Factors influencing affinity of eSewa-Mobile Wallet: A case study in Kathmandu Valley

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Abstract

This study examines the factors influencing user's affinity of eSewa (mobile wallet) in Kathmandu Valley. User's affinity towards eSewa is the dependent variable. The selected independent variables are transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers. The primary source of data is used to assess the opinions of respondents regarding transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers provided by mobile wallet in Kathmandu Valley. The study is based on primary data of 123 respondents. To achieve the purpose of the study, structured questionnaire is prepared. The correlation and multiple regression models are estimated to test the significance and importance of transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers on user's affinity towards eSewa mobile wallet.

The study showed a positive impact of transaction convenience on user's affinity. It indicates that providing transaction convenience to the users leads to increase in user's affinity towards eSewa. The study showed a positive impact of compatibility on user's affinity. This implies that compatible system leads to the increase in user's affinity towards eSewa. The study also revealed a positive impact of ease of use on user's affinity. It implies that user friendly system leads to increase in user's affinity towards eSewa. Likewise, the study observed a positive impact of perceived security on user's affinity. It indicates that secured system leads to increase in user's affinity towards eSewa. Similarly, the study observed a positive impact of perceived trust on user's affinity. It implies that higher level of trust towards the mobile wallet drives user's affinity towards eSewa. Rewards and offers has a positive impact on user's affinity. It shows that the frequent rewards and offers stimulates user's affinity towards eSewa mobile wallet. The regression also shows that the beta coefficients are positive for transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers are significant for all the independent variables at one percent level of significance.

Keywords: Transaction convenience, compatibility, ease of use, perceived security, perceived trust, rewards and offers, and user's affinity towards eSewa.

1. Introduction

   The mobile wallet is defined as application of mobile payment that

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has functionality to supplant a conventional wallet and more. A mobile wallet is a much-advanced versatile application that includes elements of mobile transactions, as well as other items one may find in a wallet, such as membership cards, loyalty cards and travel cards. (Yang, 2005). Mobile payment or m-payment is defined as any payment in which a mobile device is utilized to initiate, authorize, and confirm a commercial transaction (Au and Kauffman, 2008). Mobile payment is a natural evolution of electronic payment, and enables feasible and convenient mobile commerce transactions (Mallat, 2007). The mobile wallet is a new application of mobile payment that functions as a replacement for the conventional wallet and more (Sumathy and KP, 2017).

The mobile wallet is a new application of mobile payment that has the functionality to replace a conventional wallet and more. It also stores sensitive and personal information like passwords, credit card information, PIN codes, linked bank accounts, booking details, and insurance policies that can be encrypted or password protected. Mobile wallets have been in use for many years and have gained ground (Dalhberg *et al*., 2008). Xin *et al*. (2015) described the mobile payment as a method of conducting a payment process through mobile devices. The study further claimed that consumers could be vulnerable to attack in the payment ecosystem which could affect their willingness to adopt the payment technology.

The factors affecting this willingness formed the bases for consumers' trust in mobile payment adoption. Both in-store and online are increasingly pervasive due to technology advancement and global communication, although with business opportunities, new threats for financial services are on the rise due to modern technologies (Al-Furiah and Al-Braheem, 2009). The increasing number of smartphone owners worldwide has paved the way for traditional banking payment services, and non-financial companies, like Google, to attract new customers and open up new markets by extending their range of products and services, particularly those concerning offering innovative payment alternatives (Meyll and Walter, 2018).

Wadhera *et al*. (2017) classified m-wallets into four different categories i.e., semi-closed m-wallets, semi-opened m-wallets, open m-wallets, and closed m-wallets. M-wallets have created a competitive business environment for technological companies, financial institutions, and other merchants as m-wallets are attaining considerable market growth due to merchants' realization about their potential (Mombeuil, 2020). M-wallets are comparatively more advantageous and convenient than conventional payment

systems as m-wallets allow users to avoid cash, facilitate person-to-person remittance transfers and allow remote and proximity payments (Johnson et al., 2018)

Ahmad and Zubi (2011) examined the functionality of internet banking and consequences of customer satisfaction. The variables like privacy, accessibility, design, convenience, content and security were found to be significant influencer for customer satisfaction. Furthermore, it is pertinent to state that privacy, content and security have the most numerous impacts on customer satisfaction rather than accessibility and design. The innovative technology provides improved information about the products which affect customer adoption. Customers try to research the product before buying, and consumers try to adopt e-payment functions and get the details about the procedure, advantages, disadvantages feature, security, and privacy options (Pikkarainen *et al*., 2004). Dubey and Srivastava (2016) analyzed the impact of service quality on customer relationship management and customer loyalty in the Indian telecom sector. Out of the five dimension of service quality, tangibility and assurance have significant and positive impact on customer relationship management, while tangibility has a significant impact on customer loyalty.

Dastan and Gurler (2016) investigated the factors affecting the adoption of mobile payment systems by the consumer. The empirical findings pointed out that perceived trust, perceived mobility, and attitudes positively affect the adoption of Mobile Payment Systems (MPS); perceived usefulness and perceived ease of use do not affect the adoption of MPS. Furthermore, perceived reputation is positively related to perceived trust and finally, environmental risk is negatively related to the perceived trust. Rathore (2016) assessed the various factors that can affect a consumer's decision to adopt a digital wallet as a mode of online payment. The results highlighted a significant relationship between the selection of digital wallets as a mode of payment with pricing, convenience in buying products online, ease of use, brand loyalty, security, privacy, the utility of innovation, the usefulness of digital wallets, and discount offers. Muhtasim *et al*. (2022) aimed to determine an efficient framework that caters to the security and consumer satisfaction of digital wallet systems. The study concluded a significant relationship between mobile payments with transaction speed, authentication, encryption mechanisms, software performance, privacy details, and information provided.

Alsamydai *et al*. (2012) examined the factors affecting customer satisfaction for the continuation of dealing with E-banking services. Results

indicated that the factors relating to E-banking service quality, personal factors, and perceived usefulness have an influence on consumer satisfaction in dealing with E-banking services. Islam and Himel (2015) investigated the variables that customers consider important for their satisfaction so that marketers can make corrections and improvements in their services. Results indicated that variables having significant impact are cost, safety, sincerity, convenience, information, knowledge, willingness, accessibility, price, promptness, and quickness. Shaw (2015) examined the mediating role of perceived security in an empirical study of mobile wallet adoption in the USA. The results showed a positive relationship between perceived security, perceived usefulness, perceived innovativeness, and perceived ease of use with the adoption of mobile wallets in the U.S.A.

Aydin and Burnaz (2016) examined the factors contributing to consumer attitude development towards and intention to use mobile payment systems. The results highlighted the importance of ease of use and usefulness in attitude development. On the other hand, security concerns were found to have a low level of effects on attitudes and use intention. Madan and Yadav (2016) investigated the factors that affect consumers' adoption of mobile wallets as an alternative method of making payments to purchase goods and services. The results indicated performance expectancy, social influence, facilitating conditions, perceived risk, perceived value, PRS, as well as PBS, to be significant factors in predicting behavioral intentions to adopt mobile wallet solutions. The study also found that the impact of effort expectancy is statistically insignificant.

Tu (2019) assessed knowledge about the current state of mobile wallets in Ho Chi Minh City, with a focus on examining the effects of perceived factors on the residents of Ho Chi Minh City, and providing recommendations. The results concluded the independent variables perceived usefulness, perceived ease of use, social influence, perceived credibility, perceived costs, variety of services, mobility, and behavioral intention have a significant relationship with the adoption of mobile wallets. Chawla et al. (2019) examined the online buying behavior of Indian retail customers in the preference for E-wallet as a payment platform and the factors as drivers to shift from other payment options. The results concluded that four important factors which had a significant relationship were positive attitude, compatibility, perceived trust, and risk concerns.

Shafie et al. (2018) examined the antecedents of the factors that influence customers to adopt the electronic payment system while making payments.

The findings indicated that factors like culture, perceived quality, performance expectancy, effort expectancy, and also social influence were significant to affect the customer's adoption of the electronic payment. Ranaweera and Prabhu (2003) explained a holistic approach for analyzing the combined effects of satisfaction, trust and switching barriers on customer retention in a continuous purchasing setting. The result of the study explained that switching barriers have both a significant positive effect on customer retention as well as a moderating effect on the relationship between satisfaction and retention.

Rod *et al*. (2009) examined the association between the service quality of internet banking and customer satisfaction in New Zealand by using SERVQUAL instrument. The results of the study showed that the dimensions of service quality of internet banking have a positive as well as an indicative relationship with the customer satisfaction. Ramavhona and Mokwena (2016) investigated factors that influence the adoption and use of Internet banking in the context of South African rural areas. The results concluded that perceived compatibility, trial ability, and external variables such as awareness and security to have a significant relationship in the adoption of internet banking.

In the context of Nepal, electronic payment (e-payment) systems are increasingly popular in Nepal, due to the widespread use of internet for shopping and banking services as well as COVID-19 have influence people in using e-payment channels. Aryal (2021) concluded that benefit, ease of use, security and self-essence influence Nepal consumers' perception of e-payment systems, while trust is not significantly associated with consumers' perception of e-payment. Likewise, Adhikari (2019) highlighted that convenience, time savings, security and communication are significant determinants influencing e-banking in Nepal. Shrestha (2020) concluded a significant positive high correlation between security and information with customer satisfaction and a significant positive moderate correlation between quality and customer satisfaction. The study also highlighted positive low correlation between price and customer satisfaction towards e-payment.

Moreover, Timsina (2020) found a positive and significant relationship of perceived usefulness, perceived risk, perceived ease of use, and adoption of electronic payment services in the context of Nepal. Sthapit and Bajracharya (2019) examined the association between the perception of business school students and their adoption of e-banking services. The study found a significant relationship of customer perception of usefulness, ease of use, and risks with the adoption and use of e-banking services. Paudel (2015) analyzed the relationship between consumer intention and different attitudinal factors

like perceived usefulness, perceived ease of use, facilitating condition, self-efficacy, different risk factors, trust and internet banking adoption in Nepal. The study highlighted a positive relationship between consumer intention and different attitudinal factors like perceived usefulness, perceived ease of use, facilitating condition, self-efficacy, different risk factors, trust, and internet banking adoption in Nepal.

The above discussion shows that empirical evidences vary greatly across the studies concerning the factors influencing the affinity of mobile wallets. Though there are above mentioned empirical evidences in the context of other countries and in Nepal, no such evidence using more recent data exists in Nepal. Therefore, in order to support one view or the other, this study has been conducted.

The major objective of the study is to examine the factors influencing the user's affinity of eSewa mobile wallet in Kathmandu Valley. More specifically, it examines the relationship of independent variables (i.e., transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers) with the user's affinity of eSewa mobile wallet.

The remainder of this study is organized as follows: section two describes the sample, data, and methodology. Section three presents the empirical results and final section draws the conclusion.

2. Methodological aspects

The study is based on the primary data. The data were gathered from 123 respondents through questionnaire. The respondents' views were collected on transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers in eSewa mobile wallet within Kathmandu Valley.

The model

The study assumes that user's affinity depends upon several factors. As a first approximation to the theory, this study assumes that the user's affinity of mobile wallet; eSewa depends on transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers. Therefore, the estimated model takes the following form:

$$UA = \beta_0 + \beta_1 \, TC + \beta_2 \, C + \beta_3 \, EOU + \beta_4 \, PS + \beta_5 \, PT + \beta_6 \, RO + e$$

Where,

UA = User's affinity

TC = Transaction convenience

C = Compatibility

EOU = Ease of use

PS = Perceived security

PT =Perceived trust

RO = Rewards and offers

β_0 = Intercept of the dependent variable

e = Error term

β_1, β_2, β_3, β_4, β_5 and β_6 are the beta coefficients of the explanatory variables to be estimated

Transaction convenience was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "eSewa allows quick transfer of funds", "eSewa is hassle free mode of online payment" and so on. The reliability of the items was measured by computing the Cronbach's alpha (α = 0.772).

Compatibility was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "eSewa saves time and effort engaged in going back and forth to bank for transaction", "eSewa suits my need for payment alternatives" and so on. The reliability of the items was measured by computing the Cronbach's alpha (α = 0.706).

Ease of use was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "Sending money through eSewa is pretty easy", "The eSewa application is user friendly" and so on. The reliability of the items was measured by computing the Cronbach's alpha (α = 0.756).

Perceived security was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "I believe my personal information known to eSewa is secure", "I consider my transactions done from eSewa are safe and secure" and so on. The reliability

of the items was measured by computing the Cronbach's alpha ($\alpha = 0.864$).

Perceived trust was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "I trust in the ability of eSewa to protect my privacy", "I trust in the ability of eSewa to protect my confidential information" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.857$).

Rewards and offers was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "I am aware about the offers and rewards provision of eSewa", "Rewards and offers like- cash back, reward points, seasonal rewards, promotional rewards, etc. motivate me to prefer mobile wallet eSewa over hard cash transaction" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.874$).

User's affinity was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include "I prefer using eSewa than other mobile wallets", "The services offered by eSewa is better than other mobile wallets" and so on. The reliability of the items was measured by computing the Cronbach's alpha ($\alpha = 0.838$).

The following section describes the independent variables used in this study along with the hypothesis formulation.

Transaction convenience

Transaction convenience is defined as consumers' perceived expenditures of time and effort to affect a transaction (Berry *et al*., 2002). Liu *et al*. (2015) studied the adoption of M-coupon apps, and the results showed that convenience has a positive impact on adoption intention. Toma (2012) highlighted that a mobile payment must be easy to use, interoperable and with other payment platforms and anonymous to influence consumers' attitudes. The study further concluded that the ease of use and interoperability would establish customers' trust to adopt the digital payment method. Hayashi (2012) found that the main motivation for using a specific payment instrument is convenience. Teo *et al*. (2014) and Ozturk *et al*. (2017) showed that perceived transaction convenience positively affects behavioral intentions. Furthermore, Chen *et al*. (2022) investigated the factors affecting the adoption intention mobile payment of OVO. The study highlighted perceived transaction

convenience positively affects adoption intentions to adopt adoption intentions. However, Teo (2015) highlighted transaction convenience to be the factor of adoption intention of mobile payment was unsupported. Based on these, this study develops the following hypothesis:

H_1: There is a positive relationship between transaction convenience and user's affinity to eSewa.

Compatibility

Compatibility refers to the degree to which innovation is regarded as being consistent with the potential end-users' existing values, prior experiences, and needs (Agarwal *et al*., 2000).

Kaur *et al*. (2020) highlighted higher values of compatibility between the users' needs and the m-wallets will lead users to enhanced intentions to use m-wallets. Chen *et al*. (2019); Schmidthuber *et al*. (2020) concluded in the contexts of m-wallets and mobile payments, compatibility as a stronger factor of usage intention. The results further highlighted that if consumers will find m-wallet compatible with their beliefs, needs, and experience, they will intend to use them. In the context of this study, greater compatibility means higher consistency between m-wallets and consumers' needs. Agarwal and Prasad (2000) reported a positive relationship between an individual's prior compatible experiences and the new information technology acceptance. The study further confirmed that the extent of prior experience with similar technologies was positively associated with an information technology use. Moreover, Chau and Hu (2001) found the effect of compatibility to be significant related to perceived usefulness. Wu and Wang (2005); Chang and Tung (2008) found that compatibility has a significant positive and direct effect on perceived usefulness of mobile wallets. Based on these, this study develops the following hypothesis:

H_2: There is a positive relationship between compatibility and user's affinity to eSewa.

Ease of use

Perceived Ease of Use (PEU) is the degree to which an individual believes that using a particular system would be free of effort (Davis, 1989). Ease of use is the most prominent determinant of intention-to-use m-wallets/ mobile payments (Johnson, 2018; Di Pietro *et al*., 2015; Aydin, 2016). PEU has a positive effect on the end-users' behavioral intention as well as the perceived usefulness of the system (Chin and Todd, 1995). Yang (2005)

highlighted that perceived ease of use has a significant influence on perceived usefulness. Likewise, Lu *et al.* (2003) also found that perceived usefulness positively influences users' intention through perceived ease of use. In addition, studies using TAM have shown that perceived ease of use has a significant influence on user's behavioral intention (Chang and Tung, 2008; Yang, 2005). The studies further concluded that perceived ease of use affected the attitude of users towards mobile commerce, coupled with the individual's creativity, past experience, relevant knowledge, technology groups, gender, age, and occupation. Morris and Venkantesh *et al.* (2000) found that the ease of use of older employees has a greater impact on the usability of new technologies in the workplace than on younger employees. Based on these, this study develops the following hypothesis:

H_3: There is a positive relationship between ease of use and user's affinity to eSewa.

Perceived security

Security is defined as the degree to which a customer believes that using a particular mobile payment procedure will be secure (Shin, 2008; Yenisey *et al.*, 2005). Shin and Kim (2008) found that the feeling of security is largely determined by the users feeling of control of the interactive system of mobile wallet usage. Likewise, Khodawandi *et al.* (2003) identified the perceived risk or the subjective uncertainty, respectively, as the most important acceptance barrier for m-payment systems. Schierz *et al.* (2010) found the positive impact of the perceived security on the use of the procedures is more pronounced with the increasing age of users. In addition, Shaw (2015) confirmed that perceived security is a mediating factor in the usage of mobile banking. Based on these, this study develops following hypothesis:

H_4: There is a positive relationship between perceived security and user's affinity to eSewa.

Perceived trust

Perceived trust is defined as the physiological state of the consumers to accept risks in online transactions based upon their positive expectations from the behaviors and intentions of the service provider (Matemba and Li, 2018).

Saraswat (2017) highlighted other factors along with concerning trust as significant in adoption of internet banking. Qasim and Abu-Shanab (2016) concluded trust as significant in adoption of internet banking. Slade

et al. (2015) highlighted that trust is the primary factor in mobile usage adoption. Different empirical studies concluded that during the COVID-19 pandemic in emerging countries, trust is important in usage of mobile wallets (Saraswati *et al*., 2021; Wong and Mohamed, 2021). Moreover, Kalinic *et al*. (2019) concludes consumers' trust in technologies positively influenced their intention to use the technology since they perceive it safe, reliable, and trustworthy and they decide to use the technology. Based on these, this study develops following hypothesis:

H_5: There is a positive relationship between perceived trust and user's affinity to eSewa.

Rewards and offers

Augsburg and Hedman (2014) found that rewards and offers in the digital mobile wallet has a positive impact on the intention to adopt mobile payment methods. Similarly, Escobar-Rodríguez and Carvajal-Trujillo (2014) stated that lower price is positively associated with usage intention of mobile wallets. In fact, practical study about Go-Pay, an Indonesian mobile wallet, expressed that there is not any monetary cost for Go-Pay, but customers still enjoy its lower price (Putri, 2018). Moreover, consumers are motivated to reserve their products or services through online platforms since they believe that they can save both tangible (money) and intangible (time) values (Wu and Chang, 2005). Rodríguez *et al*. (2014) concluded that price-saving orientation should be added as a new construct in the UTAUT2 model since it enables to predict intentional and actual usage of mobile wallets. Based on these, this study develops following hypothesis:

H_6: There is a positive relationship between rewards and offers and user's affinity to eSewa.

3. Results and discussion

Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall's Tau correlation coefficients along with mean and standard deviation has been computed and the results are presented in Table 1.

Table 1: Kendall's Tau correlation coefficients matrix

This table presents Kendall's Tau coefficients between dependent and independent variables. The correlation coefficients are based on 123 observations. The dependent variable is UA (User's affinity). The independent variables are TC (Transaction convenience), C

(Compatibility), EOU (Ease of use), PS (Perceived security), PT (Perceived trust), and RO (Rewards and offers).

Variables	Mean	S. D	TC	C	EOU	PS	PT	RO	UA
TC	2.02	0.62	1						
C	1.84	0.54	0.521**	1					
EOU	2.13	0.61	0.540**	0.398**	1				
PS	2.05	0.65	0.357**	0.348**	0.370**	1			
PT	2.19	0.71	0.334**	0.353**	0.351**	0.641**	1		
RO	2.57	0.85	0.382**	0.387**	0.344**	0.386**	0.438**	1	
UA	2.23	0.67	0.540**	0.403**	0.445**	0.499**	0.461**	0.493**	1

Notes: The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent levels respectively.

Table 1 reveals that transaction convenience is positively correlated to user's affinity. It indicates that providing transaction convenience to the users leads to increase in user's affinity towards eSewa. The result also reveals that compatibility is positively correlated to user's affinity of eSewa. This implies that compatible system leads to the increase in user's affinity towards eSewa. Similarly, ease of use is positively correlated to user's affinity of eSewa. It indicates that user friendly system leads to increase in user's affinity towards eSewa. Further, perceived security is also positively related to the user's affinity to eSewa. It indicates that secured system leads to increase in user's affinity towards eSewa. Likewise, perceived trust is positively correlated to user's affinity. It implies that higher level of trust towards the mobile wallet drives user's affinity towards eSewa. Further, rewards and offers are also positively correlated to the user's affinity of eSewa. It indicates that the proper and frequent rewards and offers stimulates user's affinity towards eSewa mobile wallet.

Regression analysis

Having indicated the Kendall's Tau correlation coefficients, the regression analysis has been carried out and the results are presented in Table 2. More specifically, it presents the regression results of transaction convenience, compatibility, ease of use, perceived security, perceived trust, rewards and offers on user's affinity of eSewa in Kathmandu Valley.

Table 3: Estimated regression results of transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers on user's affinity towards eSewa in Kathmandu Valley

(The results are based on 123 observations using linear regression model. The model is UA

$= \beta_0 + \beta_1 TC + \beta_2 C + \beta_3 EOU + \beta_4 PS + \beta_5 PT + \beta_6 RO + e$, where the dependent variable is UA (User's affinity). The independent variables are TC (Transaction convenience), C (Compatibility), EOU (Ease of use), PS (Perceived security), PT (Perceived trust) and RO (Rewards and offers).

Model	Intercept	Regression coefficients of						Adj. R_bar²	SEE	F-value
		TC	C	EOU	PS	PT	RO			
1	0.802 (5.017) **	0.705 (9.292) **						0.412	0.516	86.333
2	1.016 (5.537) **		0.656 (6.859) **					0.274	0.574	47.046
3	0.865 (4.740) **			0.639 (7.739) **				0.326	0.553	59.892
4	0.782 (5.178) **				0.703 (10.003) **			0.448	0.500	100.063
5	0.884 (5.801) **					0.613 (9.224) **		0.408	0.518	85.077
6	0.926 (6.257) **						0.506 (9.228) **	0.408	0.518	85.164
7	0.619 (3.523) **	0.565 (5.894) **	0.253 (2.328) *					0.432	0.507	47.453
8	0.428 (2.324) *	0.428 (4.072) **	0.192 (1.773)	0.273 (2.794) **				0.463	0.494	36.033
9	0.036 (0.223)	0.433 (4.999) **	0.10 (0.105)	0.128 (1.5549)	0.500 (7.595) **			0.636	0.406	54.319
10	0.19 (0.121)	0.426 (4.950) *	0.002 (0.26)	0.112 (1.353)	0.391 (4.203) **	0.142 (1.645)		0.641	0.403	44.625
11	0.53 (0.347)	0.372 (4.476) *	0.60 (0.675)	0.119 (1.520)	0.372 (4.197) **	0.52 (0.611)	0.197 (3.677) **	0.676	0.383	43.421

Notes:

   i.   Figures in parenthesis are t-values
   ii.   The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent levels respectively.
   iii. User's affinity is dependent variable.

Table 2 show that the beta coefficients for transaction convenience are positive with the user's affinity to eSewa. It indicates that transaction convenience has positive impact on user's affinity towards eSewa. This finding is consistent with the findings of Chen *et al*. (2022). Likewise, the beta coefficients for compatibility are positive with the user's affinity to eSewa. It indicates that compatibility to eSewa has positive impact on user's affinity towards eSewa. This finding is similar to the findings of Kaur *et al*. (2020). In addition, the beta coefficients for ease of use are positive with the user's affinity. It indicates that ease of use has a positive impact on user's affinity towards eSewa. This result supports the findings of Yang (2005). In addition, the beta coefficients for perceived trust are positive with the user's affinity to eSewa. It indicates that perceived trust has positive impact on the user's affinity towards eSewa. This finding is similar to the findings of Kalinic *et al*. (2019). The beta coefficients for rewards and offers are positive with the user's affinity. It indicates that rewards and offers have a positive impact on

the user's affinity towards eSewa. This finding is consistent with the findings of Augsburg and Hedman (2014).

4. Summary and conclusion

In the era of technology, digital financial services have brought financial services from bank branches into our homes and pockets. During this transformation, financial transactions have become more convenient and have reached a broader group of users. Technological innovations in mobile devices and financial applications drive the adoption of digital payments.

This study attempts to examine the factors of user's affinity to eSewa mobile wallet within Kathmandu Valley. The study is based on primary data of 123 respondents.

The study showed that transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers have positive impact on user's affinity to eSewa mobile wallet within Kathmandu Valley. Thus, the facilities and services pertaining to transaction convenience, compatibility, ease of use, perceived security, perceived trust and rewards and offers enhance the user's affinity to mobile wallets within the Kathmandu Valley.

The study also concludes that transaction convenience followed by perceived security and compatibility are the most influencing factors that affect the user's affinity towards eSewa mobile wallet in Kathmandu Valley.

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