



Unveiling Motivational Factors Driving Nepali Students to Pursue Higher Education Abroad

Ekata Baral^{1*}, Basanta Prasad Adhikari², Reena Gurung³

¹Member, Saraswoti Kendra Nepal Ratnanagar-1, Chitwan

²Assoc. Prof., Oxford College of Engineering and Management, Gaidakot, Nepal

³Ex Member, Bagmati Provincial Assembly

*Corresponding email: baralekata@gmail.com

orcid: <https://orcid.org/0009-0008-8785-0628>

Abstract

Students pursuing foreign degrees are an increasing trend and this trend is a debatable phenomenon in Nepal; Nepali undergraduates prefer foreign degrees over Nepali ones. This article examined the significant factors influencing for Nepali undergraduates to decide on seeking foreign degrees. This study applied a quantitative research approach along with the survey to view the social reality and collect data from one hundred and forty-six participants planning to go abroad for their higher studies. The survey questionnaire was used as a data collection tool and a simple random sampling method was used for this study. Principal Component Analysis was used for dimension reduction and then binary logistic regression was applied to find the association the factor driving Nepali students seeking foreign degree and their motivation.

The findings indicate a positive association between broader career options and Nepalese Bachelor level students pursuing foreign degrees. But the results indicate no association between comprehensive education, progressive curriculum, prospects and growth, social influence, diverse and unique exposure, and degree relevancy and their motivation. The study's findings imply that considering the motivational factors identified, adopting a holistic approach to higher education in Nepal could provide better support for Nepali students seeking for abroad study. This approach would foster their personal and professional development and contribute significantly to Nepal's overall progress and advancement.

Keywords: *foreign degree, higher education, motivational factors, undergraduate students*

Volume 3, Issue 1

ISSN Print:2705-4845

ISSN Online:2705-4845



How to cite this paper:

Baral, E., Adhikari, B. P., & Gurung, R. (2024). Unveiling Motivational Factors Driving Nepali Students to Pursue Higher Education Abroad. *The OCEM Journal of Management, Technology and Social Sciences*, 3(1), 18-25.

Introduction

Pursuing foreign degree is a contemporary issue in Nepalese educational sector. Ghimire's study (2023) highlighted that the count of Nepali students pursuing higher education overseas, encompassing diploma and language courses, demonstrates a consistent annual rise. During the academic year 2021-22, approximately 114,000 students received no objection certificates (NOC) from the Ministry of Education, Science, and Technology in Nepal, allowing them to proceed with their plans (Ghimire, 2023). The period spanning July 2022 to July 2023 has already witnessed 125,000 students being granted these authorizations. Many of these students typically venture abroad after completing secondary-level education, enrolling either in university undergraduate programmes or diploma and language courses (Singh & Bhaja, 2001). This number is anticipated to observe further growth. This escalating interest in foreign degrees has also catalyzed the establishment of an increasing array of foreign university-affiliated colleges within Nepal (Yu & Huang, 2022).

Together with increasing number of students seeking foreign degree educational consultancies are increasing every year, which are actively consulting students to pursue foreign study. According to Singh and Joshi (2023), foreign degree-affiliated colleges in Nepal could answer this mass migration of students abroad. While many students are settling for foreign degrees in Nepal through foreign university-affiliated colleges or choosing to do an online degree credited by foreign universities in Nepal, the trend of students even going abroad hasn't decreased.

Foreign education is a great social mobility opportunity for students in a developing country like Nepal. With an unstable economy, uncertain future, and lack of employment opportunities, many Nepali youths are trying to go abroad during their college years with the expectation of permanently settling down there (Joshi, 2022). Many students point out the lack of a desired degree and the lack of future feasibility of their chosen degree in Nepal as their reasons to apply for foreign degrees (Acharya, 2012). The lack of prestige for the degrees the students pursue also affects the students' desire to continue their

studies in Nepal. This study analyses the students' motivation to pursue a foreign degree based on four factors narrowed down through a literature review: quality of education, career opportunities, societal/peer pressure and experience and exposure (Acharya, 2012). Nepali students have long been attracted to foreign countries for their improved facilities, higher standard of living and increased exposure (Tamang & Shrestha, 2021). Since globalization, developed countries like the USA, Japan, Australia, Canada, and the UK have always been a hub of attraction for students pursuing higher studies. The disparity in the number of international students coming to Nepal for further studies and Nepali students going abroad for the same reason is rising rapidly (Acharya, 2012). Student migration is becoming a significant concern for the country's socio-economic development (Tamang & Shrestha, 2021) since students tend to take significant amount of money abroad for their university fees, accommodations, other facilities, and basic needs.

The problem of students overwhelmingly leaving Nepal for foreign land does extend to them permanently choosing to stay abroad, which leads to the lack of human resources that a developing countries like Nepal need to develop. Due to the significant outflow of skilled human resources to foreign countries, the nation must depend heavily on remittances as the central contributor to its Gross Domestic Product (GDP). The reliance remittances establishes an unstable economic environment intricately linked to other nations' economic circumstances. When students leave Nepal, they become physically distant from their families, necessitating them to navigate foreign environments with a significant degree of independence. This predicament often triggers mental health challenges and various difficulties for students and their families. Many students are compelled to relinquish their education in favour of employment to meet loan repayment obligations (Kharel et al., 2021).

This study is expected to give students, institutions, and policymakers an idea about what factors influence students going abroad for further studies. Policymakers can get a general view of what the students really want from the education system

and bring forth new policies to accommodate it. Institutions can better understand what the students are looking for from the institutions and help them focus on improving the educational facilities and systems accordingly. Students can also better understand why other students choose a foreign degree and make informed decisions.

Objective

This study examines the factors behind Nepali undergraduate students' motivation to pursue a foreign degree.

Research Question

What motivational factors do drive Nepali undergraduate students desire to pursue foreign degrees?

Literature Review

This review examines why Nepali students choose a foreign degree and want to pursue a foreign degree. The literature review of this study is carried out based on journal articles and online resources.

Table 1: Summary of Previous Studies on Factors Influencing the Pursuit of Foreign Degrees

Name of the Article	Author and Publication Year	Findings
Nepalese Student Migration to Foreign Countries for Higher Education in the Globalized Context	Acharya (2012)	The study found that the major push factors include lack of quality education, employment and career opportunities, choices of subject and modern labs, libraries and research facilities.
Institutional Determinants of College Choice Decisions Among Business Students in Nepal	Gurung et al. (2022)	This study concludes that the reputation of the university/college, quality of educational facilities, cost and financial aid, and employment prospects after graduation were the most influential factors from the institutional perspective.
Higher Education as a Bridge between China and Nepal: Mapping Education as Soft Power in Chinese Foreign Policy	Gauttam et al. (2021)	The study highlights China's increasing grip over Nepali students, using soft power by providing aid and collaborative opportunities to students in countries like Nepal to forward its diplomatic ties.
Migration Motivations and Adaptation Strategies of Nepali Student Migrants in the Global North	Joshi (2022)	Lack of employment opportunities, low wages, political dissatisfaction, and students following the trend are cited as the major push factors mentioned in this study. One major pull factor to foreign countries is the chance to live abroad permanently.
Student migration from Nepal to Japan: Factors behind the steep rise	Kharel (2022)	This study concludes that migration industries in Nepal and Japan, liberal visa policy, fewer language requirements and many part-time job opportunities are the primary reasons Nepali students choose Japan for further studies.
Perception of Students Towards Abroad Studies	Shrestha (2021)	According to this study, quality education fitting the global market's needs attracts Nepali students to foreign universities the most. The social network in a foreign country is also a factor that encourages students to pursue studies in that country.
Let Me Fly Abroad: Student Migrations in the Context of Nepal	Tamang and Shrestha (2021)	The results of this study show the quality of higher education and economic prosperity have become the significant reasons for Nepali students to pursue higher studies abroad.
Educational consultants in Nepal professionalization of services for students who want to study abroad	Thieme (2017)	This study explores the roles of foreign education agencies and brokers and how the marketing fueled by such companies also plays a significant role in inciting students.
International Migration for Education: Perspectives from Nepalese Students	Upadhyay et al. (2013)	This study shows that the nation's political instability, social injustice, insecurity and uncertainty were the major push factors for Nepali students.

The summary of review findings indicate that key factors influencing Nepali students' decision to study abroad include the absence of quality education, employment opportunities, subject choices, and modern facilities in Nepal (Kharel, 2022). From an institutional perspective, the university's reputation, educational facilities, cost, and post-graduation employment prospects have the most significant impact on persuading foreign degree (Gautam et. al., 2021). Political instability, social injustice, insecurity, and uncertainty within Nepal are major push factors(Achrya,

2012). Quality education aligned with the global market's demands and social networks in foreign countries is an attractive factor for studying abroad (Tamang & Shrestha, 2012). The review also reveals that the migration policy, lenient visa policies, reduced language requirements, and ample part-time job opportunities contribute to Nepali students' preference for studying in Japan (Tamang & Shrestha, 2012). Factors such as limited employment opportunities, low wages, political discontent, and trends' influence are push factors (Upadhyay-Dhungle, 2017).

Methodology

This research adopts a quantitative design characterized by deductive data collection and analysis techniques to derive conclusive outcomes. The chosen methodology emphasizes measurable data more, enhancing its credibility as a robust approach (Piya & Adhikari, 2023).

This study method is aligned with the Positivist Paradigm, concentrating on comprehending the viewpoints and incentives of Nepalese undergraduate students. This methodology aspires to acquire empirical and unbiased information through systematic observation (Adhikari, 2022). Its advantages encompass objectivity, the potential for replication, exactitude, applicability across contexts, and streamlined data processing (Creswell & Plano Clark, 2018).

The survey questionnaire was used as a research

tool for data collection. The questionnaire was sent to students intending to pursue their studies abroad, among which the participants were high school gap year and undergraduate-level students from Kathmandu Valley and Nawalparasi districts using non-probabilistic accessibility sampling, which is a specific method employed in research to select participants based on their ease of access, rather than through random or statistical methods. (see Appendix 1). The questionnaire was distributed online, and offline means (N =146) responses were collected as a sample population for this study. Textual consent was asked from the online survey participants, after which the link was sent, whereas informed verbal consent was asked from the offline participants, and the questionnaire was distributed.

A structured questionnaire was developed based on a thorough literature review of international student mobility and motivational factors. The questionnaire consisted closed-ended and Likert-scale type. It was designed to collect data on demographic information, academic preferences, career aspirations, perceived motivations, and challenges associated with pursuing higher education abroad.

Principal Component Analysis (PCA) was used to analyze data because it is a dimensionality reduction technique used in data analysis to transform a high-dimensional dataset into a lower-dimensional one while retaining as much of the original variability as possible (Cohen, Manion, & Morrison, 2011). PCA aims to identify patterns and relationships within the data by transforming the variables into a new coordinate system where the data's variability is maximized along the first few principal components (Groth et al., 2013). As Campman (2017) explained, Nagelkerke's R-square is a modified version of Cox and Snell's R-square, with a potential range of up to 1. Hence, Nagelkerke's R-square was employed in this study. The -2 log-likelihood test was conducted to determine the most suitable model for the data.

Results and Discussion

In this section, we present the study results that aimed to uncover the motivational factors driving Nepali students to pursue higher educational degree from abroad through extensive research and analysis. This study identified four key factors

significantly shaping their decision-making process to pursue foreign degrees. The findings provide valuable insights into the aspirations and considerations of Nepali students when it comes to seeking educational opportunities outside their home country.

The first highest mean value of comprehensive education of foreign universities is $4.3685 > 3$, which indicates that most students agree that the foreign education system, which is more encompassing and comprehensive, is the primary reason they are choosing a foreign degree. Similarly, the second mean value of relevancy of the foreign degree is $4.34 > 3$, which seems that participants agreed that the relevancy of the foreign degree impacts the student's decision to pursue a foreign degree. The relevancy of a Nepali degree in the international job market and its competitive edge is a significant consideration for students. Diverse and unique exposure has a mean value of $4.2580 > 3$, signifying that students want variety in their college and university experience. The variety of career opportunity that comes after the completion of a foreign degree has been one of the most lucrative factors for students choosing their country of study; with a mean of $4.2384 > 3$, the majority of the students acknowledge it as being their primary reason for their choice of a foreign degree.

If the average score for the social circle is higher than 3 (specifically, the mean is 4.1324), it indicates that the social circle impacts individuals. For instance, friends who pursue similar fields share ideas and information, possibly leading to shared conclusions. A supportive social group can boost students' confidence in a new environment. Likewise, the mean score of 4.0849 for future career growth opportunities greater than 3 suggests that it also significantly influences their degree choice. Most participants believe foreign degrees would provide them with more opportunities and mobility across and within their fields.

The results show that a progressive curriculum, $3.9475 > 3$, influences participants to consider foreign degrees. Still, most participants don't seem to give much importance to it while considering other more important factors. According to the participants, the factor with the least relevancy is social influence, $3.8151 > 3$, signifying that

pressure from family and relatives was the factor that least impacts their decisions among all the eight components considered in this research. Most participants seem to agree that quality of education, career opportunities, societal/peer pressure, experience, and exposure are significant factors that lead students to pursue higher education abroad.

Binary Logistic Regression Analysis

Binary logistic regression was used to analyze the relationship between motivation to pursue a foreign degree (dependent variable) and various motivational factors (independent variables). Our analysis included statistical measures like Chi-square, degrees of freedom, Cox and Snell's R Square, Nagelkerke's R Square, and the 2 log-likelihood tests. The Chi-square test yielded a significance value (P-value < 0.05), indicating that the model incorporating an independent variable offered a better fit than the model without any independent variables.

df = 7, p = 0.003]. The Hosmer and Lemeshow test showed that p = 0.320 > 0.05 is insignificant, indicating that the prediction accuracy improved compared to the baseline Model when adding explanatory variables. The results showed an overall prediction accuracy of 93.2 % for undergraduate students' motivation to pursue foreign degrees. The results further indicate a significant association between wider career options and undergraduate students' motivation to pursue foreign degrees (p < 0.05, odds = 2.264 > 1, B = 0.772 > 0), indicating that a positive impact on undergraduate students' motivation for persuading foreign degrees. Alternatively, the results further indicate no association between comprehensive education, progressive curriculum, prospects and growth, social influence, diverse and unique exposure, and relevancy of the degree (p > 0.05) (See Table 4).

Table 2: Mean, SD and Alpha Value of Influential Factors for Pursuing Foreign Degrees (N = 146)

Subscales	Mean	SD	Alpha value	KMO value	Variance	Total variance
Comprehensive Education	4.369	0.567	0.771		37.401	56.635
Progressive Curriculum	3.948	0.823	0.680	0.744	19.234	
Prospects and Growth	4.085	0.718	0.795		41.554	55.641
Wider Career Options	4.238	0.591	0.755		14.087	
Social Influence	3.815	0.720	0.708	0.748	33.373	47.670
Social Circle	4.132	0.627	0.419		14.297	
Diverse and Unique Exposure	4.258	0.565	0.803	0.855	42.209	54.392
Relevancy of the Degree	4.344	0.696	0.783		12.183	

Table 3: Summary Table of Models on Family Income and Children's Education

Model	Chi-square	Df	P-value	Cox and Snell's R Square	Nagelkerke's R square	-2loglikelihood
Omnibus tests of model coefficients	17.723	7	0.013	0.114	0.244	74.537
Hosmer and Lemeshow test	9.61	8	0.293			

Table 4: The Wholesome Model of the Binary Logistic Model for Motivational Factors (N = 146)

Independent variables	B	S.E	Wald	df	P-value	Exp	95% C.I for Exp(B)	
							Lower	Upper
Comprehensive Education	0.355	0.355	0.116	1	0.734	0.866	0.442	1.778
Progressive Curriculum	0.436	0.361	1.460	1	0.277	1.546	0.763	3.135
Prospects and Growth	0.207	0.369	0.316	1	0.574	0.813	0.394	1.675
Wider Career Options	0.772	0.342	5.008	1	0.024	2.264	1.107	4.232
Social Influence	0.335	0.369	0.821	1	0.365	1.397	0.678	2.882
Diverse and Unique Exposure	0.129	0.278	0.214	1	0.644	1.137	0.659	1.962
Relevancy of the Degree	0.166	0.320	0.269	1	0.604	1.181	0.630	2.212
Constant	-2.76	0.399	47.746	1	0.000	0.063		

The findings showed that the effect size, as indicated by Nagelkerke's R-square value, was 24.4 %, whereas Cox and Snell's R Square is 14.4%. It suggests that 24.4 % of the variability in the dependent variable could be explained by the model's independent variable(s) (see Table 3). Omnibus tests indicated that the computed model fits compared to the baseline model, [$\chi^2 = 21.512$,

Discussion

Previous studies highlighted that Nepalese undergraduate level students are attracted to go abroad for foreign degrees. Quality of education is the first reason for foreign degrees, where many students perceive foreign universities to offer a higher quality of education, advanced teaching methodologies, and access to cutting-edge research

and technologies that might not be available in Nepal. Similarly, global recognition is the second reason for foreign degree motivation, where foreign degrees are often seen as a mark of prestige and are recognized globally, potentially enhancing graduates' employment prospects both within Nepal and internationally. Career opportunity was another motivational factor of a foreign degree, where students believe an international degree can provide them with a competitive edge in the job market. They anticipate better job prospects, higher earning potential, and the opportunity to work in multinational companies. Again, networking facility was also one of the motivational factors of foreign degrees, where studying abroad allows students to build a diverse network of peers and professionals from various cultural backgrounds. This network can provide valuable connections for future career opportunities (Acharya (2012; Gurung et al., 2022; Gautam et al., 2021; Joshi, 2022; Kharel, 2022; Shrestha, 2021; Tamang & Shrestha, 2021; Thieme, 2017; Dhungel et al. 2013).

Career growth was the next motivational factor of foreign degree motivation, where living and studying in a foreign country exposes students to different cultures, languages, and lifestyles, leading to personal growth, increased adaptability, and a broader perspective on global issues. Research opportunities were also an influential factor in foreign degree motivation. Some students are attracted to foreign universities for their research facilities and opportunities to engage in innovative research projects under the guidance of renowned professors. Gaining language skills and escaping from limited choices were also motivational factors, where pursuing education in a foreign country can improve language skills, especially if the instruction is conducted in a language different from the student's native tongue. In some cases, students choose to study abroad due to perceived limitations in the availability of specialized courses or fields of study in Nepal.

Political and socio-economic factors and issues related to migration and settlement contributed to the motivation for seeking education abroad. Specifically, political instability and frequent strikes within Nepal's education system prompt students to explore more stable and reliable

learning environments in foreign countries. For some students, obtaining a foreign degree was a pathway to potential immigration and settlement in the host country. Parental and peer pressure, lack of trust in local institutions: Nepalese society often places high value on foreign education, leading to parental and peer pressure on students to pursue degrees abroad, where some students lack trust in the quality and consistency of education provided by local institutions, prompting them to seek education abroad. Finally, scholarships, financial aid, and personal aspirations are other motivational factors where the availability of scholarships and financial aid in foreign universities could make studying abroad more financially feasible for students from diverse economic backgrounds. Students could have personal aspirations to experience life in a different country, explore new cultures, and gain a sense of independence. The current results supported the findings of Gurung et al. (2022), who found that more comprehensive career options were the motivational factors to pursue foreign degrees.

Conclusion

The research investigated the determinants that motivate undergraduate students from Nepal to seek educational opportunities abroad. The study's ramifications underscore the necessity for a holistic strategy concerning tertiary education within Nepal, encompassing the motivational drivers unveiled in the investigation. Through the targeted handling of these determinants, educational establishments and policy formulators can effectively bolster Nepalese students in their aspiration for overseas higher education, thereby fostering their individual and vocational advancement, along with the advancement of Nepal as a nation. This study found that students prioritize comprehensive education and the relevancy of a foreign degree when choosing to study abroad. They also value diverse and unique exposure and the career opportunities of a foreign degree. Social circle and future career growth are important factors that influence their decision.

While a progressive curriculum was considered, it is not as crucial as other factors. Social influence, particularly from family and relatives, has the least impact on their decisions. Overall, students believe that the quality of education, career

prospects, societal/peer pressure, experience, and exposure are significant factors driving them to pursue higher education abroad.

The study's findings indicate that the model's independent variables account for 24.4% of the variability in the dependent variable, as measured by Nagelkerke's R-square value. Additionally, Cox and Snell's R-square value is 14.4%, suggesting a slightly lower explanatory power of the model. The above statistics provide insights into the proportion of the dependent variable that can be explained by the model's independent variables. The study found a close relationship between the variables examined and the odds of Nepalese undergraduate students pursuing foreign degrees. Undergraduate students' gender was identified as the variable with the highest odds ratio, indicating its significant correlation with the motivation of Nepalese students to pursue foreign degrees.

The study also revealed a positive relationship between broader career options and Nepalese students choosing to study abroad. However, no associations were found between other factors such as comprehensive education, progressive curriculum, prospects and growth, social influence, diverse and unique exposure, and degree relevancy. The results supported previous findings on the motivational factors driving Nepali students to pursue higher education abroad, including the desire for quality education, enhanced career prospects, personal growth, and societal and familial relations (Gurung et al., 2022).

Recommendation

- Future research is recommended to conduct a comprehensive longitudinal study with a larger sample size, specifically focusing on the motivational factors influencing undergraduate students pursuing foreign degrees as a sample.
- Future research is expected to apply a mixed methods approach to foreground undergraduate-level students' opinions, experiences and perceptions to understand the motivational factors to pursue foreign degrees.

References

Acharya, K. P. (2012). *Nepalese student migration to foreign countries for higher education in the globalized context* ([Doctoral Dissertation]. Kathmandu University School of Education).

Adhikari, B. P. (2022). *An investigation of the impact of the key components of the induction programme on new teacher retention in Chitwan district, Nepal*. Online, Retrieved June 7, 2022. <http://www.uef.fi/en/event/doctoral-defence-of-basanta-prasad-adhikari-mba-education-online>, and Accessed June 10, 2023. University of Eastern Finland.

Creswell, J. W., & Plano Clark, V. L. (2018). *Designing and Conducting Mixed Methods Research (3rd ed.)*. SAGE.

Cohen, L., Manion, L., & Morrison, K. (2018). *Research Methods in Education*, routledge.

Gauttam, P., Singh, B., & Chattu, V. K. (2021). Higher education as a bridge between China and Nepal: Mapping education as soft power in Chinese foreign policy. *Societies*, 11(3), 81–85. <https://doi.org/10.3390/soc11030081>

Ghimire, B. (2023). The rule aims to limit students seeking skills training abroad. <https://www.universityworldnews.com/post.php?story=20230420113002568>. University World News.

Groth, D., Hartmann, S., Klie, S., & Selbig, J. (2013). Principal components analysis. *Computational Toxicology*, II, 527–547.

Gurung, S. K., Chapagain, R., Ranabhat, D., Baral, R. P., Bhandari, P., & Thapa, S. (2022). Institutional determinants of college choice decisions among business students in Nepal. *Journal of Education and Research*, 12(2), 37–60. <https://doi.org/10.51474/jer.v12i2.622>

Investing.com. (2023). Investing.com. Retrieved from [www.investing.com](https://www.investing.com/indices/cse-all-share-historical-data): <https://www.investing.com/indices/cse-all-share-historical-data>

Investopedia. (2023). Top Financial Literacy Education Gaps Across Generations. Retrieved from <https://www.investopedia.com/financial-literacy-survey-5223919>

Joshi, H. (2022, June). *Migration motivations and adaptation strategies of Nepali student migrants in the global north*.

Karki, D. (2018). Stock market responses to macroeconomic dynamics: Testing for long-run equilibrium in Nepal. *Pravaha*, 24(1), 64–82.

KC, T., & Thapa, J. (2022). *A Basic Book on*

- Agriculture Development Bank*. Kathmandu: Goodwill Publication Pvt.l Ltd.
- Kharel, D. (2022). Student migration from Nepal to Japan: *Factors behind the steep rise*. *Asian and Pacific Migration Journal*, 31(1), 26–51. <https://doi.org/10.1177/01171968221085766>
- Kharel, M., Shibanuma, A., Kiriya, J., Ong, K. I. C., & Jimba, M. (2021). Correction: *Parental migration and psychological well-being of left-behind adolescents in Western Nepal*. *PLOS ONE*, 16(4), Retrieved from 0250836, e0250836. <https://doi.org/10.1371/journal.pone.0250836> Accessed on August 26, 2023.
- Khatri, M. B. (2019). Macroeconomic influence on the Nepalese stock market. *NRB Economic Review*, 31(1), 47-64.
- Kotha, K. K., & Bhawna, S. (2016). Macroeconomic factors and the Indian stock market: Exploring long and short run relationships. *International Journal of Economics and Financial Issues*, 6(3), 1081-1091.
- Piya, S., & Adhikari, B. P. (2023). Relationship between Internet scrolling habit and social media marketing. *OCEM Journal of Management, Technology and Social Sciences*, 2(2), 81–102. <https://doi.org/10.3126/ocemjmtss.v2i2.54231>
- Reddy, D. L. (2012). Impact of inflation and GDP on stock market returns in India. *International journal of advanced research in management and social sciences*, 1(6), 120-136.
- Shrestha, R. (2021). *Perception of students towards abroad studies*. <https://elibrary.tucl.edu.np/bitstream/123456789/9702/1/Full%20THesis.pdf> [[Master's Thesis]. Tribhuvan University, Faculty of Humanities and Social Sciences, Prithvi Narayan Campus].
- Singh, P. (2014). Indian stock market and macroeconomic factors in current scenario. *International Journal of Research in Business Management*, 2(11), 43-54.
- Singh, R. M., & Bhujui, D. R. (2001). Development of science and technology in Nepal. *Science, Technology and Society*, 6(1), 159–178. <https://doi.org/10.1177/097172180100600107>
- Singh, R. M., & Joshi, D. N. (2023). Student and teacher perception on English language use in foreign-university-affiliated colleges in Nepal. *Harvest*, 2(1), 57–70. <https://doi.org/10.3126/harvest.v2i1.54414>
- Sthapit, A. B., Khanal, S. P., Poudel, D. R., Tamang, G., Upreti, P., & Bam, N. (2017). *Data Analysis and Modeling*. Asmita Publication.
- Sykes, A. O. (1993). *An Introduction to Regression Analysis*. Coase-Sandor Institute for Law & Economics, Working Paper No. 20.
- Tamang, M. K., & Shrestha, M. (2021). Let me fly abroad: Student migrations in the context of Nepal. *Research in Educational Policy and Management*, 3(1), 1–18. <https://doi.org/10.46303/repam.2021.1>
- Thieme, S. (2017). Educational consultants in Nepal: *Professionalizing services for students who want to study abroad*. *Mobilities*, 12(2), 243–258. <https://doi.org/10.1080/17450101.2017.1292780>
- Tripathi, V., & Seth, R. (2014). Stock market performance and macroeconomic factors: The study of Indian equity market. *Global Business Review*, 15(2), 291-316. <https://doi.org/10.1177/0972150914523>
- Upadhyay-Dhungel, K., Bhattarai, A., & Pangei, S. (2013). *International migration for education: Perspectives from Nepalese students*. *Nepal journal of Social Sciences and Management*, 1(1), 13–22.
- Usman, O. A., & Adejare, A. T. (2013). Inflation and Capital Market Performance: The Nigerian Outlook. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)*, 5(1), 93-99.
- Wanigasuriya, W. (2022). Impact of Macroeconomic Variables on Stock Market Performance in Sri Lanka. *Applied Economics and Business*, 6(2), 9-16
- Yahya, T. (2020). The effect of macro variables on the Jakarta Islamic Index. *Asian Journal of Islamic Management (AJIM)*, 2(1), 36–45. <https://doi.org/10.20885/ajim.vol2.iss1.art4>
- Yu, W., & Huang, Z. (2022). Current Situation and Countermeasures of Higher Education Development in South Asian Countries: Taking Nepal as an example. *Journal of Education and Educational Research*, 1(2), 146–149. <https://doi.org/10.54097/jeer.v1i2.3700>



What Motivates People to Use Digital Transactions? The Dynamics of Subjective Norms, Perceived Behavior Control, Trust and Attitude

Pradeep Acharya¹, Omkar Poudel^{2*}, Daya Ram Simkhada³

¹Freelance Researcher, Kathmandu, Nepal

²Department of Economics, Birendra Multiple Campus, TU, Bharatpur, Chitwan, Nepal

³Research Scholar, James Madison University, USA

*Corresponding email: omkar60475@gmail.com

*Orcid: <https://orcid.org/0009-0008-7873-0237>

Abstract

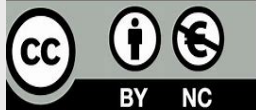
The advancement of financial technologies has led customers to use digital transactions more and more with the passage of time. With this issue, the share of physical transactions based on cash and coins is decreasing, and more and more people are moving away from traditional payment methods to digital transaction methods. Thus, this study tends to foreground the factors impacting customer's intention to use digital transactions. This research foregrounds on grasp the control of subjective norms, trust, behavior control, and attitude on the customer's digital transaction intention. The population of the study was made up of customers and people using electronic transactions on a daily basis. The study adopted a quantitative approach, for which four hundred and four responses were collected through the online questionnaire, and the responses were analyzed using PLS-SEM model approach with Smart PLS 4.0. The exploration of the data concludes that there is a critical positive relation between attitude, perceived behavior control, and usage intention, whereas no significant relation among subjective norms, trust, and usage intention for digital transactions. The implications of this study would benefit to the businessmen, customers, industrialists and organizational leaders to understand the motivation of customers in the trend of digital transaction.

Keywords: *measurement model, usage intention, path coefficient and hypothesis testing, financial technology, structural equation modelling, discriminant validity*

Volume 3, Issue 1

ISSN Print: 2705-4845

ISSN Online: 2705-4845



How to cite this paper:

Acharya, P., Poudel, O. & Simkhada, D.R. (2024). What Motivates People to Use Digital Transactions? The Dynamics of Subjective Norms, Perceived Behavior Control, Trust, and Attitude. *The OCEM Journal of Management, Technology, and Social Sciences*, 3(1), 26-34.