Unveiling Millennials Perspectives: Factors Influencing Behavioral Intentions in Adopting Digital Payment Applications

Simranjeet Kaur Khaira[1], Dr. Sunpreet Kaur Sahni[2]

[1]Research Scholar, IK Gujral Punjab Technical University, Kapurthala.
[2]Associate Professor, Guru Nanak Institute of Management and Technology, Ludhiana.

Abstract

This study aims to delve into the intricacies surrounding millennial's adoption of digital payment applications. By investigating the factors influencing behavioral intentions, including economic value, perceived ease of use, social influence, features, firm reputation, sales promotion, trust, rewards, and personality traits the research shed light on a dynamic interplay of these elements. Data were collected from 150 millennials from Delhi using a 5-point Likert scale, and the impact of personality traits on behavioral intention was specifically examined through multiple regression analysis. This research not only contributes to understanding the diverse determinants of digital payment adoption but also offers practical insights for businesses and policymakers navigating the evolving landscape of financial technology.

Keywords: Millennials generation, personality traits, behavioral intention, social influence.

Introduction

Perceived Ease of Use

Perceived ease of use, as directed by Davis (1989) as ''the degree to which a person believes that using a particular system would be free of effort''. It is extent to which a customer believes that a system is easy to learn or use (Singh & Srivastava, Predicting the intention to use mobile banking in India, 2018). Consumers are inclined towards utilizing the digital payment technology due to its user friendly nature. If the digital payment application is easy to learn and use, it positively influences the customer's use. Hence, the following hypothesis is proposed:

H1: Perceived ease of use have significant impact on the behavioural intention of millennial generation.

Economic Value

The economic value of utilizing technology seems to outweigh its monetary value, thus positively influencing the intention to adopt it (Venkatesh, Thong, & Xu, CONSUMER ACCEPTANCE AND USE OF INFORMATION TECHNOLOGY: EXTENDING THE UNIFIED THEORY OF ACCEPTANCE AND USE OF TECHNOLOGY, 2012). The adoption of mobile payment services brings about financial benefits due to the inherent usage of such services. These financial benefits are realized through a range of incentives provided by digital payment service providers, such as cashback points, discounts, vouchers, and gifts (Wu, Liu, & Huang, 2017). Hence the hypothesis is developed

H2: Economic Value have significant impact on the behavioural intention of millennial generation.

Social Influence

Social influence refers to the extent to which consumers perceives that important individuals, such as family and friends, believe they should adopt a specific technology (Venkatesh, Thong, & Xu, 2012). It is perception of the opinions of closest connections including friends, family, classmates and social circles, which can significantly impact their perception and adoption of technology (Singh & Srivastava, 2018). Previous research on the adoption of mobile payment has indicated a connection between social influence and the behavior intention (Tan & Lau, 2016).

H3: Social influence have significant impact on the behavioural intention of millennial generation.

Firm Reputation

Firm reputation refers to the public perception of a company and its operational practices. The reputation of a service provider plays a crucial role in influencing customers' choices regarding technologically-enabled services (Aladwani, 2001) .A good reputation ensures that a company possesses the qualities of ability, integrity, and goodwill. This, in turn, helps to build trust among consumers, even when they have limited knowledge about service companies (Lohse & Spiller, 1998). The firm's reputation provides a competitive advantage by attracting high-caliber applicants, hence the following hypothesis is developed.

H4: firm reputation have significant impact on the behavioural intention of millennial generation.

Promotion

Promotion encompasses the value of each discount or incentive provided by digital banks, which originates from dynamically crafted advertising messages (Windasari, Kusumawati, Larasati, & Amelia, 2022). The proposition was made that promotions exert a favorable influence on behavioral intention. This lies in extrinsic motivation or monetary motivation, leading to increased consumer preferences. Hence the following hypothesis is developed.

H5: Promotion have significant impact on the behavioural intention of millennial generation.

Features

Valuable new features are a key competitive tool for companies to differentiate their products from competitors. Being the first to introduce such features is an effective way to compete and gain an edge in the market (Kotler & Gary, 2016). It must be different and unique for mobile and internet banking. Marketers have limited control over various factors that can cause a relative shift in the importance of different product features, ultimately influencing consumer purchasing decisions (Du, Hu, & Damangir, 2015).

H6:Features have significant impact on the behavioural intention of millennial generation.

Trust

In the context of technology adoption, trust emerges as a critical consideration, particularly as consumers express apprehension regarding potential misuse of their personal data or vulnerabilities to security breaches. Such concerns, rooted in the potential for financial ramifications and damage to reputation, underscore the significance of trust in the adoption of technological innovations(Dastan & Gurler, 2013).Trust reflects the readiness of person to be in exposure based on positive expectations towards another party's future behaviour.

H7: Trust have significant impact on the behavioural intention of millennial generation.

Rewards

Reward is a policy or strategy used to appreciate an individual's contribution, in non-financial and financial forms. The bonuses referred in this study are incentive provided by digital payment application (for example cash back points, vouchers, discounts, coupons etc). Reward is a reinforcement that triggers motivation (Lepper & Greene, 2015).Cashback and rewards are one of the factors that contributed towards the adoption of digital wallets among consumers(Baghla, 2018).

H8: Rewards have significant impact on the behavioural intention of millennial generation.

Personality Traits

Individual personality traits manifest as consistent patterns in their thoughts, behavior, and emotions. The five primary dimensions that capture these traits are openness, neuroticism, conscientiousness, extraversion, and agreeableness. The neuroticism describes individuals who exhibit a propensity towards negative mood states, a heightened susceptibility to mental illness, and increased sensitivity to adverse stimuli(Yang, et al., 2020). The openness personality trait reflects readiness to experience and associated with increased risk of mood disorder. Openness is how open-mined, creative, imaginative person is or can be. More open-minded people prefer variety, seek new experience, and are curious and perceptive to their environment. Less open-minded people avoid changes, dislike disruption and focus on few

specific interests. The extraversion trait encompasses characteristics such as talkativeness, outgoingness, assertiveness, and energy.

Individuals scoring high in extraversion are typically sociable and derive energy from social interactions. They tend to exhibit assertive and outgoing behaviors, as indicated by the extraversion scale (Zhang, 2003).The personality trait of agreeableness is indicative of an individual's capacity to prioritize the needs of others over their own. Those positioned at higher levels on the agreeableness scale demonstrate fundamental qualities of sympathy, altruism, and substantial helpfulness. They exhibit a profound respect for and appreciation of the values and beliefs held by others (Zhang, 2003). Consciousness is the personality trait of being careful, diligent. It implies people to do a task in well manner, and to take obligations. It is becoming important to increase awareness of the consciousness, as it is common to understand how it fosters (Brent W, Patrick L, & Jordan P, 2017).

H9: Personality trait of millennial generation have significant impact on the behavioural intention of millennial generation.

Objectives

➢ To identify the behavioural impact towards digital payment application.
➢ To study the impact of personality traits of millennial generation on adoption of digital payment application.
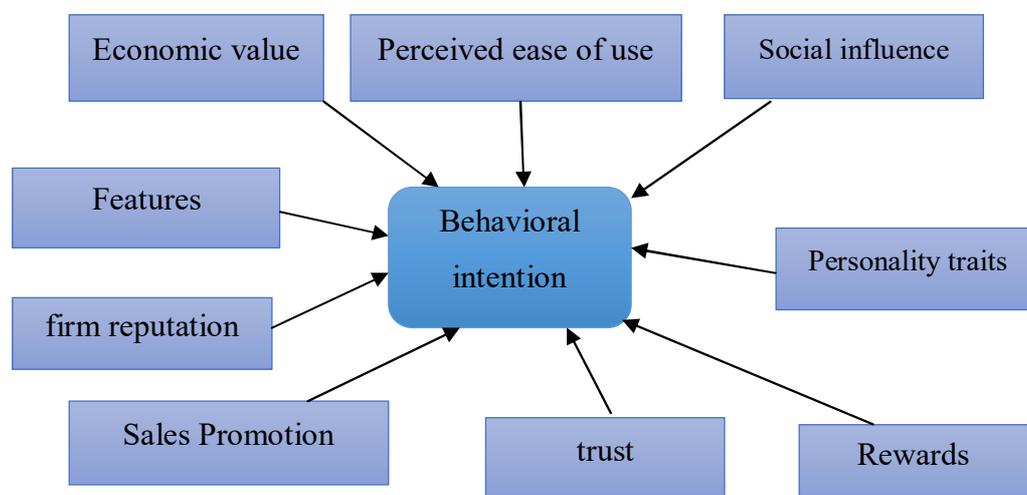

Figure 1: Conceptual framework

Research Methodology

This study used descriptive research. It will clarify the behaviour intention of millennial generation towards digital payment applications. How much the various factors impact the behaviour intention of millennial generation. My study will conduct survey and determines the current scenario of the millennial generation behaviour towards digital payment application. Simple random sampling techniques is used in this research as study includes dependent and independent variables. Randomly millennial generation are selected for the survey. Sample size for the research is 150 people of millennial generation. These are

selected from Delhi. The study was conducted within the short period of time. It was conducted within 1 months of period. The duration of study is short period. In this research primary source data are taken. The data were collected through questionnaire created by google forms and link were send to the respondents. The questionnaire was sent to the millennial generations from the Delhi. The respondents were chosen on the convenience basis. The questionnaire was created with the google forms. The data were collected by using 5point likert scale consists of (1) strongly agree, (2) agree, (3) neutral, (4) disagree, (5) strongly disagree. The measurement items are based on the literature review and previous studies that are used to measure the acceptance of the digital payment. Specifically, Economic value were assessed using four items adapted from the scale developed by(Lee, Pi, Kwok, & Huynh, 2003),Perceived ease of use were measured by using four items, Social influence three items were adapted from the scale developed by(Thakur & Srivastava, 2014), Firm reputation were measured by using three items from the scale developed by(Jin, Park,, & Kim, 2008), promotions, features, rewards were measured by using two instrument from the scale developed by(Windasari , Kusumawati , Larasati, & Amelia, Digital-only banking experience: Insights from gen Y and gen Z, 2022). behavioural intention were measured using(Thakur & Srivastava, 2014),, for personality traits self-developed scale were used for openness, neuroticism, conscientiousness, extraversion, agreeableness, for each personality traits two scale were developed.

Reliability and Validity

In this study statistical package for the social sciences (SPSS) was employed to check the reliability of the scales developed to measure the constructs considered in this research. In this study Cronabach's Alpha values obtained shown in

Table 1:

Construct	indicator	Cronabach's Alpha
Economic value	EV	0.718
Perceived ease of use	PEU	0.793
Social influence	SI	0.816
Firm reputation	FR	0.774
Sales promotion	SP	0.717
features	FT	0.733
Trust	TR	0.688
rewards	RW	0.891
Behavior intention	BI	0.744
Personality traits	PT	0.805

The acceptable level of reliability relies between 0.6-0.7. Trust have 0.688 value it indicates it is acceptablerewards having 0.891, social influence have 0.816 and personality trait have 0.805 it indicates they are highly reliable as compare to the other variables. The value that relies between 0.8-0.9 indicates the excellent reliability. The values between 0.7-0.8 is the good region of reliability. Economic value 0.718, perceived ease of use 0.793, features 0.733,

sales promotion 0.717, firm reputation 0.774 and behaviour intention 0.744 is good measured in the reliability. The Cronabach's alphas for the mostly variable ae above 0.70 which shows that the instrument used for the present study was reliable for the data collection of the variable. Only the trust variable have value 0.688 which is less than 0.7 but it relies in the acceptable region.

Data analysis

With the usage of SPSS data was analysed. For the study multiple regression were performed. In this study behavioural intention of the millennial's generation is the dependent variable and other variable are independent variable. Firstly, we computed the mean value of each variable to make the analysis easy.

Table 2: descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Behavioural intention	150	1	4	1.9178	0.62264
Economic value	150	1	7.5	1.71	0.72473
Perceived ease of use	150	1	4	1.9333	0.61283
Social influence	150	1	4.33	2.3111	0.86412
Firm reputation	150	1	3.33	1.7844	0.58967
Sales promotion	150	1	4.5	2.1567	0.78607
Features	150	1	3.33	1.7844	0.58967
Trust	150	1	3.67	2.02	0.62538
Reward	150	1	4.33	2.28	0.8883
Personality	150	1	3.6	2.196	0.57602
Valid N (listwise)	150				

Descriptive statistics of the study, including mean (M), standard deviation (SD). The values for Behavioural intention (M=1.9178, SD=0.62264), for Economic value (M=1.7100, SD=0.72473), for Perceived ease of use (M= 1.9333, SD=0.61283), for Social influence (M=2.3111, SD=0.86412), for firm reputation (M=1.7488, SD=0.58967), for sales promotion (M=2.1567, SD=0.78607), for features (M=1.7844, SD=0.58967), for trust (M=2.0200, SD=0.62538), for reward (M=2.2800, SD=0.88830), for personality (M=2.1960,SD=.57602).

Results & Discussions

Table 3: Multiple Regression

Model	R square	Beta	Significance
Economic Value	0.239	0.420	0.000
Perceived Ease Of use	0.351	0.602	0.000
Social Influence	0.483	0.348	0.000
Firm Reputation	0.224	0.500	0.000
Features	0.224	.500	0.000
Trust	0.282	0.529	0.000
Reward	0.150	0.271	0.000
Personality Traits	0.578	0.664	0.000

Table 3 shows the model summary of simple linear regression analysis of mediating variables and dependent variable of behavioural intention of millennial generation towards the digital payment applications. In table the Economic Value variable accounted for about 23.9 percent of the variation in the regression model analysis reveals that the independent variable economic value is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Economic value has a positive relation of increase in the behavioural intention of millennials by 42 percent, while holding the other variables constant. Perceived Ease of Use variable accounted for 35.1 percent of the variation in the regression model analysis reveals that the independent variable perceived ease of use is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the perceived ease of use has a positive relation of increase in the behavioural intention of millennials by 60.2 percent, while holding the other variables constant. Social Influence variable accounted for 48.3 percent of the variation in the regression model, analysis reveals that the independent variable Social Influence is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Social Influence has a positive relation of increase in the behavioural intention of millennials by 34.8 percent, while holding the other variables constant.Firm Reputation variable accounted for 22.4 percent of the variation in the regression model, analysis reveals that the independent variable Firm Reputation is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Firm Reputation has a positive relation of increase in the behavioural intention of millennials by 50 percent, while holding the other variables constant. Features variable accounted for 22.4 percent of the variation in the regression model, analysis reveals that the independent variable Feature is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Feature has a positive relation of increase in the behavioural intention of millennials by 50 percent, while holding the other variables constant. Trust variable accounted for 28.2 percent of the variation in the regression model, analysis reveals that the independent variable Trust is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Trust has a positive relation of increase in the behavioural intention of millennials by 52.9 percent, while holding the other variables constant. Rewards variable accounted for 15 percent of the variation in the regression model, analysis reveals that the independent variable rewards is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Rewards has a positive relation of increase in the behavioural intention of millennials by 27.1 percent, while holding the other variables constant. Personality Traits variable accounted for 15 percent of the variation in the

regression model, analysis reveals that the independent variable Personality Traits is the important variable that have impact on the behavioural intention of the millennial generation towards the usage of digital payment applications with the statistical significance level 0.000. 1 percent increase changes in the Personality Traits has a positive relation of increase in the behavioural intention of millennials by 27.1 percent, while holding the other variables constant.

Hypotheses	Hypothesis	coefficient	P value	Significant
H1	EV-BI	0.488	0.000	Acceptance
H2	PEU-BI	0.592	0.000	Acceptance
H3	SI-BI	0.483	0.000	Acceptance
H4	FR-BI	0.473	0.000	Acceptance
H5	SP-BI	0.408	0.000	Acceptance
H6	FE-BI	0.473	0.000	Acceptance
H7	TR-BI	0.531	0.000	Acceptance
H8	RW-BI	0.387	0.000	Acceptance
H9	PT-BI	0.615	0.000	Acceptance

Implications

Technological advancements have given rise to the digital payment concept, with the millennial generation emerging as the primary users of these applications. Despite this trend, limited research exists on the intentions of millennials towards digital payment applications. This study addresses the literature gap by exploring the behavioral intentions of millennials in using these applications. The study identified nine variables influencing millennial behavioral intentions: economic value, social influence, perceived ease of use, trust, features, sales promotion, rewards, firm reputation, and personality traits. Notably, the inclusion of personality traits as a new variable in the study contributes to existing literature on technology adoption theories like TAM, TAM2, UTAUT, and UTAUT2. All identified variables significantly impact millennial behavioral intentions in adopting digital payment applications. Personality traits, in particular, exert a strong influence, emphasizing the need for service providers to tailor their offerings to meet millennial preferences. To enhance engagement, providers should focus on reward attributes, considering millennials view rewards as short-term and impactful. Simple, user-friendly applications are crucial, given millennials' tech-savvy nature and preference for ease of use. In conclusion, digital payment service providers should strategize to influence and attract the millennial generation, aligning their services with the identified factors to foster growth and success over time.

Conclusion

The study aims to investigate factors influencing the behavioral intentions of millennials towards digital payment applications, including the impact of personality traits. It found that economic values, ease of use, sales promotion, features, trust, firm reputation, rewards, personality traits, and social influence positively influence millennials' intentions to use digital payment apps. This information is valuable for stakeholders such as policymakers,

mobile wallet companies, software developers, and the banking industry. Marketing strategies should be tailored to millennials' preferences to encourage adoption. The study contributes to existing research, highlighting the importance of ease of use and sales promotion in encouraging millennials to adopt digital payment apps. Companies should focus on rewards policies and innovative features to attract millennials. Overall, strategies and policies should consider millennials' traits to thrive in the market.

Limitations

Our study has certain limitations. The first limitations of this study is its methodology, the millennials behavioural intentions can be examined by the experimental approach. The data taken is small, so further research can be done by taking large sample size. Another limitations is that, the study the millennials behavioural intentions further research can be measures the millennials engagement and their lifestyle. These variables can be used to measure the millennials usage of digital payment applications and increase the usage of digital payment applications. The more factors can be study such as health benefits as there is increase in the corona virus nowadays, their financial behaviours, and location based tracking so that they can built the loyalty. Impact of the other factors such as government policies, willingness to take risk, technology related aptitudes towards the adoption of digital payment applications. The above mentioned factors can improve the behavioural intentions of the millennials generations towards the digital payment applications.

References

Aladwani, A. M. (2001). Online banking: a field study of drivers, development challenges, and expectations. *International Journal of Information Management*, 213-225.

Baghla, A. (2018). A Study on The Future of Digital Payments In India. - *International Journal of Research and Analytical Reviews*, 85-89.

Bagla, R. K., & Sancheti, V. (2018). Gaps in customer satisfaction with digital wallets: challenge for sustainability. *Journal of Management Development, 37*(6), 442-451. doi: https://doi.org/10.1108/JMD-04-2017-0144

Brent W, R., Patrick L, H., & Jordan P, D. (2017). How to change conscientiousness: The sociogenomic trait intervention model. *Personality Disorders: Theory, Research, and Treatment,, 8*(3), 199.

Dastan, I., & Gurler, C. (2013). Factors Affecting the Adoption of Mobile Payment Systems: An Empirical Analysis. *Emerging Market Journals, 6*(11), 17-24. doi: https://doi.org/ 10.5195/emaj.2016.95

Du, R. Y., Hu, Y., & Damangir, S. (2015). Leveraging Trends in Online Searches for Product Features in Market Response Modeling. *Journal of Marketing, 79*(1), 29-43. doi:https://doi.org/10.1509/jm.12.0459

Jin, B., Park,, J. Y., & Kim, J. (2008). Cross-cultural examination of the relationships among firm reputation, e-satisfaction, e-trust, and e-loyalty. *International Marketing Review, 25*(3), 324-337. doi:https://doi.org/10.1108/02651330810877243

Kotler, P., & Gary, A. (2016, December 30). Principles of Marketing sixteenth edition. london, london, England.

Lee, J., Pi, S., Kwok, R., & Huynh, M. (2003). The contribution of commitment value in Internet commerce: An empirical investigation. *Journal of the Association for Information systems*, 2.

Lepper, M. R., & Greene, D. (2015). *The Hidden Costs of Reward: New Perspectives on the Psychology of Human.* London: Psychology Press.

Lohse, G. L., & Spiller, P. (1998). Electronic shopping. *Communications of the ACM, 41*(7), 81-87.

Singh, S., & Srivastava, R. (2018). Predicting the intention to use mobile banking in India. *International Journal of Bank Marketing, 36*(2), 357-378. doi: https://doi.org/10.1108/IJBM-12-2016-0186

Singh, S., & Srivastava, R. (2018). Predicting the intention to use mobile banking in India. *International Journal of Bank Marketing, 36*(2), 357-378. doi: https://doi.org/10.1108/IJBM-12-2016-0186

Tan, E., & Lau, J. L. (2016). Behavioural intention to adopt mobile banking among the millennial generation. *Young Consumers, 17*(1), 18-31. doi: https://doi.org/10.1108/YC-07-2015-00537

Thakur, R., & Srivastava, M. (2014). Adoption readiness, personal innovativeness, perceived risk and usage intention across customer groups for mobile payment services in India. *Internet Research, 24*(3), 369-392.

Venkatesh, V., Thong, J. Y., & Xu, X. (2012). Consumer Acceptance And Use Of Information Technology: Extending The Unified Theory Of Acceptance And Use Of Technology. *MIS Quartely, 36*(1), 157-178.

Venkatesh, V., Thong, J. Y., & Xu, X. (2012). Consumer Acceptance and Use of Information Technology: Extending The Unified Theory of Acceptance and Use of Technology. *MIS Quartely*, 157-178.

Windasari , N. A., Kusumawati , N., Larasati, N., & Amelia, R. P. (2022). Digital-only banking experience: Insights from gen Y and gen Z. *Journal of Innovation & Knowledge, 7*(2), 10. doi:https://doi.org/10.1016/j.jik.2022.100170

Windasari, N. A., Kusumawati, N., Larasati, N., & Amelia, R. P. (2022). Digital-only banking experience: Insights from gen Y and gen Z. *Journal of Innovation & Knowledge, 7*(2), 10. doi:https://doi.org/10.1016/j.jik.2022.100170

Wu, J., Liu, L., & Huang, L. (2017). Consumer acceptance of mobile payment across time: Antecedents and moderating role of diffusion stages. *Industrial Management & Data Systems, 117*(8), 1761-1776. doi:https://doi.org/10.1108/IMDS-08-2016-0312

Yang, J., Mao, Y., Yishu, N., Wei, D., Wang, X., & Qiu, j. (2020). Individual differences in neuroticism personality trait in emotion regulation. *Journal of Affective Disorders, 265*, 468-474. doi:https://doi.org/10.1016/j.jad.2020.01.086

Zhang, L.-f. (2003). Does the big five predict learning approaches? *Personality and Individual Differences, 34*(8), 1431-1446. doi:https://doi.org/10.1016/S0191-8869(02)00125-3.