



Beyond Convenience: Generation Z's Perceptions of E-Wallet Use and Its Implications for Financial Literacy and Educational Management

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ABSTRACT

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This study aims to analyze Generation Z's perceptions of the use of e-wallets such as Touch 'n Go, GrabPay, and MAE in their daily financial activities and to examine the implications for digital financial behavior and educational management. The study uses a qualitative approach with a descriptive case study design to obtain an in-depth understanding of users' experiences with digital payment technologies. Informants were selected through purposive sampling based on the criteria of belonging to Generation Z and actively using at least one e-wallet application. Data were collected through in-depth interviews, observation, and documentation, and analyzed using interactive analysis techniques including data reduction, data display, and conclusion drawing. The findings show that Generation Z generally has positive perceptions of e-wallet usage, particularly regarding convenience, usefulness, and the integration of digital services that facilitate efficient transactions. However, ambivalent perceptions were also identified, especially related to concerns about data security and the potential for consumptive behavior due to promotional incentives such as cashback and discounts. These findings indicate that e-wallets are perceived not only as payment tools but also as part of the digital lifestyle of Generation Z. The study highlights the importance of strengthening digital financial literacy and responsible financial behavior through educational management strategies.

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INTRODUCTION

The rapid development of digital technology over the past two decades has fundamentally transformed financial transactions and everyday economic activities. The global movement toward a cashless society reflects a broader shift in how individuals interact with financial systems and digital infrastructures. This transformation is significant because digital payment technologies increase

efficiency, reduce transaction costs, and expand financial inclusion in modern economies. Reports from international institutions confirm that the adoption of financial technology (fintech) and non-cash payment systems continues to grow across countries, driven by technological innovation and digital connectivity (Company, 2023; Deloitte, 2023; OECD, 2022). One of the most influential innovations in this transformation is the electronic wallet (e-wallet), a digital application that allows users to store money electronically and conduct various transactions through mobile devices (Malaysia, 2023; OECD, 2022). Beyond its technological function, the e-wallet also reflects a broader socio-economic change in consumer behavior and financial management practices. Therefore, understanding how digital payment technologies are perceived and utilized by society is essential for ensuring sustainable digital economic development and effective financial education strategies.

Despite the rapid expansion of digital payment systems, several challenges remain regarding how users understand, manage, and integrate these technologies into their daily financial practices. The transition toward a cashless society is not merely a technological shift but also a behavioral and educational transformation that requires users to develop financial awareness, digital literacy, and responsible consumption habits. In many contexts, particularly among younger populations, the convenience and speed of digital transactions may encourage impulsive spending and reduce financial self-control. This issue becomes increasingly relevant when digital payment platforms are widely integrated into retail, transportation, and food services. Moreover, the management dimension of financial behavior, including planning, monitoring, and evaluating personal spending, becomes more complex in a digital environment where transactions occur instantly. Without proper financial literacy and educational guidance, the ease of e-wallet transactions can potentially shape new patterns of consumption that are less controlled. Consequently, understanding how users perceive and manage digital payment technologies becomes an important issue not only for the digital economy but also for educational management and financial literacy development.

In Southeast Asia, particularly Malaysia, the growth of e-wallet usage demonstrates a strong and consistent trend. Data from Bank Negara Malaysia (2023) indicates that non-cash transactions have increased significantly in recent years, supported by widespread internet access, high smartphone ownership, and government initiatives promoting the digital economy. Various e-wallet platforms such as Touch 'n Go eWallet, GrabPay, and MAE are now widely used in everyday transactions, including transportation payments, online shopping, and food and beverage purchases. In urban areas like Shah Alam, digital payment applications have become part of daily routines, especially among

younger generations who are highly familiar with digital technologies. This phenomenon illustrates how digital payment tools are not only practical financial instruments but also symbols of modern lifestyles and technological adaptability. However, the increasing integration of e-wallets into everyday life raises important questions regarding how users interpret their benefits, convenience, and potential risks. These questions become particularly relevant when examining the behavior and perceptions of Generation Z, who represent the most technologically engaged demographic group in society.

Previous studies have explored the factors influencing the adoption of e-wallets and digital financial services from various theoretical perspectives. Many scholars emphasize that perceived usefulness, perceived ease of use, and trust are key determinants in shaping users' acceptance of digital payment technologies (Chawla & Joshi, 2023; Chong et al., 2022). Research conducted in Malaysia also suggests that e-wallet applications have become an integral part of the digital lifestyle of urban communities, particularly among students and young professionals. Furthermore, empirical findings indicate that the intensity of e-wallet usage may significantly influence consumer behavior. For example, research by Kusuma (2023) shows that the use of digital wallets contributes substantially to students' consumptive behavior, accounting for approximately 38% of behavioral variation. These findings highlight that digital payment technologies do not only influence financial transactions but also shape patterns of consumption and decision-making. Therefore, understanding the behavioral and psychological aspects of digital payment adoption becomes increasingly important for policymakers, educators, and researchers seeking to promote responsible financial practices in the digital era.

Several studies conducted within the context of Islamic academic institutions have also examined the role of perception in the adoption of financial technology. Research by Nasution and Harahap (2020) emphasizes that perceptions of convenience and efficiency significantly influence students' interest in using Islamic fintech services. Similarly, other studies indicate that perceptions of trust and usability play an important role in encouraging the adoption of e-wallet applications among university students. Siregar et al. (2022) further highlight that social influence and environmental factors can strengthen the acceptance of digital payment systems among younger generations. Although these studies provide valuable insights, most of them rely heavily on quantitative approaches based on statistical frameworks such as the Technology Acceptance Model (TAM) and the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2022). While these models effectively

explain relationships between variables, they often overlook the deeper subjective experiences, personal interpretations, and social contexts that shape users' perceptions of digital financial technologies in everyday life.

The limited exploration of subjective experiences in previous studies highlights the need for a qualitative perspective that captures how individuals interpret and manage digital payment technologies within their daily lives. In the context of educational management, understanding students' financial behavior and digital literacy becomes increasingly important, particularly as educational institutions play a strategic role in shaping responsible financial practices. Generation Z, who grew up in a highly digital environment, represents a demographic group that interacts intensively with fintech applications and digital payment systems. Their perceptions of convenience, security, promotions, and financial control may influence not only their spending behavior but also their financial management skills. Investigating these perceptions through qualitative inquiry allows researchers to explore the deeper meanings behind technology adoption, including the social, cultural, and educational factors that shape financial decision-making. Therefore, this study seeks to contribute to the development of digital economy research by integrating insights from behavioral perspectives and educational management, particularly in understanding how young users interpret the role of e-wallets in everyday financial practices.

Based on the issues described above, an important research problem emerges regarding how Generation Z perceives and experiences the use of e-wallet technologies in their everyday lives. While statistical studies have explained factors influencing technology adoption, limited attention has been given to understanding the subjective meanings and contextual experiences that shape users' perceptions of digital payment systems. This gap becomes particularly relevant in urban areas such as Shah Alam, Malaysia, where technological infrastructure and youth demographics strongly support the growth of digital financial services. Therefore, this study aims to explore in depth the perceptions of Generation Z regarding the use of e-wallet platforms such as Touch 'n Go eWallet, GrabPay, and MAE in their daily activities. Through a qualitative approach, this research seeks to identify the perceived benefits, convenience, security considerations, promotional influences, and behavioral implications associated with e-wallet usage. The findings are expected to contribute theoretically to digital economy literature and practically to educational management by providing insights into how financial literacy and responsible digital financial behavior can be strengthened among young generations.

RESEARCH METHODS

This study employed a qualitative approach with a case study design to gain an in-depth understanding of Generation Z's perceptions regarding the use of electronic wallets (e-wallets) in everyday financial activities. A qualitative case study was chosen because it allows researchers to explore social phenomena comprehensively within a specific context and capture participants' subjective experiences, meanings, and interpretations (Fragkandreas, 2025; Henline-Hall, 2024; Kavar et al., 2024; Pregoner, 2024; Viera, 2023). This design is particularly relevant for examining digital financial behavior among young people, which involves complex interactions between technology, lifestyle, and financial decision-making. In addition, from the perspective of educational management, this approach helps reveal how digital financial practices among Generation Z relate to financial literacy, self-management of spending behavior, and the role of informal learning in shaping responsible financial habits. The study was conducted in Jalan Kebun, Shah Alam, Malaysia, an urban area characterized by high internet penetration, strong digital infrastructure, and a significant population of young people who actively engage with financial technology. This location was selected because it represents a dynamic environment where e-wallet usage has become part of everyday transactions.

The research participants consisted of members of Generation Z, defined as individuals born between 1997 and 2012, who actively use e-wallet applications such as Touch 'n Go, GrabPay, and MAE in their daily transactions. Sampling was conducted using purposive sampling, a technique commonly used in qualitative research to select participants who possess relevant knowledge and experience related to the research topic (Creswell & Poth, 2018). The criteria for selecting informants included: belonging to Generation Z, actively using at least one e-wallet platform, and utilizing it in various digital transactions such as retail payments, transportation services, or online purchases. The number of participants was determined flexibly based on the principle of data saturation, meaning that data collection continued until no new significant information emerged from additional interviews. Data collection techniques included semi-structured in-depth interviews, non-participatory observation, and documentation as supporting data. Semi-structured interviews enabled participants to freely express their perceptions and experiences while allowing the researcher to explore themes related to digital financial behavior, financial awareness, and the management of personal spending.

The data obtained were analyzed using interactive qualitative analysis techniques, which involve several interconnected stages, namely data condensation, data display, and conclusion drawing or verification (Miles et al., 2014). Data condensation was conducted by selecting, simplifying, and

categorizing interview results based on key themes such as perceived convenience, security, promotional influence, and financial management behavior in the use of e-wallets. After the condensation process, the data were organized and presented in the form of descriptive narratives and thematic matrices to facilitate the identification of patterns, relationships, and emerging insights regarding Generation Z's perceptions of digital payment technologies. The final stage involved verifying and interpreting the findings to ensure the consistency and credibility of the conclusions. To maintain data validity and trustworthiness, the study applied source triangulation, method triangulation, and member checking, allowing participants to confirm the accuracy of the researcher's interpretations. Through this systematic analysis, the study aims to generate comprehensive insights into digital financial behavior while contributing to the development of financial literacy and educational management strategies for young generations in the digital economy era.

RESULTS AND DISCUSSION

Based on the results of in-depth interviews with Generation Z informants on Jalan Kebun, Shah Alam, it was found that the use of e-wallets such as Touch 'n Go eWallet, GrabPay, and MAE has become an integral part of the daily transaction activities of Generation Z in the area. Informants stated that perceived ease of use was the main reason for choosing e-wallets over cash payments. Fast transaction processes, QR code scanning features, and integration with transportation, food, and online shopping services reinforce the perception that e-wallets are more practical and efficient. From the perspective of educational management, this convenience also reflects the growing importance of digital literacy and financial literacy education for young people who interact intensively with digital financial systems. Educational institutions increasingly play a role in preparing students to adapt to technological changes by integrating digital financial awareness into learning processes. These findings are in line with the studies of Chawla and Joshi (2023) and Chong et al. (2022), which confirm that perceptions of ease and usefulness have a significant influence on e-wallet adoption in Malaysia.

In addition to convenience, perceived usefulness also emerged as a dominant factor in the use of e-wallets among Generation Z informants. Informants assessed that e-wallets help control spending through digital transaction histories and real-time notifications. Several participants mentioned that the transaction tracking feature provides a sense of security and transparency in daily financial management. From the perspective of educational management, this feature can also support the development of students' financial self-management skills, which are part of broader financial literacy competencies

needed in the digital era. Educational institutions, therefore, have an important role in encouraging responsible financial behavior by integrating digital financial management concepts into educational programs and student development activities. These findings support the research of Aini and Fitri (2024) and Lubis and Ramadhan (2021), which show that perceived usefulness and convenience increase satisfaction and interest in using e-wallets among the younger generation. In an urban context such as Shah Alam, e-wallets are no longer perceived merely as payment tools but also as part of a digital lifestyle, as also found by Rahman, Ismail, et al. (2022).

However, the results of the study also show ambivalent perceptions among Generation Z regarding the use of e-wallets. Some informants expressed concerns about the security of personal data and the potential misuse of financial information stored in digital applications. Although the security systems implemented by e-wallet providers are generally considered adequate, informants still emphasized the need for caution, particularly regarding the risk of hacking, phishing, or transaction errors. From the perspective of educational management, this concern highlights the importance of strengthening digital ethics education and cybersecurity awareness among students. Educational institutions can contribute by providing learning programs that emphasize responsible technology use, digital safety, and critical awareness in managing online financial transactions. This perception is relevant to the findings of previous studies, which emphasize the importance of trust in strengthening the intention to use e-wallets among Generation Z in Malaysia. Thus, trust becomes a key variable that mediates the relationship between perceived convenience and the sustainability of digital payment usage.

Furthermore, the findings show that promotions such as cashback, discounts, and digital incentives also influence the intensity of e-wallet usage among Generation Z. Informants acknowledged that promotional programs frequently encourage spontaneous purchasing decisions, particularly when attractive offers are easily accessible through mobile applications. This condition indicates the potential for consumptive behavior, especially when transactions become easier and do not involve the use of physical cash. From the perspective of educational management, this phenomenon underscores the importance of strengthening financial discipline and consumer awareness through educational interventions. Schools and universities can incorporate financial literacy education that emphasizes responsible spending habits, budgeting skills, and critical decision-making in digital consumption environments. These results are consistent with previous studies which found that e-wallet usage contributes to

increased consumptive behavior among the younger generation. Thus, convenience and digital incentives can create a duality of perception between the benefits of transaction efficiency and the potential risk of impulsive consumption behavior.

Overall, this study found that Generation Z's perception of e-wallet usage in Shah Alam is shaped by a combination of factors, including convenience, usability, security, promotion, and social influence. E-wallets are perceived not only as practical financial tools but also as symbols of modernity and part of the digital identity of the younger generation. From the perspective of educational management, these findings highlight the need for educational institutions to adapt to the evolving digital financial landscape by strengthening financial literacy, digital literacy, and responsible technology use among students. Integrating these competencies into educational programs can help young people develop balanced financial behaviors while benefiting from technological innovations. These findings reinforce the argument that qualitative approaches provide a deeper understanding of users' subjective experiences, going beyond merely testing relationships between variables in quantitative models such as those proposed by Venkatesh et al. (2022). Therefore, this study fills the gap in previous research by presenting a contextual and narrative perspective on how Generation Z interprets and manages the use of e-wallets in their daily lives in urban Malaysia.

CONCLUSION

This study reveals that Generation Z's perceptions of e-wallet usage in Jalan Kebun, Shah Alam, Malaysia, are generally positive and strongly influenced by perceived convenience, usefulness, and the integration of digital services into everyday activities. E-wallets such as Touch 'n Go, GrabPay, and MAE are perceived as practical and efficient payment tools that align with the technological adaptability of Generation Z. Features such as transaction tracking and real-time notifications enhance users' sense of financial control and transparency, thereby strengthening the sustainability of digital payment usage. However, the study also highlights ambivalent perceptions among users, particularly concerning data security and the potential for increased consumptive behavior triggered by digital promotions such as cashback and discounts. The ease of cashless transactions can encourage impulsive spending among some users. From the perspective of educational management, these findings underline the importance of strengthening financial literacy, digital literacy, and responsible financial behavior among young people so that technological convenience does not lead to uncontrolled consumption patterns.

The strength of this study lies in its qualitative approach, which provides a deeper and more contextual understanding of Generation Z's subjective experiences in using e-wallets, going beyond the variable-based explanations commonly found in quantitative models such as TAM and UTAUT. By presenting a narrative perspective on how young users interpret convenience, security, and financial control, this research contributes to the development of digital economy studies as well as educational management discourse related to financial literacy and digital financial behavior. Nevertheless, this study has several limitations. The research was conducted in a specific urban area with a relatively limited number of participants, which may restrict the generalizability of the findings. Future studies are recommended to expand the research scope by involving participants from different regions, combining qualitative and quantitative approaches, and examining the role of educational institutions in integrating digital financial literacy into formal and informal learning programs to support responsible financial management among Generation Z.

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