Indonesia is a card payment instrument that can be used to make cash withdrawals and/or fund transfers where the cardholder's obligations are

fulfilled instantly by directly reducing the cardholder's savings at banks or institutions other than banks authorized to collect funds in accordance with the prevailing regulations.

The emergence of the payment system has existed in addition to physical payments, namely digital payments. This was the driver of the Indonesian government's policy to launch a Non-Cash National Movement (GNNT) in 2014, in order to move from the cash era to era of cashless, which until now has continued to intensify its use. The existence of this movement aims to encourage people to make non-cash transactions for their economic activities so that they gradually form a society or people who prefer to use non-cash instruments. Among ASEAN countries, the use of electronic money in Indonesia is still relatively low referring to (Global Consumer Insight Survey, 2019) showing that Indonesia left behind Thailand, Vietnam in the largest growth in mobile payments in 2019. Thailand increased by 67%, Vietnam increased by 61% and Indonesia only reached 47%. While with geographic conditions and as considerable population, there is still considerable potential for expanding access to payment system services in Indonesia. Recently, Indonesians are faced with two payment system options in each transaction they make, especially using cash and non-cash, with their respective advantages and disadvantages. Cash is popular, safer and serves long list to legitimate social and economic values while cashless is made for convenience and payment facility. The move is said to be a solution to anticipate higher crime rates with the use of cash. By turning to non-cash transactions, crimes such as money laundering, robbery, theft can be minimized. This non-cash movement can also reduce the rate of circulation of money in Indonesia. In terms of high circulation of money will cause economic inflation in Indonesia Nevertheless, according to the report, the amount of money circulation in Indonesia increases from year to year. This shows that despite the digital payment feature itself, cash usage is still the public's choice.

The increasing use of electronic money in Indonesia can be seen from the following graph:



Source: Bank Indonesia, 2019

Figure 1. 1 Amount of Electronic Money Circulation in Indonesia

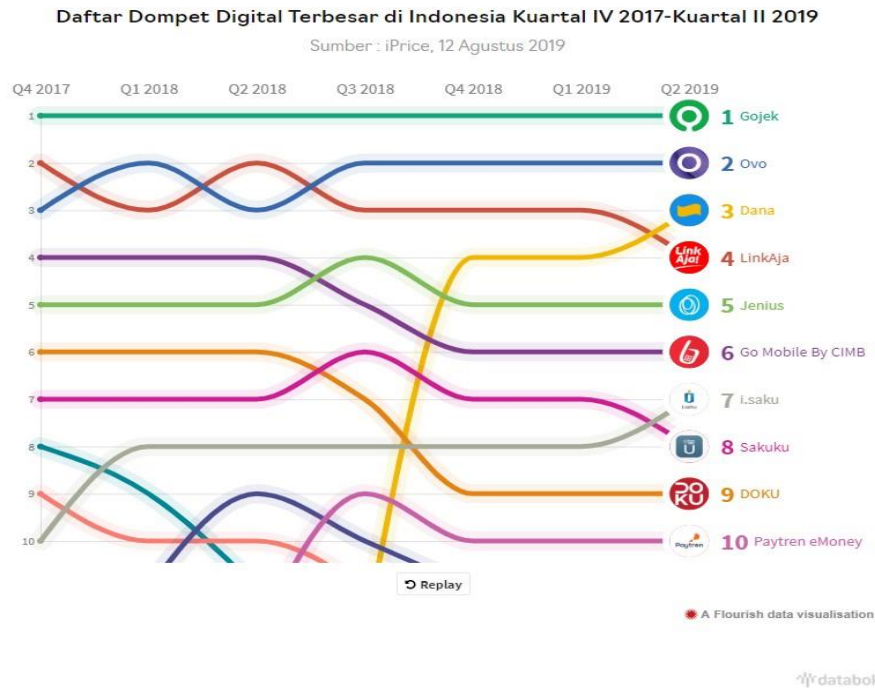
Based on these graphs, it can be seen that after 10 years of circulation of electronic money in Indonesia, an increase in the amount of electronic money in circulation in the community. In 2019 the amount of electronic money in circulation was 257,078,749 instruments. This number increased from the number of electronic money instruments which only reached 2,313,068 in 2009. (Bank Indonesia, 2019). The first electronic money introduced was chip-based electronic money. This electronic money is in the form of cards such as e-money, flazz, and brizzi.

As technology develops, types of electronic money are growing each year. At present, electronic money is not only in the form of cards, but based on applications such as Gopay as part of the gojek application, Ovo as part of the Grab, LinkAja,

Dana and Jenius applications. Many types of electronic money are supported by merchants who provide payment methods, both cash and non-cash. Payments using non-cash also often get promos and attractive offers that are not obtained by visitors when using cash payments.

Judging from the emergence of e-money in Indonesia such as Gopay, Ovo, LinkAja, Dana, Jenius, and many more, shows the development of e- money very rapidly. The following are 10 e-money applications that are the most downloaded and used by the public especially millennial generation.

So far the majority of people's choice in using non-cash payments in the form of payments in online transportation applications such as gojek, grab and others. GO-PAY is a digital payment system owned by gojek, one of the reasons Indonesians like digital payments or non-cash payments owned by gojek is because gojek often makes cashback promos to customers, that's what makes the majority of people choose GO- PAY as its digital payment system, it can be seen from the data below.



Source: katadata.co.id, 2019

Figure 1. 2 List of the Largest Electronic Money in the 4th Quarter 2017 – 2nd Quarter 2019 in Indonesia

Based on Bank Indonesia (BI) 2019 data, there are 38 non-cash payments with official permission. From this data, we can conclude that the use of cashless payments is starting to be in demand in Indonesia today. Gopay as a cashless payment with active users in Indonesia since the fourth quarter of 2017. The next ranking was won by Ovo, which won four consecutive quarters. Then the next ranking to Dana, LinkAja, Jenius and other financial authorities in this case Bank Indonesia has made various efforts to encourage penetration of non-cash payment transactions. Electronic money has a stored value (stored value) or prepaid (prepaid) where much of the value of money is stored in a person's electronic media. If banknotes, checks, or billets can be used by anyone aka abused, then e-money has a higher level of security. Network-based e-money refers to e-money transactions made through

telecommunications networks, such as the Internet, so the security of e-money, when used for transactions, is quite high.

Table 1.1 List of Electronic Money Issuers Registered at Bank Indonesia

Publisher Name	
1. PT Bank Central Asia Tbk	21. PT Espay Debit Indonesia Koe
2. PT Bank DKI	22. PT Bank QNB Indonesia Tbk
3. PT Bank Mandiri (Persero) Tbk	23. PT BPD Sumsel Babel
4. PT Bank Mega Tbk	24. PT Buana Media Teknologi
5. PT Bank Negara Indonesia (Persero) Tbk	25. PT Bimasakti Multi Sinergi
6. PT Indosat, Tbk	26. PT Visionet Internasional
7. PT Skye Sab Indonesia	27. PT Inti Dunia Sukses
8. PT Telekomunikasi Indonesia, Tbk	28. PT Veritra Sentosa Internasional
9. PT Telekomunikasi Selular	29. PT Solusi Pasti Indonesia
10. PT Bank Rakyat Indonesia (Persero) Tbk	30. PT Bluepay Digital Internasional
11. PT XL Axiata, Tbk	31. PT Ezeelink Indonesia
12. PT Artajasa Pembayaran Elektronik	32. PT E2Pay Global Utama
13. PT Finnet Indonesia	33. PT Cakra Ultima Sejahtera
14. PT Bank CIMB Niaga	34. PT Airpay International Indonesia
15. PT Bank Nationalnobu	35. PT Bank Sinarmas Tbk
16. PT Bank Permata	36. PT Transaksi Artha Gemilang
17. PT Nusa Satu Inti Artha	37. PT Fintek Karya Nusantara
18. PT Smartfren Telecom Tbk	38. PT Max Interactives Technologies
19. PT MV Commerce Indonesia	39. PT Sarana Pactindo
20. PT Witami Tunai Mandiri	

Source: Bank Indonesia, 2020

Based on Table 1.1, from 2009 to 2019, 39 electronic money issuers have obtained permission from Bank Indonesia consisting of banks and non-banks. The use of e-money in Indonesia first began in 2009 through Bank Indonesia Regulation No. 11/12/PBI/2009 on Electronic Money (E-money) which was later amended in Bank Indonesia Regulation No. 16/8/PBI/2014. Judging by the many options to use electronic or non-cash money, there are still some people in Yogyakarta who use cash in their payment transactions daily quoted from (Sigit, 2014) Although electronic money is increasingly popping up, Yogyakarta residents still

prefer to use cash for payment transactions in daily life. This can be seen through direct observation in the top four markets in Yogyakarta.

Table 1. 1 The Observation In Four Big Markets (Yogyakarta)

No.	Location	Observation (people)	Card Usage (%)	Cash Usage (%)
1	Superindo	25	10	15
2	Indogrosir	25	5	20
3	Hypemart	25	8	17
4	Mirota Godean	25	6	18
Total		100	29	71

Source: Observation on 1 September 2020

This can be seen through the exclusive observation of the big four markets in Yogyakarta, the use of non-cash versus cash in Yogyakarta most in Super Indo this may be backgrounded by various factors, factors are likely to affect trust, ease of use, benefit, and security for non-cash payments. Because what can be managed is the process of collecting and managing cash flow, it is essential for financial stability to manage the wealth portfolio. According to Ramadhan et al. (2016) shows that perceptions of ease of use and perception of security and risk perception significantly affect interest in using e-money, while perception of benefits does not significantly affect interest in using e-money. Research conducted by Widiartini and Yasa (2017) shows that consumers feel values and beliefs that significantly influence consumers' intention to use e-money. Wibowo et al. (2015) conducted research showing that perceived benefits, perceived comfort, service features and trust significantly influence interest in using e-money. Research conducted by Mentari et al. (2019) shows that perceptions benefits and perceptions of ease have a positive and significant effect on consumer attitudes in using electronic money, while consumer knowledge does not significantly affect consumer attitudes in using electronic money

Therefore, in this study the authors will focus on one of the supermarkets listed in the four main markets included in direct monitoring, namely Super Indo Center, known as Super Indo Jogokariyan. Because, Super Indo Jogokariyan is one of the super markets that provides cashier services for non-cash use to its customers. With cashier for cashless users, it is proven that yogyakarta people who buy goods in Super Indo still choose cashless payments as an alternative and a more practical and efficient way. Therefore, please be aware of the factors that affect the people of Yogyakarta who buy Indo super goods using non-cash as their payment system. The reason why the paper as a writer chose Super Indo as an example of the application of non-cash use is because Super Indo has good facilities and the goods there are quite complete and have branches that are available in almost every corner. Jogja city, making it easier for us as consumers, especially in non-cash use. It is also added based on the research data in table 1.2 explaining that of the 4 largest supermarkets in the city of Jogja the most non-cash use is in Super Indo.

All variables involved in economic activities especially for payment of systems that are already regulated in the Qur'an for the law, which are part of the fiqh muamalah:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِّنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ ۗ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا ﴿النساء : ٢٩﴾

“O you who believe, do not eat your neighbor's property in a false way, except in the way of trade that applies with like and likeness among you. And do not kill yourselves, surely Allah is merciful to you”

(QS.An-Nisa :29)

Based on data & correct, the authors want to conduct research on the analysis of factors that play a role in non-cash use in Super Indo Jogokariyan. Super indo Jogokariyan is a market that provides cashiers specifically for non-cash use in Yogyakarta, which is the reason for the

author. Currently, the Indonesian government has been encouraging people to use cashless or non-cash services as a payment system since 2014 through the National Non-Cash Movement (GNNT), and as evidenced in G4S's world cash report states that 45 to 50% of transaction methods in Indonesia use non-cash. Thereby, it can be entitled for this research as” **DETERMINANT ANALYSIS OF NON-CASH PAYMENT IN SUPER INDO MARKET JOGOKARIYAN YOGYAKARTA”**

B. Limitation of Problems

In this study, researchers limit their research:

1. Case study is conducted on people who shop at Super Indo Jogokariyan Yogyakarta.
2. The variables studied are as follows:
 - a. For the dependent variable (Y) is the use of non-cash payment.
 - b. For independent variables are trust (X1), convenience (X2), benefits (X3), and security (X4).

C. Problem Formulation

Based on the background description above, the research problem formulation is as follows:

1. How does the influence of trust towards on-cash payments in the community payment system at Super Indo Jogokariyan in Yogyakarta?
2. How does the influence of the ease towards non-cash payment on the community payment system at Super Indo Jogokariyan in Yogyakarta?
3. How does the influence of the benefits towards non-cash payments on the community payment system at Super Indo Jogokariyan in Yogyakarta?

4. How does the influence of security towards non-cash payments affect the community payment system at Super Indo Jogokariyan in Yogyakarta?

D. Research Objectives

1. To analyze the influence of trust towards non-cash payments in the community payment system at Super Indo Jogokariyan in Yogyakarta.
2. To analyze the influence of the ease towards non-cash payment on the community payment system at Super Indo Jogokariyan in Yogyakarta.
3. To analyze the influence of the benefits towards non-cash payments on the community payment system at Super Indo Jogokariyan in Yogyakarta.
4. To analyze the influence of the security towards non-cash payments on the community payment system at Super Indo Jogokariyan in Yogyakarta.

E. Research Benefits

1. For writers

This research is to add insight and knowledge and implement all knowledge received during the lecture bench with the actual situation in the field.

2. For the Government

This research can be used as material for analysis and evaluation of policies that have been implemented as well as increasing supervision of the use of non-cash payments in Indonesia to avoid the risk of fraud.

3. For Readers

This research can provide information and can be a reference for further researchers who want to conduct similar research.