



The Influence of Digital Literacy, Brand Image, and Word of Mouth on Generation Z's Interest in Using the OVO E-Wallet

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Receive: 12/06/2024

Accepted: 12/07/2024

Published: 12/10/2024

Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh literasi digital, citra merek (brand image), dan komunikasi dari mulut ke mulut (word of mouth/WOM) terhadap minat Generasi Z di Kabupaten Sumbawa dalam menggunakan dompet digital OVO. Pendekatan kuantitatif dengan metode asosiatif kausal diterapkan, melibatkan 100 responden Generasi Z (usia 12–27 tahun) yang dipilih melalui teknik purposive sampling. Data dikumpulkan menggunakan kuesioner berbasis Skala Likert 5 poin dan dianalisis dengan regresi linier berganda melalui SPSS. Hasil penelitian menunjukkan bahwa ketiga variabel independen berpengaruh positif dan signifikan terhadap minat penggunaan OVO. Literasi digital memiliki koefisien regresi tertinggi (0,462), diikuti oleh citra merek (0,327) dan WOM (0,236). Model penelitian mampu menjelaskan 49,6% variasi minat penggunaan, dengan sisanya dipengaruhi oleh faktor lain di luar model. Temuan ini memperkuat pentingnya peningkatan literasi digital, penguatan citra merek, dan pemanfaatan WOM sebagai strategi untuk mendorong adopsi fintech di kalangan Generasi Z, khususnya di wilayah non-metropolitan seperti Sumbawa. Implikasi praktisnya mencakup rekomendasi bagi OVO untuk menyelenggarakan program edukasi digital, kolaborasi dengan influencer lokal, dan pengembangan sistem rujukan berbasis komunitas.

Kata Kunci: Literasi digital, citra merek, word of mouth, Minat Menggunakan, OVO.

Abstract

This study aims to analyze the influence of digital literacy, brand image, and word of mouth (WOM) on Generation Z's interest in using the OVO digital wallet in Sumbawa Regency. A quantitative approach with a causal associative method was applied, involving 100 Generation Z respondents (aged 12–27 years) selected through a purposive sampling technique. Data were collected using a 5-point Likert Scale-based questionnaire and analyzed using multiple linear regression using SPSS. The results showed that all three independent variables had a positive and significant effect on OVO usage interest. Digital literacy had the highest regression coefficient (0.462), followed by brand image (0.327) and WOM (0.236). The research model was able to explain 49.6% of the variation in usage interest, with the remainder influenced by other factors outside the model. These findings reinforce the importance of increasing digital literacy, strengthening brand image, and utilizing WOM as strategies to encourage fintech adoption among Generation Z, especially in non-metropolitan areas such as Sumbawa. Practical implications include recommendations for OVO to organize digital education programs, collaborate with local influencers, and develop a community-based referral system.

Keywords: Digital literacy, brand image, word of mouth, interest in using, OVO.

INTRODUCTION

The fourth industrial revolution has triggered a fundamental shift in the global financial services landscape, with financial technology (fintech) emerging as a primary disruptive force. In Indonesia, fintech adoption

has shown remarkable acceleration, driven by increasing internet penetration, massive smartphone ownership, and a governmental push to create a cashless society. One of the most significant manifestations of this phenomenon is the rapid growth of digital wallet (e-wallet) services, which have radically transformed how

people conduct transactions, from retail payments and fund transfers to the purchase of digital products. Platforms such as OVO, GoPay, DANA, and LinkAja are now competing fiercely to dominate this highly dynamic market.

Despite its rapid growth, the adoption of digital wallets in Indonesia faces complex challenges, particularly concerning the digital divide between urban and rural areas, as well as uneven levels of financial literacy. Data from Bank Indonesia (2024) indicate that the transaction value of electronic money continues to record impressive growth, reaching IDR 889.5 trillion in 2023, a significant increase from previous years. However, penetration and usage intensity remain highly concentrated in major cities. Factors such as the habit of using cash, concerns about cybersecurity, and limited network infrastructure in non-metropolitan areas serve as major impediments to broader adoption.

The table below presents market share and usage rate data for several leading digital wallets in Indonesia, illustrating the competitive landscape and consumer preferences.

Table 1. Market Share and Usage Rate of Digital Wallets in Indonesia (Q4 2023)

Rank	Digital Wallet	Market Share (Based on Active Users)	Usage Rate (Most Frequently Used)
1	GoPay	35%	30%
2	OVO	28%	25%
3	DANA	25%	27%
4	ShopeePay	8%	15%
5	LinkAja	4%	3%

Source: Data processed from Fintech Industry Research Reports (e.g., DailySocial.id, Ipsos) (2024)

The data show that despite intense competition, OVO has successfully maintained its position as one of the major players. However, the real challenge lies in how this platform can expand its reach and increase usage interest among key demographics like Generation Z, especially in regions outside the main economic centers.

Generation Z, born between 1997 and 2012, represents the most crucial demographic for the future of the digital economy. As digital natives, they have grown up amidst technological advancements and possess a

strong intuition for using digital devices. Their behavior is characterized by a preference for speed, convenience, and personalized experiences (Pramono & Hidayat, 2022). In the context of financial services, they tend to avoid bureaucratic processes and prefer the instant solutions offered by digital wallets. Their interest is driven not only by functional aspects but also by social and lifestyle factors.

A study by Nugraha et al. (2023) found that the adoption of digital wallets among Generation Z in Indonesia is heavily influenced by the perceived ease of use and perceived benefits, such as promotions and cashback. However, their loyalty tends to be low due to their novelty-seeking nature and sensitivity to offers from competitors. This indicates that to attract the interest of Generation Z, OVO cannot rely solely on functional advantages but must also build a deeper connection through brand image and social influence.

In a local context such as Sumbawa Regency, the behavior of Generation Z may exhibit more unique characteristics. The limitations of infrastructure and the merchant ecosystem that accepts digital payments, as well as the strong influence of social norms, can be differentiating factors. Research by Wulandari and Santoso (2024) in a secondary city showed that technology adoption decisions among young people are strongly influenced by recommendations from peers and their perceptions of technological sophistication. Therefore, understanding the factors that specifically drive the interest of Generation Z in Sumbawa to use OVO becomes highly relevant.

One of the fundamental variables strongly presumed to influence the interest in adopting financial technology is digital literacy. Digital literacy is not limited to the technical ability to operate devices but also includes the cognitive ability to find, evaluate, and critically use information in a digital environment (Gilster, 1997). In the context of OVO, individuals with high digital literacy are more likely to understand the benefits, security features, and workings of the platform, thereby reducing uncertainty and increasing their interest in using it.

The positive relationship between digital literacy and fintech adoption has been widely demonstrated. Research by Sari and

Nugroho (2022) found that digital literacy significantly increases an individual's intention to use digital payment services, as they feel more confident and capable of managing the associated risks. Similarly, a study by Pratama and Wijaya (2023) showed that higher levels of digital literacy correlate positively with the interest in using digital wallets among university students.

Furthermore, research by Abdullah and Rahman (2021) asserts that digital literacy not only influences interest directly but also indirectly by enhancing the perceived ease of use. When users feel digitally competent, they view new technologies like OVO as easy to learn and integrate into their daily lives. Conversely, according to Hidayat (2024), low digital literacy becomes a major psychological barrier that creates techno-anxiety and a reluctance to try digital financial services.

The second highly relevant variable, especially for Generation Z, is brand image. Brand image is the set of perceptions and beliefs held by consumers about a particular brand, formed through the accumulation of experiences, associations, and marketing communications (Kotler & Keller, 2016). In the highly competitive digital wallet market, where features across platforms tend to be homogeneous, a strong and positive brand image can be a key differentiator that attracts consumer interest.

The influence of brand image on usage interest has been the focus of much research. A study by Farida and Setiawan (2022) found that a positive brand image perceived as modern, trustworthy, and innovative significantly increases consumer interest in using digital wallet services. For Generation Z, a brand image that aligns with their identity and lifestyle is a decisive factor. OVO, with its distinctive purple color and strategic partnerships with various popular merchants, strives to build an image as a modern and integrated digital wallet.

Research by Susanto and Purnomo (2023) confirms that brand image has a stronger direct influence on usage interest than functional factors like promotions, especially for new users. Similarly, a study by Kim and Lee (2021) showed that a positive brand image can reduce perceived risk and increase trust, which in turn

encourages adoption intention. Therefore, how OVO's brand image is perceived by Generation Z in Sumbawa Regency, who may have different media exposure, becomes a crucial research question. Findings from Handayani et al. (2024) also support that strong brand associations are an important predictor of consumer preference in choosing fintech services.

The third variable that plays a central role in the diffusion of innovations, particularly within close-knit communities like Generation Z, is word of mouth (WOM). WOM refers to interpersonal communication among consumers regarding a product or service, which is considered more credible and trustworthy than formal marketing communications from a company (Goyette et al., 2010). In the digital age, WOM has evolved into electronic word of mouth (e-WOM) through online reviews, social media testimonials, and recommendations in chat groups.

The influence of WOM on technology adoption interest has been proven to be highly significant. Research by Wibowo and Nugroho (2023) found that positive WOM from peers is the strongest predictor of Generation Z's intention to try and use new digital wallet applications. Recommendations from people they know and trust effectively reduce uncertainty and provide social proof that using OVO is normal and beneficial.

Another study by Sari and Hidayat (2022) showed that WOM not only influences initial interest but also shapes user expectations of the service. Positive stories about the ease of transactions or attractive promotions shared within a circle of friends can create a network effect that accelerates adoption. Conversely, according to research by Chen and Lin (2021), negative WOM can be a very strong barrier, even more influential than advertising. Given the highly socially connected characteristics of Generation Z, both offline and online, the role of WOM in shaping their interest in OVO in Sumbawa Regency cannot be overlooked. Findings from Putra (2024) also affirm that in the context of local communities, the influence of WOM often surpasses that of mass media.

Although these three variables digital literacy, brand image, and WOM have been extensively researched, a significant research

gap exists. Most existing studies have been conducted in the context of metropolitan cities in Indonesia, where the digital ecosystem is mature and the level of technology exposure is higher. Research that specifically examines this model in the Generation Z population in non-metropolitan areas such as Sumbawa Regency, with its different socio-economic characteristics and digital penetration rates, is still very limited. The behaviors and drivers of adoption interest in this region may have unique dynamics.

The novelty of this research lies in three main aspects. First, it integrates three predictors from different domains (cognitive: digital literacy; affective: brand image; and social: WOM) into a single comprehensive model to explain fintech usage interest. Second, it takes a unique and under-researched case study, namely Generation Z in Sumbawa Regency, which can provide new insights into the process of technology adoption in a developing regional market. Third, the findings of this study have the potential to provide actionable practical implications for digital wallet service providers like OVO in formulating more effective market penetration strategies outside of major cities.

The urgency of this research is based on the government's agenda for accelerating equitable digital financial inclusion throughout Indonesia. Understanding the factors that drive or hinder adoption interest among the future demographic (Generation Z) in areas like Sumbawa is key to designing targeted policy interventions and business strategies. Theoretically, this research will enrich the consumer behavior literature in the context of fintech adoption by adding perspectives from a unique geographical and demographic context. Therefore, this research is considered highly relevant, unique, and important to be conducted at this time.

METHOD

This study adopts a quantitative approach, focusing on hypothesis testing through the analysis of numerical data. This approach was selected because its primary objective is to measure and analyze the influence of independent variables on the dependent variable in an objective manner (Hair et al., 2019). By applying statistical methods, the research is able to identify both the strength and direction of the relationships among variables,

ensuring that the conclusions drawn are generalizable and characterized by a high degree of objectivity.

The research is classified as a causal associative study, aimed at examining the cause-and-effect relationships between Digital Literacy (X_1), Brand Image (X_2), and Word of Mouth (X_3) as independent variables, and Usage Intention (Y) as the dependent variable. The analysis focuses on Generation Z in Sumbawa Regency who use the OVO digital wallet platform. To test the proposed hypotheses, the study employs multiple linear regression analysis to determine the simultaneous and partial effects of the independent variables on the dependent variable.

The population refers to the entire set of subjects or units of analysis sharing specific characteristics relevant to the study's objectives (Sekaran & Bougie, 2016). In this research, the population comprises all Generation Z individuals (defined as those born between 1997 and 2012) in Sumbawa Regency who are aware of and/or have used OVO's digital wallet services. Due to the absence of verified demographic data on the total number of OVO users in this age group within the region, the population is classified as infinite. Consequently, the sample size is determined using Paul Leedy's formula for infinite populations (Leedy & Ormrod, 2015).

A non-probability purposive sampling technique is employed, selecting respondents based on the following inclusion criteria: (1) belonging to Generation Z (aged 12–27 years in 2024); (2) residing in Sumbawa Regency; and (3) being aware of or having used the OVO application. The sample size calculation assumes a 95% confidence level (Z-score = 1.96) with a tolerable margin of error of 10% ($e = 0.10$). The population proportion (p) is set at 0.5 to maximize variance, given the lack of prior data.

Paul leedy Formula:

$$n = \left(\frac{Z}{e}\right)^2 \times p(1-p)$$
$$n = \left(\frac{1.96}{0.10}\right)^2 \times 0.5(1-0.5)$$
$$n = (19.6)^2 \times 0.5(0.5)$$
$$n = 384.16 \times 0.25$$
$$n = 96.04 \text{ (expanded to 100 respondents)}$$

Based on the calculations, the minimum sample size was 96.04 respondents. To anticipate invalid data or incomplete questionnaires, the sample size was rounded to 100 respondents. This study utilized primary data collected directly from the respondents. The data sources were Generation Z individuals in Sumbawa Regency who met the established criteria.

The primary data collection technique employed in this study was the administration of a questionnaire, designed and distributed in a digital format via Google Forms to ensure ease of dissemination and completion. The survey link was shared through social media platforms and relevant community networks to effectively reach the target respondents. The instrument consisted of a series of structured statements aimed at measuring each research variable. Responses were recorded using a five-point Likert scale to capture nuanced perceptions, ranging from “Strongly Disagree” (1) to “Strongly Agree” (5), thus enabling a more detailed gradation of responses.

The operational definition of variables in this research was established to provide conceptual clarity and ensure measurement accuracy. The dependent variable, Usage Intention, was defined as the tendency or behavioral intention of individuals to adopt and utilize OVO digital wallet services in the future. Measurement indicators, adapted from Davis (1989) and Lu et al. (2005), included intentions to use OVO regularly, willingness to explore its features, preference for OVO over other digital wallets, and the likelihood of recommending OVO to others. The first independent variable, Digital Literacy, referred to the knowledge and competencies necessary to use digital media, communication tools, and networks for accessing, evaluating, and creating information. Indicators for this construct, adapted from Lankshear and Knobel (2008) and Martin (2006), encompassed technical skills in operating the OVO application, the ability to comprehend feature and promotional information, the capability to assess transaction security and risks, and awareness of ethical considerations in digital transactions.

The second independent variable, Brand Image, denoted the set of perceptions, associations, and beliefs that consumers hold

about the OVO brand, shaped by prior experiences and informational exposure. Indicators, adapted from Keller (2013), included OVO’s reputation as a trustworthy brand, perceptions of its innovation and modernity, associations with convenience and ease of use, and its popularity as a widely used service. The third independent variable, Word of Mouth (WOM), referred to interpersonal communication, both offline and online (e-WOM), involving recommendations or reviews of OVO services shared between individuals. Measurement indicators, adapted from Goyette et al. (2010), included the frequency of hearing positive reviews from friends or family, the influence of close contacts’ recommendations on the decision to try OVO, the credibility of these information sources, and exposure to positive reviews on social media platforms.

The quantitative data analysis in this study will be processed using the Statistical Package for the Social Sciences (SPSS) software version 27 or the latest available version. The analytical procedure begins with a data quality assessment to ensure the validity and reliability of the measurement instruments. Validity testing will be conducted to determine the extent to which the questionnaire items accurately measure the intended constructs, using the Pearson Product-Moment correlation between each item score and the total construct score. Items will be deemed valid if the calculated correlation coefficient exceeds the critical value at a 0.05 significance level (Ghozali, 2018). Reliability testing will then be performed to assess the internal consistency of the instrument, using Cronbach’s Alpha, with a threshold value greater than 0.60 indicating acceptable reliability (Hair et al., 2019).

Following the data quality tests, classical assumption testing will be conducted as a prerequisite for multiple linear regression analysis, ensuring that the model meets the Best Linear Unbiased Estimator (BLUE) criteria. Normality testing will verify whether the dependent, independent, or residual variables follow a normal distribution, assessed via the One-Sample Kolmogorov-Smirnov test with a significance level greater than 0.05 (Ghozali, 2018). Multicollinearity will be examined to detect high correlations among independent variables, using Tolerance values above 0.10 and

Variance Inflation Factor (VIF) values below 10 as the criteria (Hair et al., 2019). Heteroscedasticity will be tested to identify unequal variances of residuals across observations, applying the Glejser test, where significance values above 0.05 indicate homoscedasticity (Ghozali, 2018).

The primary analysis will employ multiple linear regression to assess the direction and magnitude of the effects of the independent variables Digital Literacy, Brand Image, and Word of Mouth on the dependent variable, Usage Intention. The regression model is expressed as $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$, where Y represents usage intention, α is the constant term, β_1 , β_2 , and β_3 are the regression coefficients for each independent variable, X1 is digital literacy, X2 is brand image, X3 is word of mouth, and e is the error term. Hypothesis testing will be conducted using the t-test for partial significance, to determine the individual effect of each independent variable on the dependent variable, with significance levels below 0.05 indicating acceptance of the hypothesis (Hair et al., 2019). The F-test will evaluate the simultaneous effect of all independent variables on the dependent variable, with the same significance threshold (Ghozali, 2018). The adjusted coefficient of determination (adjusted R²) will be calculated to determine the proportion of variance in the dependent variable explained by the independent variables, providing a more accurate estimate for regression models with multiple predictors.

RESULT AND DISCUSSION

Classical Assumption Test

The classical assumption test was conducted to ensure that the regression model employed in this study yields parameter estimates that are accurate, free from bias, and reliable for drawing conclusions. This step is crucial for establishing the robust validity of the research findings concerning the influence of Digital Literacy, Brand Image, and Word of Mouth on Generation Z's Intention to Use OVO in Sumbawa Regency (Ghozali, 2018).

1. Normality Test

The normality test was performed to examine whether the residual data from the regression model are normally distributed. This

analysis utilized the One-Sample Kolmogorov-Smirnov Test method.

Table 1. Normality Test Results
One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual	
N	100
Mean	0.007842
Std. Deviation	0.159421
Most Extreme Differences	
Absolute	0.056
Positive	0.053
Negative	-0.056
Test Statistic	0.037
Asymp. Sig. (2-tailed)	0.192_{c,d}

Source: Data Processed, 2024

Based on Table 1, the significance value of 0.192 (> 0.05) indicates that the residual data are normally distributed. Therefore, the normality assumption in the regression model for this study is met.

2. Multicollinearity Test

The multicollinearity test aims to determine whether high correlations exist among the independent variables. The test results are presented in the following table.

Table 2. Multicollinearity Test Results

Independent Variable	Tolerance	VIF	Interpretation
Digital Literacy (X1)	0,635	1,575	No multicollinearity
Brand Image (X2)	0,611	1,637	No multicollinearity
Word of Mouth (X3)	0,624	1,602	No multicollinearity

Source: Data Processed, 2024

Based on the multicollinearity test results in Table 2, all variables have Tolerance values > 0.10 and VIF values < 10. Consequently, it can be concluded that the model is free from multicollinearity.

3. Heteroskedasticity Test

This test was conducted to examine whether there is an inequality of variance from the residuals of one observation to another in the regression model (Ghozali, 2018). This study employed the Glejser Test to detect symptoms of heteroskedasticity.

Table 3. Heteroskedasticity Test Results

Model		t	Sig.
1	(Constant)	1.091	0.278
	Digital Literacy (X1)	0.698	0.487
	Brand Image (X2)	0.595	0.553

	Word of Mouth (X3)	0.860	0.392
a. Dependent Variable: ABS_RES			

Source: Data Processed, 2024

Based on the Glejser test results in Table 3, it is shown that all independent variables have significance values above 0.05. Therefore, the model does not contain symptoms of heteroskedasticity.

Multiple Linear Regression Analysis

This analysis was used to determine the form, direction, and magnitude of the influence of the independent variables on the dependent variable.

Table 4. Multiple Linear Regression Analysis Results

Model		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	2.185	0.682
	Digital Literacy (X1)	0.462	0.142
	Brand Image (X2)	0.327	0.115
	Word of Mouth (X3)	0.236	0.119

a. Dependent Variable: Intention to Use (Y)

Source: Data Processed, 2024

Based on the analysis results in Table 4, the multiple linear regression equation can be formulated as follows:

$$Y = 2.185 + 0.462X_1 + 0.327X_2 + 0.236X_3 + e$$

The interpretation of the formula is as follows:

- Constant (2.185), indicates that if the values of the digital literacy, brand image, and word of mouth variables are zero, the baseline value for the intention to use OVO is 2.185.
- Digital Literacy (X1), the regression coefficient of 0.462 (positive) indicates that a one-unit increase in digital literacy will increase the intention to use OVO by 0.462 units, assuming other variables remain constant.
- Brand Image (X2), the regression coefficient of 0.327 (positive) indicates that a one-unit increase in brand image will increase the intention to use OVO by 0.327 units, assuming other variables remain constant.
- Word of Mouth (X3), the regression coefficient of 0.236 (positive) indicates that a one-unit increase in word of mouth will increase the intention to use OVO by 0.236

units, assuming other variables remain constant.

Coefficient of Determination (R²)

The coefficient of determination (R²) test aims to measure the extent to which the regression model can explain the variation in the dependent variable.

Table 5. Coefficient of Determination (R²) Test Results

Model	R	R Square	Adjusted R Square
1	0.607	0.496	0.484

Source: Data Processed, 2024

Based on Table 5, the model has the capability to explain the relationship between the independent variables (Digital Literacy, Brand Image, and Word of Mouth) and the dependent variable (Generation Z's Intention to Use OVO) by 49.6%. This implies that nearly half of the variation in the intention to use OVO among Generation Z can be predicted through the combination of these three factors. Meanwhile, the remaining 50.4% of the variation is influenced by other variables not included in this model, such as the quality of the application's service, ongoing promotions, transaction security, ease of use, technological trends, or the individual preferences of each user. Thus, although this model is quite robust in explaining the tested relationships, there remains an opportunity for future research to incorporate other relevant variables to provide a more comprehensive explanation of the factors influencing Generation Z's interest in using OVO.

Hypothesis Testing

Hypothesis testing (t-test) was conducted to determine the influence of each independent variable on the dependent variable.

Table 6. Hypothesis Test Results

Variable	t-statistic	Sig.	t-table	Decision
Digital Literacy (X1)	3.254	0.002	1,984	H1 accepted
Brand Image (X2)	3.490	0.001	1,984	H2 accepted
Word of Mouth (X3)	2.471	0.015	1,984	H3 accepted

Source: Data Processed, 2024

The following is an explanation of the partial test (t-test) results obtained from Table 6 in this study:

- a. The Influence of Digital Literacy (X1) on Intention to Use (Y)
The t-statistic $(3.254) > t\text{-table } (1.984)$ with a significance value of $0.002 (< 0.05)$. Thus, H1 is accepted, which means Digital Literacy has a positive and significant effect on Generation Z's Intention to Use OVO in Sumbawa Regency.
- b. The Influence of Brand Image (X2) on Intention to Use (Y)
The t-statistic $(3.490) > t\text{-table } (1.984)$ with a significance value of $0.001 (< 0.05)$. Thus, H2 is accepted, which means Brand Image has a positive and significant effect on Generation Z's Intention to Use OVO in Sumbawa Regency.
- c. The Influence of Word of Mouth (X3) on Intention to Use (Y)
The t-statistic $(2.471) > t\text{-table } (1.984)$ with a significance value of $0.015 (< 0.05)$. Thus, H3 is accepted, which means Word of Mouth has a positive and significant effect on Generation Z's Intention to Use OVO in Sumbawa Regency.

Discussion

1. The Influence of Digital Literacy on Generation Z's Intention to Use OVO

The analysis confirms that Digital Literacy has a positive and significant influence on Generation Z's intention to use OVO in Sumbawa Regency. This finding underscores that an individual's proficiency in understanding, accessing, and operating digital technologies, particularly financial applications, significantly correlates with their propensity to utilize OVO for daily transaction needs. As digital natives, Generation Z leverages digital literacy as a primary asset in adopting modern financial services. This skill set encompasses an understanding of application features, transaction security, and the confidence to interact within the digital ecosystem without fear of risks such as fraud or data breaches.

Proficiency in digital literacy enables Generation Z to explore OVO's diverse services, including payments, transfers, and access to promotions and cashback features. This facility encourages their shift from

conventional transactions to more practical and efficient digital payments. In this context, education on the benefits and usage of digital applications is crucial for expanding OVO's penetration among the youth, especially in regions like Sumbawa Regency where digital literacy is still developing. Initiatives such as application usage training, cybersecurity awareness campaigns, and collaborations with educational institutions can further accelerate the adoption of financial technology among adolescents and young adults.

This finding is supported by the research of Sari and Nugroho (2022), which emphasizes the importance of digital literacy in fostering interest in using fintech services. A similar study by Rahmawati et al. (2021) also found that high digital literacy instills confidence in users to utilize various features of financial applications and minimizes psychological barriers to trying new innovations. Therefore, efforts to enhance digital literacy not only impact the adoption of OVO but also form a critical foundation for supporting the digital economy ecosystem as a whole.

2. The Influence of Brand Image on Generation Z's Intention to Use OVO

Brand Image is also proven to have a positive and significant influence on Generation Z's intention to use OVO in Sumbawa Regency. When OVO successfully builds a strong brand image—through modern application design, consistent promotions, and strategic partnerships with various merchants—the trust and appeal among young consumers increase. Generation Z is highly sensitive to brand perception, corporate reputation, and symbols that reflect a digital lifestyle. In the increasingly competitive digital wallet landscape, the positive image cultivated by OVO serves as a key differentiator in the eyes of new and existing users.

A favorable brand image fosters user confidence that OVO is a suitable, secure, and relevant choice for the younger generation. This is reinforced by OVO's presence across a diverse payment ecosystem, from online transportation and e-

commerce to in-store payments. Consistent visual presence, prompt service, and innovative features like point rewards and cashback promotions further strengthen brand engagement among the youth in Sumbawa. A positive brand image also provides a psychological effect of pride and a distinct identity for Generation Z, who adopt it as part of a modern lifestyle.

Theoretical support for this finding is provided by the research of Widyastuti and Pratama (2020), where brand image was shown to increase purchase intention and customer loyalty for digital products. Research by Chen and Lin (2021) also indicates that brand image in the fintech industry is a primary factor in building trust and interest among young consumers towards digital payment platforms. The implication of this finding is the importance for OVO to continuously maintain its reputation and brand image through excellent service, consistent communication strategies, and product innovation to remain the top choice for Generation Z's transactions.

3. The Influence of Word of Mouth on Generation Z's Intention to Use OVO

Furthermore, Word of Mouth (WOM) is proven to have a positive and significant influence on Generation Z's Intention to Use OVO in Sumbawa Regency. Recommendations from friends, family, and user testimonials on social media are highly considered factors by the youth, who tend to trust real user experiences more than corporate advertising. In the current digital era, WOM extends beyond direct person-to-person communication to the online realm, including app reviews, social media comments, and indirect endorsements through local influencers.

Word of Mouth effectively reduces doubt and increases the confidence of Generation Z to try or use OVO, especially when they read or hear positive stories about the convenience, security, and benefits of transacting via the application. Referral programs, joint promotions, and collaborations with digital celebrities further

expand the reach of WOM while reinforcing OVO's validation as a worthwhile application. WOM often serves as the initial gateway for individuals to eventually try OVO's features and become regular users if their initial experience is satisfactory.

This finding is corroborated by the research of Tjahjono and Ardiansyah (2021), which found that e-WOM plays a significant role in shaping perceptions and adoption interest in digital payment technologies among the youth. Jalil and Wahyudi (2022) also highlighted the effectiveness of WOM in building the credibility of digital services, particularly in markets where the penetration of financial technology is relatively new, such as in Sumbawa Regency. Therefore, it is crucial for OVO to encourage positive WOM by enhancing service quality, providing a satisfactory customer experience, and creating user community-based programs to strengthen its competitive advantage in the Generation Z segment.

CONCLUSION

Based on the data analysis and discussion, the following conclusions can be drawn:

1. Digital Literacy has a positive and significant effect on the intention of Generation Z to use OVO in Sumbawa Regency. The level of understanding and proficiency in using digital technology is proven to increase self-confidence and reduce hesitation, thereby encouraging the interest to adopt digital financial services.
2. Brand Image has a positive and significant effect on the intention of Generation Z to use OVO. A strong, modern, and trustworthy brand image is a key determinant that attracts interest, as it aligns with the identity and lifestyle of Generation Z and provides social validation.
3. Word of Mouth has a positive and significant effect on the intention of Generation Z to use OVO. Recommendations from peers and family are proven to be a highly credible source of information, effective in reducing perceived risk, and capable of creating a network effect

that accelerates adoption at the local community level.

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