



**THE FACTORS AFFECTING CONSUMER  
ACCEPTANCE OF CONTACTLESS PAYMENT  
IN NILAI, NEGERI SEMBILAN.**

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## **ABSTRACT**

Malaysians have recently been provided payment cards equipped with a new Radio Frequency Identification (RFID) chip when they change their payment cards to the new PIN-based card consistent with a notice issued by Bank Negara Malaysia on 28th October 2016. Along with the new PIN-based payment card is the contactless payment function better known either as Visa Paywave or MasterCard Paypass depending on the card provider. The function of contactless payment is to facilitate the transaction of low value purchases by simply waving the payment card at Point of Sale (POS) terminals without any request of PIN nor signature. The research is carried out by investigating three factors namely convenience, usefulness, and security. Data from 140 respondents are collected by questionnaire which is then analysed using correlation and regression analysis. The results of correlation analysis prove that all pairs of variables is significant with either strong or very strong positive association. The results of regression analysis shows that all independent variable namely convenience, usefulness, and security have positive effect on acceptance of contactless payment. Accordingly, all three hypothesis are supported with the independent variable namely convenience have the most influence on the acceptance of contactless payment in Nilai, Negeri Sembilan. Therefore, all research objectives are achieved.

Key terms: Acceptance, Convenience, Usefulness, Security