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Customer Experience Towards Contactless Payment Service Practices in the Pandemic COVID-19 Era. A Case Study: Fast Food Restaurants

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Abstract: Fast food restaurants have faced a new norm in which all services operate with minimal contact, but this poses a significant problem for some. This issue is supported by the current scenario, which demonstrates a lack of customer readiness to use technology during the payment process. Furthermore, cash payment is still the most popular method of payment among consumers. At the same time, the lack of research into the user experience with contactless payment remains a concern. As a result, this study investigates the customer experience with contactless payment and the factors that influence such perception. An exploratory case study with a qualitative approach was used as the design. Purposive sampling was used to select participants for this study, which consisted of customers who walked into fast-food restaurants. Interviews and observations were used to collect data for this study. All interviews and observations will be verbatim transcribed. As a result, there is one component that is the most prominent and has been classed as a novel finding which is perceived risk, followed by perceived usefulness, perceived ease of use, effort expectancy, performance expectancy and social influences. The findings of this study are expected to spark a surge in improving service quality and contactless service in fast-food restaurants.

Keywords: Contactless payment, customer experience, factors influencing contactless payment usability

1. Introduction

In developed countries, contactless payment is widely used as an option in the payment transaction. Meanwhile, in developing countries, contactless payment is new and rapidly emerging as an option in the payment transaction. Besides, contactless payment is one of the innovations in the payment transaction revolution that has been introduced recently. According to Wang & Lin's (2019) study, in Taiwan, the advances in mobile and wireless communication technologies such as near field communication (NFC), radio frequency identification (RFID), infra-red (IR), Bluetooth and mobile technology had created a new transaction innovation and payment method. Users have the ability to conduct non-contact and mobile payment transactions.

The contactless trend in restaurants offers consumers new and exciting experiences, such as electronic kiosks that can detect the touch of a finger or object on a screen (Brendell et al., 2017). McDonald's is one of the fast-food restaurants that offer mobile payment systems in order to increase customer loyalty. Jamil (2019) stated that self-service technology effectively improves sales and customer experience and simplifies the ordering and payment process only through electronic kiosks.

The government's policy to promote a cashless society in the near future is consistent with the announcement of an E-wallet incentive worth RM30.00 (first phase) distributed to all Malaysians aged 18 and above, as well as those with

annual incomes less than RM100,000, as part of the Malaysia Budget 2020 (Teoh et al., 2020). With an allocation of RM567.9 million, the second phase of the e-wallet incentive program worth RM50.00 benefited 11.36 million Malaysians through the redemption of one of three different applications, namely Boost, Grabpay, and Touch n Go.

However, consumers are not unfamiliar with contactless payment technology. The global COVID-19 pandemic has compelled the community to accept a new normal, including in restaurants. The goal is to ensure that restaurant operations follow established procedures while on the verge of an outbreak. Hu et al. (2021) conducted research to understand better how organizations in the hospitality industry can ensure employee compliance with safety requirements and protocols to eradicate this virus in response to this unexpected health crisis. Among the measures listed is the Safety-first Strategy, which is designed to respond to external threats that threaten the firm's ability to meet employees' physical safety and security during a crisis.

1.1 Research Question

This study is to answer the following research questions:

- What are the customer experiences when using contactless payment systems in fast-food restaurants?
- What factors influence customers' willingness to use contactless payment in fast-food restaurants?

As a result, the information and materials gathered can aid in answering the question of how consumers use technological facilities to address these issues. Researchers will investigate their experiences with contactless payment transactions by focusing on customers in fast food restaurants. Meanwhile, the factors that encourage customers to use this technology are identified to demonstrate their level of satisfaction. The study's findings contribute to a comprehensive description of customer perceptions of restaurant operators' services. Discipline and an understanding of the concept of social distance in the context of change during a pandemic are also explained when establishing a safe procedure for receiving services and services in food restaurants (Yaacob et al., 2021).

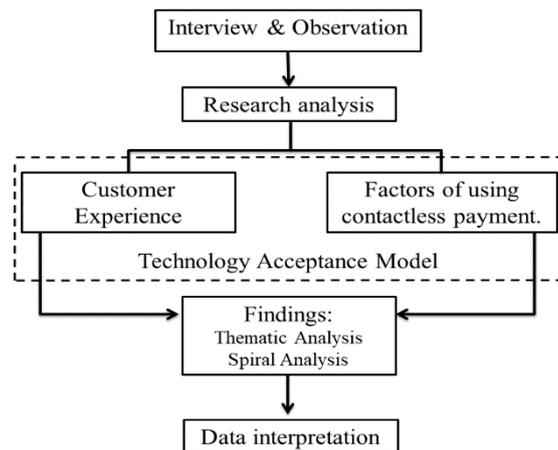


Fig. 1: Conceptual framework approach

Fig. 1 illustrate research framework from data collecting until the final presentation. The core of this research was using Technology Acceptance Model (TAM) model in analyzing customer acceptance towards contactless payment technologies.

2. Methodology

2.1 Data Collection

An exploratory case study using a qualitative approach via the interview and observations method was used in one of the international franchise fast-food restaurant. A qualitative approach was used to investigate the customer experience with contactless payment as well as to identify the selection factors for this method's acceptance. Similarly aligned with Hamzah's (2010) view, a qualitative approach was conducted and focused on the quality of information access rather than the size and number of respondents. In this study, the researcher employs a purposive sampling technique, and three participants were interviewed.

2.2 Data Analysis

The data was analyzed through thematic analysis using spiral analysis. The analysis process begins with identifying the interview material transcribed into the text, followed by coding, and concludes with information presented in the form of matrices, flow charts, tables, or diagrams (Creswell & Poth, 2018).

3. Results and Discussion

3.1 Customer Experience

The consumer experience is an important factor in influencing one's intention and behavior toward something. Experience can be obtained in three ways which are sensory experience involving individual senses, emotional experience, and social experience (Prastyaningsih, 2014). These three situations play a role in persuading participants to use the contactless payment method.

3.1.1 Sensory Experience

Sensory experience is one marketing strategy that uses the senses to influence user perceptions, intentions, and behavior (Chen & Lin, 2017). The actions of users who feel for themselves how to use the electronic kiosk when making orders and payments demonstrate sensory experience. According to the findings of the interviews, every customer who enters this premise will see and feel the experience of using the electronic kiosk provided. In fact, the sense of sight was also identified during the interviews. It demonstrates the existence of experience when users observe the actions of others, influencing them to try it. Furthermore, the ease on the electronic kiosk manual was displayed on the screen. The electronic kiosk manual makes it easy for users to understand and follow the appropriate steps.

3.1.2 Emotional Experience

Emotion is a subjective state of mind that can influence the intentions and behaviors of an individual's affective message. The user's emotional response is not only visible for a brief moment, but it also remains in their consciousness. Emotional experiences, in fact, are more persuasive than cognitive messages.

Based on the participant's responses, the words "excited" and "happy" were identified. When they are faced with the prospect of trying new things, they experience feelings of excitement. Customers are happy to continue using contactless payment because they accept technology that makes their lives easier. Furthermore, feelings of anxiety and doubt were recorded. Participants in the interviews claimed that they had reservations about using contactless payment at first because they were afraid of making a mistake or causing unintended consequences. In the meantime, there have been incidents where electronic kiosks have malfunctioned.

3.1.3 Social Experience

The social experience is one of the factors that can influence individuals' social perceptions through their behavioral actions (Su et al., 2018). Trends are one of the social elements. Given the current situation involving the pandemic and the spread of the COVID-19 virus, a new trend has emerged to ensure that all operations are carried out in accordance with proper procedures. The outlined procedures are well known for ensuring that social activities are carried out by lowering the infection rate. Friends and other people in the environment can also create experiences. Each social experience, such as family, schooling, peers, and mass media, can have an impact on an individual's socialization procedures. Each of these social effects has the potential to influence people's thoughts, feelings, and behaviors (Prastyaningsih, 2014).

3.2 Factors influencing contactless payment usability

The study indicates the most prominent component and has been classified as a novel finding is perceived risk. Based on the frequency of repeating answers was examined. Thus, proposed constructs like perceived ease of use, perceived usefulness, performance expectancy, effort expectancy and social influences. Consumer intentions can be influenced by levels of trust and satisfaction (Zhou, 2015). According to Killian & Kabanda (2017), beliefs, hazards, and habits of the technology users can all influence intentions.

Table 1: Factors that have the most influence on user behavior

| Analysis | Frequency |
|------------------------|-----------|
| Perceived Risk | 20 |
| Perceived Usefulness | 16 |
| Perceived Ease of Use | 12 |
| Effort Expectancy | 6 |
| Performance Expectancy | 6 |
| Social Influences | 4 |

3.2.1 Perceived Risk

Risk is subjective consumer anticipation that causes the mind to fear a loss before realizing the desired outcome (Wang & Lin, 2019). The contactless payment mechanism, for example, can raise concerns about privacy and transaction accuracy. Customers will be more likely to trust cash in this case since it is tangible and easy to use without having to consider the risk involved. In fact, customers consciously or unconsciously are likely to bear the risk when making a transaction valuation. As a result, cashless payment reduced the likelihood of COVID-19 infection transmission. The study participants' awareness of COVID-19 transmission's more contagious and worrying motivated them to continue using contactless payment wherever they went. The finding is supported by the words "infectiousness" and "awareness" recorded from the interview transcript. The closer interaction between confirmed cases and health workers may increase the chance of COVID-19 infection (Prem et al., 2020).

3.2.2 Perceived Usefulness

Davis et al. (1989) defined perceived usefulness by an individual's belief in the use of technology to improve his or her management performance. The survey participants offered a favorable response to their experience with contactless payment services. The benefits of virtue provide a positive return on investment for the individual. Customers do not have to carry along numerous personal belongings such as handbags or cash to make payments, as the results of the interviews successfully highlight this situation in greater detail. The finding is supported by the mentality of consumers who like to dress casually and move around wherever they go.; which means that solely using contactless payment using a card or scanning a QR code can reduce the number of goods brought for consumer convenience. Besides, the benefits that they got were also linked to the mobility of self-movement. According to interviewees, the existence of technology in contactless payment has facilitated the use of money. Thus, they do not need to bother with cash transactions at banks to make payments at fast-food restaurants. The circumstance is further backed by the viewpoint of a third party, who believes that using a card is more convenient because all transactions may be completed concurrently without the need for cash.

3.2.3 Perceived Ease of Use

A facilitative state is defined by Rahmawati & Yuliana (2020) as an individual's conviction in the technological acceptance of infrastructure that can enable the usage of technology. For example, the construction on infrastructure of technology will be provided with its user manual as a facilitator and training to introduce the functions provided. So, people are learning to use contactless payment as conditions become more advanced. As mentioned in the first sample, the adoption of technologies in various fast food restaurants encourages customers to use contactless payment because it is advantageous and simple to use. In another word, the technological features introduced that provided have prompted clients to try out the capabilities when making payments. Moreover, the interviewee also claims the direct payment method used, which deducts the amount on the card account, is able to alleviate the customer's concerns about not having enough money to complete the order.

3.2.4 Effort Expectancy

The depth of individual comprehension of the user's convenience in using technology is referred to as effort expectancy (Mohamad & Kassim, 2019). Consumers will have a higher level of favorable expectation by the benefits of technology if they believe that it can help them with payment transactions. It demonstrates how easy they believe technology like online banking systems is to learn and use; in fact, they are more likely to utilize this method in the long-term (Teoh et al., 2020). Compared to traditional cash payment methods, contactless payment has shown to be easier and more successful in streamlining the payment process. It is also influenced by the effort made by the individual to make use of the available resources. This statement can be shown by the first sample where people nowadays tend to use smartphones to deal with everything. Furthermore, smartphone use is very prevalent in people' daily lives, especially given their easy accessibility. The customer just needs to scan the QR codes to make payment or money transactions. Besides, some people will use contactless payment when they have no cash physically.

3.2.5 Performance Expectancy

Performance expectancy refers to the experience measurement on adopting the contactless payment system that can assist and produces favorable outcomes when making online transactions, including speed, security, and transaction convenience (Rosnidah et al., 2019; Venkatesh et al., 2003). As a result, the simplicity of using contactless payment technology can raise consumer expectations that can improved technology performance. This concept is supported by Venkatesh et al. (2003), which found that performance expectations influence behavioral intentions. Compared to cash payments, the contactless payment method can speed up making transactions, as participants mentioned. Apart from the utilization of limited time, it can prevent congestion in the premises. The less crowded fast-food restaurants are also able to meet the standard operating procedure for fast food establishments to operate in accordance with the established rules (Block et al., 2020). As a result, a safe ambience for customers as well as fast-food restaurants can be developed, limiting the spread of COVID-19.

3.2.6 Social Influences

A level of individual feeling that influences or is influenced by consumers in their environment on actions to use new technological innovation systems is referred to as social influence (Mondego & Gide, 2018; Rosnidah et al., 2019; Venkatesh et al., 2003). Family members, coworkers, and members of the local community are examples who can influence individual actions by providing favorable perspectives, impressions, or experiences about the use of technology. Moreover, the government has been encouraged to establish a security mechanism in order to ensure the sustainability of economic and social activities, a simple analogy that highlights the feature of social influence through the consequences of pandemics related to the global crisis. Customers' intentions to be more positive in employing a contactless payment approach are influenced by the perceived hazards of virus transmission (Aji et al., 2020). As a result, the public is urged to follow protocols in order to safeguard their own and others' safety. Hu et al. (2021) support this viewpoint, stating that restaurants require more careful conditions and high-risk awareness due to the many contact flows that occur within the premises.

4. Conclusion

Consumers and businesses worldwide are becoming more aware of contactless payments as a viable alternative to cash, cheques, and credit cards. Various parties have expressed optimism that this strategy will be used more frequently, especially when a new era dawns in which all activities and movements are restricted, particularly in public locations such as fast food outlets. This study alone could not properly examine the elements influencing behaviour and the desire to propose its use for the future of technology.

After analysing the data, researchers discovered that perceived risk was the most powerful factor impacting customer acceptance of contactless payment, followed by perceived usefulness, perceived ease of use, effort expectancy, performance expectancy, and social influence. The frequency of remarks made by study participants during the interview was utilized to establish the order of these criteria. Meanwhile, interviews with fast-food restaurant management revealed that the total percentage of customers who use contactless payment daily is roughly 20 percent of total customer attendance. The finding demonstrates that there is low perception of customers to contactless payment at the fast food. Even yet, with the facilities available, such as electronic kiosks, and the practice of some consumers who are accustomed to using contactless payment in their daily life, contactless payment can still be employed here.

In the current epidemic period, aggressive efforts to increase the adoption of contactless payment should be advocated. The use of contactless payment as a whole can ensure that fast food restaurants' premises are a safe workplace for both employees and consumers. As a result, not only is this adoption being resisted by a tiny percentage of people, but all parties must work together to create the norm of a cashless society that is in line with the circulation of technical innovations in the national economy, particularly in fast food outlets.

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