

Analysis of Digital Wallet Usage on Consumptive Lifestyle

Naufal Dzaky Ramadhan¹, Siska Fhatturohmah¹, Sonia Ramadhani¹, Esa Firmansyah^{2*}

*Corresponding Author E-mail: C70109170013@aeu.edu.my

¹ Faculty of Economics and Islamic Business, UIN Sunan Gunung Djati Bandung, Indonesia

² Department of Information and Communication Technology, Asia e University, Malaysia

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ABSTRACT

Many people, especially students, use e-wallets for daily transactions such as storing funds and purchasing daily necessities. The Prophet SAW also forbade the behavior of squandering or wastefulness in ablution using water, even though it was in the river. In fact, the lifestyle among students today is in stark contrast to the changes that occur, such as buying things that are not really needed at all. This is where the origin of a high lifestyle causes students to have irrational consumption abilities and tend to have consumptive behavior. Consumptive behavior that arises among students is caused by technological developments and in the development process of the individual himself. This research uses descriptive quantitative research methods with primary data from questionnaire results in the form of links from Google Forms, aiming to determine how much influence the use of digital wallets has on student lifestyles. The analysis of the effect of using digital wallets on the lifestyle of 2020 Islamic Economics students of UIN Sunan Gunung Djati Bandung obtained results that show an influence of the use of digital wallets on the lifestyle of 2020 Islamic economics students. This is evident from the number of 2020 Islamic economics students who use digital wallets for shopping activities, both for daily needs and just fulfilling desires.

1. Introduction

In the era of Industry 4.0, the utilization of various digital products, including digital wallet services or e-wallets, is on the rise. Digital wallets have gained widespread popularity among the public due to their convenience in facilitating various transaction activities in Indonesia. Notably, many individuals, particularly students, rely on e-wallets for daily transactions, encompassing fund storage and the purchase of daily necessities. The accessibility provided by digital wallet service providers has led to a surge in their usage, with people opting for seamless shopping and payment experiences, consequently fostering a consumptive culture, especially among students. The advent of E-Money has significantly simplified financial transactions, particularly payments, offering a more convenient alternative to carrying physical cash, thus streamlining various activities. This shopping convenience has prompted a substantial shift towards digital payment systems within financial institution applications for a growing number of users (Kusnawan, Agus, et.al. 2019).

The electronic payment system consists of (1) online transactions with credit cards involving merchants, consumers, clearinghouses, merchant banks (acquirers) and consumer banks (issuers), (2) digital wallets as applications that store important personal data in terms of electronic payments, (3) electronic money issued by banks to store funds, (4) Online stored value systems are payments to merchants online in accordance with the nominal stored, For example, gift cards, (5) digital accumulation balance systems are systems that make it easier for consumers to make payments through e-commerce, then accumulated to be paid at the end of the month or at a certain time, (6) digital checking

payment systems as part of the development of online transaction payments, (7) mobile payment systems are transaction processes through mobile phones or gadgets (Laudon & Traver, 2020).

Consumerism is a phenomenon wherein individuals or groups engage in excessive and inappropriate consumption, prioritizing desires over necessities and disregarding a scale of priority consciously and sustainably. The consumption lifestyle among students has undergone significant changes and is on the rise. Technological advancements contribute to this shift in student consumption behavior, as sophisticated technology facilitates the fulfillment of daily needs, subsequently increasing the complexity of these needs and fostering a more consumptive attitude among students. Generally, human needs are categorized into three types: basic necessities, pleasure needs, and luxury needs. In the Islamic context, these needs are classified as *daruriyyah* (essential), *hajiyyah* (complementary), and *tahsiniyyah* (embellishment), emphasizing the order of priority in meeting these needs (Al-Shatibi n.d.).

In addition, many digital wallet companies are developing their business by providing promotional offers in the form of discounts and so on that make users fall into uncontrolled consumerism. Shopping using digital wallets psychologically can cause users to become dependent and addicted. The nature of consumerism, at this time, has become a great challenge because it has become a culture or lifestyle, which has a negative impact on social relations as well as religious principles. This is because this consumptive nature is often directed to use their time and property for an extravagant lifestyle by prioritizing their wants rather than their needs (Lubis, 2022). In Islam, there are restrictions on

consumption, namely the prohibition of exaggeration and luxury. Enjoying the best of the world is permissible for its followers in Islam, but in Islam simplicity is a noble tradition of both buying goods and services. Even the Prophet SAW forbade the behavior of squandering or wasteful in ablution using water even though it was in the river. In fact, the lifestyle among students today is in stark contrast to the changes that occur such as buying things that are not really needed at all.

Consumptive behavior is a character that is not based on rational considerations, but has reached the level of desire that has reached an irrational stage. So this is where the tombul lifestyle that causes students to have irrational consumption behavior and tend to have wasteful behavior (Adiputra and Moningka 2012). Consumptive behavior that arises among students is caused by technological developments and in the development process of the individual himself.

The motives of a person's consumptive behavior are set in the background by very complex influences. According to Asdjazzi, the background of this consumptive behavior is, among others, the level of knowledge, insight, environment, socio-culture, economic ability and personality. Therefore, between individuals and other individuals will have different traits in their consumption behavior. People who are knowledgeable and broad-minded will differ in their consumption behavior motives from people who are knowledgeable and narrow-minded. People who live in the midst of developed environments and cultures will differ in their consumption behavior motives from people who live in the midst of underdeveloped environments and cultures. People who have a

good religious personality will differ in their consumption behavior motives from people who have a bad religious personality and so o (Asdjazzi, 2022).

Consumption behavior is often viewed as homogenization or heterogeneization of global cultures. Homogenization can mean that local culture will be filtered by global culture or just the opposite. Local culture will increasingly show its existence in the midst of the development of global culture (Ahmad et al., 2022). Changing behavior is often seen as something negative. Being a scapegoat in several ways including the integration of local culture, national culture, and Islamic culture. Technology with the Presence of Wallets

In recent research by Lubis (2022), it was found that digital development significantly influences the consumptive culture of the residents of Tangerang City. Further analysis by Insan and Johan revealed a noteworthy impact of electronic money usage on the consumptive behavior of students. The expenditures made by students, driven by the convenience and speed of electronic money transactions, are on the rise (Insana and Johan 2020). Lifestyle, defined as the way individuals spend their time and money, is distinct from personality but remains interconnected. While personality reflects internal characteristics, lifestyle signifies the external manifestation of these traits, representing consumer behavior (Priansa 2017).

Societal lifestyle variations are evident among students, with each having a unique way of life. Although lifestyles exhibit dynamism, they generally undergo relatively gradual changes. Individual preferences and interests are key indicators of one's lifestyle (Trudel, 2019). Kasali and Supranto emphasize that lifestyle encapsulates how individuals allocate their time and money, reflecting how they live and spend their resources (Yunita 2014). In

the context of electronic money, Dewi et al. conducted an analysis on the impact of electronic money on the consumptive behavior of undergraduate accounting students in Bali Province. The study found a significant effect of e-money usage on consumptive behavior, emphasizing the role of self-control in moderating and mitigating such behavior among students (Dewi, Herawati, and Adiputra 2021). This underscores the evolving landscape of digital financial behaviors and the importance of self-control in managing consumptive tendencies among students.

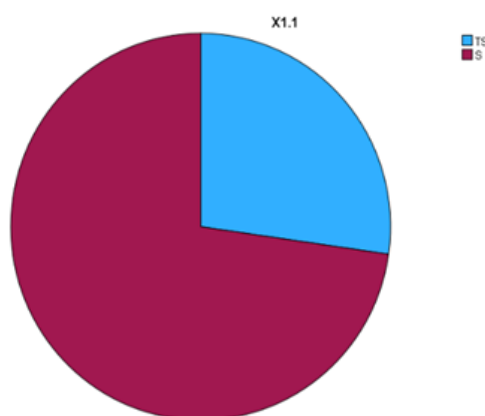
The prevalent influence of digital wallets on consumptive behavior within both the general community and student demographics becomes evident in the aforementioned descriptions. This phenomenon is driven by technological advancements and the enticing features offered by digital wallet providers. Consequently, this study seeks to scrutinize the consumptive tendencies of Sharia Economics students in 2020 concerning their expenditure of money and time during shopping activities. It aims to discern whether these students prioritize needs over wants and to evaluate this consumptive lifestyle through the lens of consumption ethics in Islam.

This research is a research with a descriptive quantitative research method with primary data from questionnaire results in the form of links from Google Forms which aims to analyze how much influence the use of digital wallets has on student lifestyles. The object of this study is the 2020 Sharia Economics students of Sunan Gunung Djati State Islamic University Bandung, consisting of classes A and B as many as 90 students. The population in this study is Sharia economics students class of 2020, Faculty of Islamic Economics and Business, Sunan Gunung Djati State Islamic University Bandung. In this

study, we got a sample of respondents as many as 33 Sharia Economics students class of 2020 who use digital wallets and have two digital wallet applications on their respective smartphones, this is because it is related to behavior and the respondents observed are not too large.

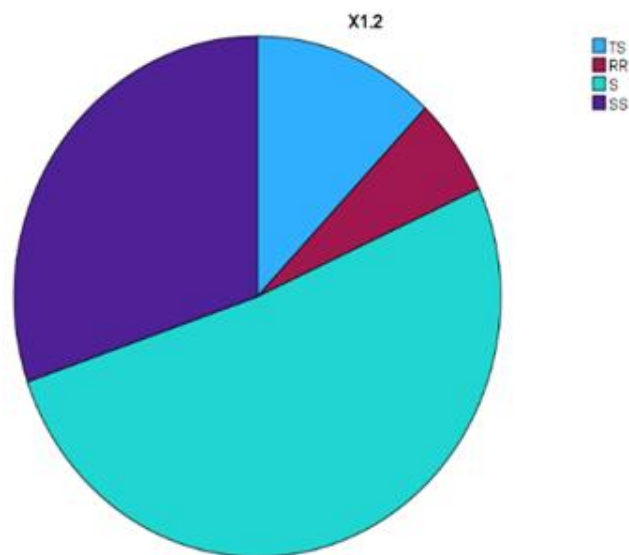
2. Result and Discussion

The results of the data we got from respondents were 33 students from the Sharia Economics Department class of 2020. The data obtained is valid data so that it can be used and analyzed for reference in this research.



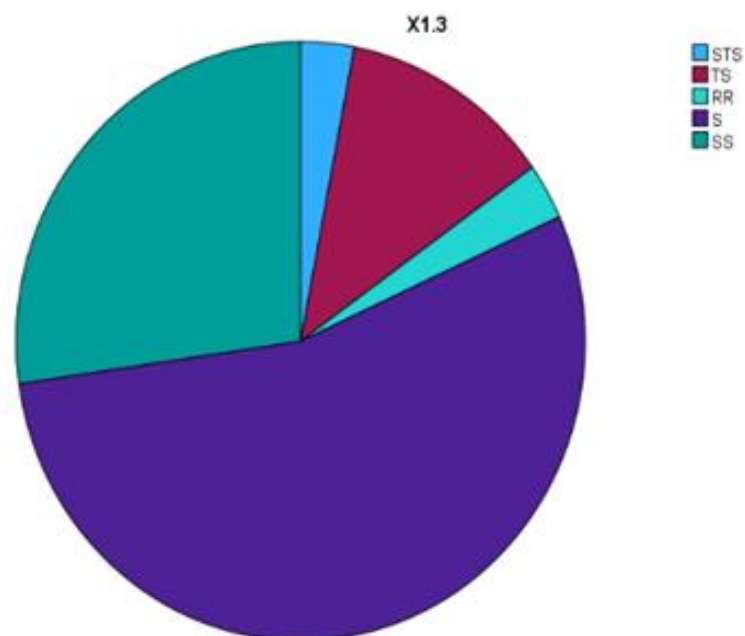
Graph 1. Use of digital wallets

In the data graph 1 above, it is known that 72.7% of students have more than 2 digital wallets installed on their respective devices and around 27.3% of students only have less than 2 digital wallets installed on their devices. Digital wallets that are familiar because of their ease, convenience, and security in transactions make most students of Sharia Economics 2020 UIN Sunan Gunung Djati Bandung interested in using the digital wallet.



Graph 2. Frequent use of digital wallets

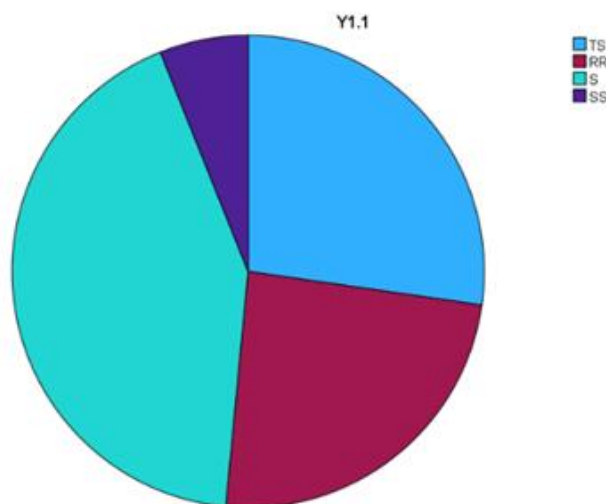
Furthermore, the data in graph 2 shows that 51.5% of students agree that they often use digital wallets as a means of transaction. From these results, it can be concluded that Sharia Economics 2020 students of UIN Sunan Gunung Djati Bandung are quite frequent in using digital wallets.



Graph 3. Use of digital wallets for shopping

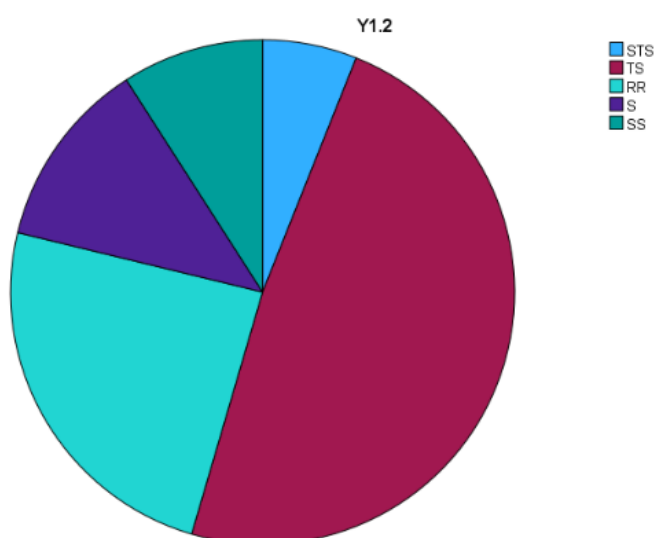
From the data in Graph 3 above, it is known that 54.5% of Sharia Economics 2020 students of UIN Sunan Gunung Djati Bandung agree that they often use digital wallets for

shopping activities. This shopping activity is an activity that is certainly favored by all circles, this digital wallet is able to provide security, convenience, and comfort when shopping.



Graph 4. Big expenses for shopping

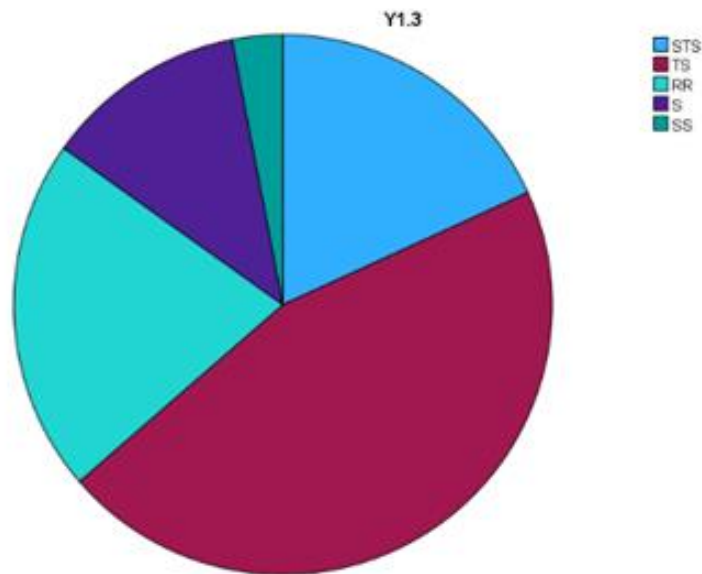
In graph 4 show The majority of students do not work so they do not have a fixed income. From the data above, 42.4% of students spend a lot of money/ money to shop. Meanwhile, 37.3% of students do spend not much money on shopping. So, it can be concluded that the level of consumerism of Sharia Economics students 2020 UIN Sunan Gunung Djati Bandung is quite high.



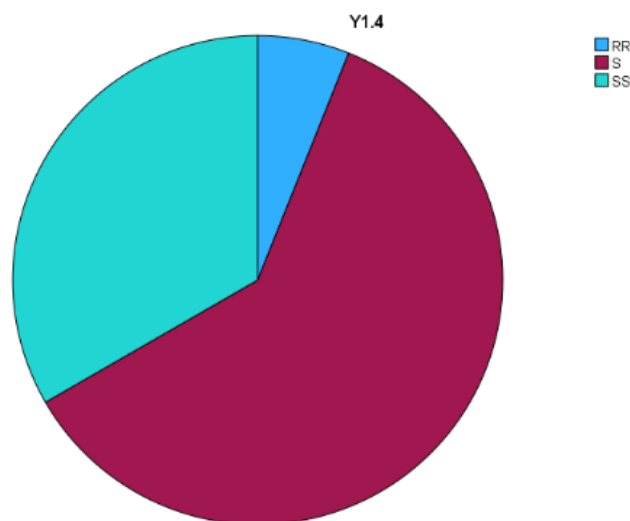
Grap 5. Shop for items you don't need

In graph 5 Digital wallets have succeeded in making students shop for everything they want and not necessarily need. This statement is supported by data that 12.1% of

students agree with buying the things they want compared to what they need. Meanwhile, 45.5% of students disagree with buying items that they basically don't need but want. From the results of this data, it can be concluded that the majority of Sharia Economics 2020 students of UIN Sunan Gunung Djati Bandung do not behave consumptively in shopping.



Graph 6. Buy trending items

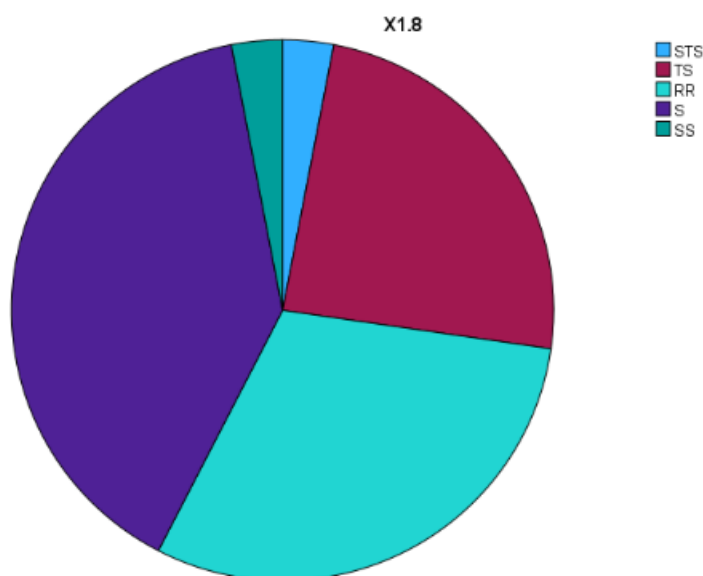


Graph 7. Considerations and planning in shopping

In graph 6 show students often also buy branded items to follow trends. Data stating that 45.5% of Sharia Economics 2020 UIN Sunan Gunung Djati Bandung students do not buy trending items or items they do not need. Because the majority of students are

reluctant to meet their needs, namely buying things they really need because of difficult economic factors.

From the data in graph 7 above, it is known that 60.6% of students consider first when buying an item. Meanwhile, 6.1% of students are still undecided about whether they consider and plan in advance for shopping or not.



Graph 8. Use of digital wallets more than once

From the data in graph 8 above, it is known that 39.4% of Sharia Economics 2020 students of UIN Sunan Gunung Djati Bandung use digital wallets more than once. Meanwhile, 24.2% of students do not use digital wallets more than once. It can be concluded that most college students use digital wallets more than once. This can have an impact on student consumption patterns.

In the analysis of the effect of using digital wallets on the lifestyle of 2020 Islamic Economics students of UIN Sunan Gunung Djati Bandung, it was found that there is an influence of the use of digital wallets on the lifestyle of 2020 Islamic economics students, this can be seen from the number of 2020 Islamic Economics students who use digital

wallets for shopping activities, both those used for daily needs and just fulfilling their desires. But it does not show hedonic or extravagant consumptive lifestyle behavior. Digital wallets are widely used in shopping activities, namely to facilitate transactions safely and quickly.

In an advanced era like today, people have been facilitated by many applications that provide buying and selling services or online delivery so that people do not bother to leave the house. These buying and selling service provider applications such as Shopee, TokoPedia, lazada and online delivery services, namely Gojek and Grab. Apart from the application, the community is also facilitated with payment features such as digital wallets, so that people don't have to bother paying with cash just one click away, all is done, the payment can be through OVO, GoPay, ShopeePay, Dana and many more. Especially because this digital wallet is also easy for anyone to access only with the internet and service applications.

Currently, people's shopping trends are starting to change, more and more have shifted from traditional transaction methods to online transactions. Even in today's conditions, the level of consumerism of society does not fall. Consumerism is what drives people to always spend their money. People always want to treat themselves, pamper themselves through the habit of continuing to consume. In any condition, consumerism activities always seem to be writhing, moving the wheels of capital, even in the midst of economic difficulties, people still spend their money (Ade Minanda, Suharty Roslan, 2018).

Technology provides many touches of convenience so as to create a sense of addiction for people to consume. The convenience offered by e-wallets to transact at

various online and offline merchants often makes people complacent and triggers the creation of consumptive habits. This is because e-wallets are not used for purpose, people do not realize electronic money is the same as cash, and it is not wise to use promos from e-wallets. There are psychological problems so it is easier for people to spend money when using digital money, they consider that the balance in digital wallets is only digital numbers, because the easier, the faster the transaction, the more wasteful (Adhinegara 2019).

Whether someone is extravagant or not actually depends on their respective traits and characters. If the person is actually not wasteful, then easy access to transactions will not cause the person to be wasteful. (Anggraini 2019) in his research revealed that the higher the self-control, the lower the consumptive behavior, on the contrary, the lower the self-control, the higher the consumptive behavior. Replenishment of balances with large amounts, as well as ease of transactions, encourage people to make purchases continuously without realizing a clear need, resulting in waste. Convenience refers to consumer trust and the system used without having to spend a lot of effort. The results of this study are also supported by (Lestari and Widyastuti 2019), which states that one of the things consumers see is the ease of the transaction system when shopping online. However, in this study, the number of promos offered and the ease of transacting are the main things that underlie people's consumptive attitudes when making transactions using e-wallet services. In the Qur'an, extravagance is sometimes expressed with the term *israf* and sometimes with the term *tabdzir*. The word *israf* comes from the Arabic "*Asrafa-Yusrifu-Israfan*" which means: to waste or exceed the limit (Munawwir 1997).

Lifestyle Indicators and Measurements

According to Priansa (2017) a person's lifestyle indicators, include activities, opinions, and interests. Activities are measured by asking what a person does, what products are bought or used, what activities they do to fill their spare time, and various other activities such as shopping. Interest is related to likes, hobbies, and priorities in a person's life. Interest is also related to certain objects, events, or topics that are the center of attention. Opinion is the opinion of a person's views and feelings in response to something. Opinions are used to describe interpretations, expectations, and evaluations such as beliefs about the intentions of others, antispatial with respect to future events, and weighing consequences that reward or punish alternative courses of action

Lifestyle dalam Islamic Perspective

Lifestyle In the view of Islam, lifestyle can be grouped into two, namely the Islamic lifestyle and the jahili lifestyle. The Islamic lifestyle has an absolute and strong foundation, namely Tawhid. As for the ignorant lifestyle, the foundation is relative and fragile, namely Shirk. Every Muslim has become imperative to choose an Islamic lifestyle in living his life. Foundation in the principal Islamic lifestyle that is, intending to worship, is good and appropriate which means it must be in accordance with Sharia, Halal, and thayib because everything used to support the lifestyle must be halal in Islamic law and thayib or not harm others (Nashori et al., 2019).

Indicators of Consumptive Behavior

According to Adiputra and Moningka (2012), the indicators of consumptive behavior are as follows:

- 1) Buying products because of special offers Consumers buy because of special offers if they buy these goods.
- 2) Buying products, because they look attractive Consumers, are very easy to buy goods because they look attractive. This means that the motivation to buy the product is only because the appearance of the product is attractive.
- 3) Buying products to maintain self-appearance and prestige Consumers have a high desire to buy, because in general, they have characteristics in dressing, dressing up, and so on.
- 4) Buy products on price considerations not on the basis of their benefits or usefulness.
- 5) Buying products is just keeping the status symbol Students buy a product that can provide a symbol to look cooler than others
- 6) Wearing products because of the element of conformity to models who advertise, tend to imitate the behavior of the characters they idolize by using products used by their idols.
- 7) Buying products at expensive prices to increase self-confidence Consumers are encouraged to try a product because they believe what the advertisement says can foster confidence, Buy products to increase confidence by buying expensive products because of the urge to follow others.
- 8) Trying more than two similar products Consumers will tend to use products with the same type but different brands from the previous one they used, even though the product has not been used up

Consumptive behavior refers to the purchasing habits of individuals driven more by desires than essential needs, often characterized by a penchant for a lavish and extravagant lifestyle. In Kotler's perspective, it involves the act of acquiring goods or services driven by a desire to possess rather than actual needs. This desire-driven consumption is fueled by the pursuit of pleasure, lacking a clear distinction between essential needs and mere wants or requests (Khairat 2018). Islam, as a guiding principle for life, provides a unique perspective on consumptive behavior that differs from conventional economic approaches such as utility and marginal satisfaction. Instead of focusing solely on quantitative measures, Islam places emphasis on the normative aspects of consumption. According to Islamic teachings, satisfaction derived from consumption

should align with the principles and guidelines set forth by Islam itself. Muslim consumers are encouraged to find contentment in their consumption behaviors by adhering to Islamic norms. It discourages mimicking the consumption patterns of those who prioritize worldly desires without considering moral and ethical values (Ramanadham, 2019). In essence, this Islamic perspective on consumptive behavior introduces a holistic approach that integrates ethical considerations into the realm of consumption, promoting a balance between material desires and adherence to Islamic values.

3. Conclusion

Consumerism, defined as the excessive and inappropriate consumption prioritizing wants over needs, involves individuals or groups engaging in the use of consciously and sustainably produced goods, thereby eliminating the priority scale. Consumptive behavior, as described by Kotler, manifests when buyers prioritize desires over needs, leading to a luxurious and excessive lifestyle. This behavior is characterized by the consumption of goods or services driven by the desire to possess and fulfill pleasure desires rather than addressing actual necessities. In essence, consumerism and consumptive behavior reflect a trend where material wants supersede essential needs, influencing lifestyle choices and purchasing decisions.

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