

UNIVERSITI TEKNOLOGI MARA

**INVESTIGATING THE FACTORS
INFLUENCING CUSTOMERS'
BEHAVIOURAL INTENTION TO USE
DIGITAL WATER BILL PAYMENT: A CASE
STUDY OF RANHILL SAJ MERSING AGENCY**

**SOFIAH BINTI AMIR HUSAIN
ERNI BINTI MOHAMAD SHAH
SHEERY HAZMAH BINTI YASIB**

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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 which involved the distribution of printed questionnaires and purposive sampling was used in the study methodology to select the 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.

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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 Wi-Fi 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 et al., 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.

In Malaysia, the transition to a fully digital payment society can be challenging since non-cash transaction systems are not extensively used, and customers frequently feel pressured to adapt to new digital methods due to the early phases of their