

Understanding Consumer Intention Towards Blockchain-Based Mobile Payment Adoption Services in Pakistan

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ABSTRACT

The paper reflects the application of a positivist study and quantitative methods for evaluation of variable relationships. The researcher developed a survey-based methodology and disseminated the questionnaire to consumers of Pakistan online. Structural equation modeling, confirmatory factor analysis, and all supporting statistical tests have been applied on the data in order to evaluate the accuracy; the findings suggest that the usability and factors like the security of online services influence the consumers. Moreover, the performance and effectiveness of these measures influence the decision to use and recommend the services to others as well. The study contributed to the literature by validating and supporting the applicability, usage, and development of mobile payment services and produces important implications for the management and policymakers of these industries.

KEYWORDS

Blockchain-Based Crypto-Currency, Hedonic Motivation, Mobile Payment Systems, Unified Theory of Acceptance and Use of Technology (UTAUT2)

1. INTRODUCTION

Mobile payment involves money payment which is mostly made for products or services by utilizing portable electronic devices like cell phones and tablets. In the current digital era, majority of the online shopping, electricity bills, mobile bills, mobile charges, or other related payments are done by utilizing this technology (Turi et al., 2020). It is an efficient source to transfer via mobile without using any check, credit card or cash (Ahvanooy et al., 2020). Considering the importance of mobile payment is the fastest way to transfer money as compared to traditional sources of money. This option of mobile payment majorly allows integrating the loyalty and incentive programs into this online payment application that result in enhancing the customer value and makes them happy and motivated to remain with the mobile brand (Gao, Rau & Zhang, 2018). Mobile payments also help

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to develop a better tracking of inventory and customer behavior that also plays a significant role to improve the services (Farah et al., 2018; Al-Okaily et al., 2019). Mobile payment is cost-effective in its financial transaction as compared to credit cards or other traditional sources of the transaction, with zero charges on money trading that help to save money up to some limit (Chen & Li, 2017; Gao, Rau & Zhang, 2018). In the era of digitization and technological advancements, the role of hackers has become more profound, which invokes a concern relating to the security of the people. Thus, there need to be solutions for this security threat to increase the abundance of adoption (Al-Janabi & Hussein, 2019).

Recently techniques like biometric and facial recognition have been increasing in practice to increase the security of transactions and to protect the privacy of customers as well. Most of the digital payment applications, banking, and non-banking, have invoked the system to increase the security of the transactions. Thus, a focus upon these technologies could further influence the adoption of mobile or digital payment technologies by consumers (Bhatti et al., 2020). The e-commerce in Pakistan is majorly based on buying and selling of services and goods by using telephone or internet through the efficient use of electronic means like cellular phone, computer, automated teller machine (ATM), fax machine, and other electronic appliances through using the internet sources (Agren & Barbutiu, 2018; Bhatti et al., 2020). Smartphone adoption has significantly increased across the globe likewise the adoption and usage in Pakistan has almost become double, therefore smartphone has open new payment methods (Priyadarshini, 2020; Bhatti et al., 2020). Mobile payment services like jazz cash, easypaisa, and Telenor cash are others including the payment services introduced by digital banking products in Pakistan (Turi et al., 2020). The banks and the mobile service providers are working hard to create a new cashless way of money usage and they are providing these services at very low rates; sometimes even without any charges at all. Mobile banking allows the users to have rapid random access to their bank accounts and online wallets and allows the transactions to be done remotely without the need of visiting the banks. Various available facilities on such platforms include the option of verifying the account information including the statements; the credit card related information and any deposit or withdrawal reports. Moreover, transfers and utility bills can also be handled on these platforms. Mobile banking services have improved the financial systems and reduced the rush in the bank branches for bank notes deposits, cash withdrawals and the payment of utility bills. Mobile banking services are time-saving, low in error rate and effective overall. Moreover, these systems are economical and easy to use (Alabdan, 2019).

There is considerable lack of awareness of the roadblock's existent in the adoption of mobile payment. The factors like cyber security and online payment are decisive in this context. These factors along with other services influencing the adoption of the users need to be explored. A number of studies have focused on the relationship between these factors and the impact of mobile banking adoption. However the focus on word of mouth and its impact on the adoption of the mobile banking is relatively unexplored. Therefore, the present study is exploring the factors that influence the intention to use and intention to recommend the mobile payment services to others. The study is exploring the acceptance towards the mobile or digital banking services for the first time in Pakistan. Moreover, this study uses the various factors of UTAUT2 model to check their impact on the behavioral intention to recommend the usage of technology. There are multiple studies that have explored this model on the intentions of users but recommendation intentions have not been studied in its influence previously (Islam et al., 2020; Tribune, 2019) The factors that evaluate the factors incident upon the intention to recommend the digital or mobile payment services are highlighted. However, there is currently a progression trend overall in the country and there is an increase in the acceptance and embracing of the digital payment services, most of which can be attributed to the COVID-19 situation in the country (Priyadarshini, 2020).

Taking into account the extensive use of mobile devices and their benefits, the combination of these two technologies offers a unique potential to enhance people's daily lives in undeveloped areas. However, several technical difficulties must be overcome to allow mobile payment in bitcoin. The

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