

UNIVERSITI TEKNOLOGI MARA

**CUSTOMER BEHAVIOURAL
INTENTION TOWARDS 100%
DIGITAL WATER BILL PAYMENT:
A CASE OF RANHILL SAJ
MERSING AGENCY**

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**Dissertation submitted in fulfillment
of the requirements for the degree of
Master in Business Administration**

Arshad Ayub Graduate Business School

July 2023

ABSTRACT

The digital payment system has grown rapidly every year. With each passing year, it gets more integrated into customer daily lives, providing ease and efficiency. Adopting digital payments has become critical for businesses in order to remain competitive and move forward. Despite widespread usage and benefits, there are still sceptics who cite security and risk concerns. Data breaches and privacy concerns are undeniably major challenges in the digital era. It is worth noting, however, that payment companies have been aggressive in resolving these difficulties. They have included additional security features into their digital payment systems to reduce and, in some cases, eliminate transaction risks. Digital payment platforms include rigorous security features such as encryption methods, multi-factor authentication, and tokenization approaches. Research was done to acquire a better knowledge of customer behaviour toward digital payment systems. The study's goal was to investigate the factors that influence customers' behavioural intentions to use digital payment systems, as well as the relationship between behavioural intention and perceived ease of use, perceived usefulness, perceived security, and perceived risk. The quantitative technique was used in the study methodology, which involved the distribution of printed questionnaires to 301 respondents who made over-the-counter water bill payments at the Ranhill SAJ Mersing Agency on a regular basis. The study aims to shed insight on the motives and concerns that impact customers' decision-making processes when it comes to adopting digital payment systems by evaluating these elements and their interplay. Finally, a thorough grasp of these issues may assist payment providers in further improving their offers and alleviating any residual questions or worries that consumers may have.

ACKNOWLEDGEMENT

We would like to express our gratitude to the Almighty for granting us the opportunity to pursue and successfully complete our master's studies. We extend our sincerest appreciation to all our friends, educators, and mentors who have provided guidance and support throughout this journey, both directly and indirectly.

A special note of thanks goes to our supervisor, Dr. Faridah Najuna binti Misman, for her invaluable guidance, knowledge sharing, and expertise in the progress of this study. We are also immensely grateful to Ranhill SAJ Mersing Agency for their cooperation, transparency, and integrity which greatly contributed to the successful completion of this study.

Lastly, we dedicate this thesis to our beloved parents, whose unwavering dedication and sacrifices have enabled us to receive an education and become better individuals. We also extend our heartfelt appreciation to our family members for their unwavering support, patience, and tolerance.

Alhamdulillah, we are truly grateful for the blessings and support that have made this journey possible.

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CHAPTER 1

INTRODUCTION

1.1 Preamble/Introduction

Since the COVID-19 pandemic blew widespread earlier this year, people's behaviour has changed where society is beginning to limit social connections, especially the practice of carrying out transactions. Banknote transactions can transfer the infection from one individual to another. As a result, a new pattern of behaviors is emerging in both the economic and social sectors. Digital payments are then a viable option. Plus, the advancement of information technology has altered how people live worldwide, particularly in communication, commerce in products and services, and financial flow. Thus, digital payment has become a widespread payment method for internet goods or bill purchases. Digital payment methods include digital banking, e-wallet (Boost and GrabPay), FPX, Debit/Credit Card and more which consumers can access whenever and wherever they are as long as they have internet or wifi and a smart gadget. According to Iradianty & Aditya (2021), payment innovation also gave birth to a variety of alternative offerings, raising public awareness of the advantages of digital payment systems.

According to McKinsey & Company (2020), data reveal a 30-40% rise in public expenditure on internet commerce. Including a large number of businesses that have adopted digital business models to continue operating and sustain certain revenue flows. Hence, major digital revolutions in which the entire world is being pushed to participate drive widespread acceptance of digital payments (Al-Qudah, Al-Okaily, Al-qudah, Ghazlat, 2022). One of the essential elements to accelerating economic progress is the adoption and utilization of digital payments or non-cash transactions (Rahman, Ismail, Bahri, 2020). Therefore, Technology Acceptance Model (TAM) has been used as it is one of the most important models of technology adoption, with two major criteria affecting an individual's willingness to adopt new technology.

Although digital payment has many advantages and potential, the journey towards a fully digital payment society is difficult, especially in Malaysia. As non-cash transaction payment systems have not been widely used and digital methods are still in