

## **Cryptocurrency: Take It Or Leave It**

**Miya Dewi Suprihandari, Hendra Dwi Prasetyo, Kusuma Adi Rahardjo**

*Institute of Economic Science Mahardhika, Surabaya, Indonesia*

---

**ABSTRACT:** *Everyone has their own goals in investing, most of whom say that the motivation for millennial investment is to increase income from this digital asset, while others say they want to learn to do business and learn to understand blockchain technology. The investment method by trading still has considerable opportunities in Indonesia. This study uses a quantitative approach. Survey method as the primary data source. Data collection was carried out using a questionnaire or questionnaire instruments. Based on the level of exploration, classified associative research or relationships, namely research to determine the causal relationship. The technique used in this research is purposive sampling. The instrument in this study was in the form of a questionnaire containing questions, the preparation of the questionnaire was based on theoretical constructs that had been prepared previously. This study uses multiple linear analysis to determine the effect of variables. The results showed that the trust variable obtained the value of t-count and positive regression coefficient with a significance value of less than 5%, the risk perception variable obtained the value of t-count and the positive regression coefficient with a significance value of less than 5%, and the safety variable obtained the value of t- calculation and positive regression coefficients with a significance value of less than 5%, this study proves that the variables of trust, risk perception and safety influence the buying interest in cryptocurrency in Surabaya.*

**Keywords:** *trust, risk perception, safety and interest in buying cryptocurrency.*

---

Date of Submission: 20-03-2020

Date of Acceptance: 06-04-2020

---

### **I. Introduction**

Since it was first introduced to the public 10 years ago, the demand for cryptocurrency in Indonesia is quite high. The Government of Indonesia also finally took over the regulation on the use of these assets as stipulated in Law Number 10 of 2011 concerning Commodity Futures Trading and Commodity Futures Trading Regulatory Agency Regulation Number 5 of 2019, Regarding Technical Provisions for the Implementation of Physical Markets for Crypto Asset in the Futures Exchange, assets This digital is declared legal to be traded in its capacity as a commodity, meaning that it can be used as an investment asset but not be used as a payment instrument, because Indonesia only recognizes one type of payment instrument using the rupiah currency. So what is a millennial investment that is currently in? Of course, everyone has their own goals in investing, most of the participants said that the motivation for millennial investment is to increase income from this digital asset, while others say they want to learn to do business and learn to understand blockchain technology. It seems that the investment method by trading still has considerable opportunities in Indonesia, as many as 55% of participants still choose the investment trading method, while the other 4% choose the mining method, and those who use both the mining and trading methods are 41%.

All participants believe that cryptocurrency investment is a safe investment, 100% of participants believe this investment can be used as a long-term investment with 96.6% of them will recommend this investment to their colleagues. All participants seem to agree that beginners who want to invest in this sector to be more careful and careful before starting investment, multiplying literacy reading from various sources is also enough to help you to be more aware of various acts of fraud that could have happened unexpectedly. In addition, many also suggest that crypto business people do business the right way, not a scam, provide some new assets and provide a trusted platform. The cryptocurrency business since it was introduced to the public ten years ago does have its own place for enthusiasts. The issue of scams, price fluctuations, indeed still dominates the news regarding this digital asset (Wahyu, 2019). For that, we are required to be smart by multiplying read references on various sites, asking the more senior and more careful so that it can help avoid losses.

Based on the explanation that has been described above, the problem in this study is how the influence of trust, risk perception and safety on cryptocurrency buying interest in Surabaya.

### **II. Literature Review**

#### **Purchase Interest**

Interest in buying is something that arises after receiving a stimulus from the product he saw, from there arises interest in buying in order to have it (Kotler et.al., 2014). Purchasing interest theory is also put

forward in research conducted by (Satria, 2017), (Yoebriliani, 2018), (Priyanti et.al., 2017), (Mahfud et.al., 2016), and (Altekar et.al., 2014). Consumer buying interest will arise by itself if consumers already feel attracted or provide a positive response to what is offered by the seller. Purchasing interest is also a consumer's self-instruction to make a purchase of a product, make a plan, take relevant actions such as proposing, recommending, choosing and finally making a decision to make a purchase (Rossiter et.al., 1997). Buying interest can be identified through several indicators below (Ferdinand, 2014):

1. Transactional interest.
2. Referential interest.
3. Preferential interest.
4. Explorative interest.

#### Trust

Consumer trust is knowledge by consumers and conclusions made consumers (Mowen, 2012). The theory of trust was also put forward in research conducted by (Siegrist et.al., 2005), (Indiani et.al., 2015), (Putra et.al., 2016), (Ryu et.al., 2018), and (Adel et.al., 2015). Trust can be realized if a product meets the expectations and needs of consumers. Trust will arise if consumers feel satisfied that they have consumed or used products with certain brands. Several factors that shape consumer confidence are explained below:

1. Ability.
2. Kindness.
3. Integrity.

#### Risk Perception

Risk perception is the previous measure of perceived benefits and perceived ease of use before buying a product or service, based on consumer buying goals. (Pride et.al., 2013) states risk perception is part of psychological factors that influence purchasing decisions (Sangadji et.al., 2013). The theory of risk perception is also put forward in research conducted by (Wulandari et.al., 2014), (Fang et.al., 2015), and (Marakanon et.al., 2017). Consumer perceptions about this risk vary, depending on the individual consumer, product, situation and culture. People who have high innovation and courage to take risks, will feel lower risk than consumers who do not want to take risks, and be innovative. Risk perception factors (Nitisuastro, 2012) are as follows:

1. Financial risks, related to worrying about facing difficulties in terms of funds.
2. Functional risk, associated with the negative impact of knowing and understanding a number of product vices.
3. Physical risks, related to worry that can cause certain physical hazards.
4. Psychological risk, related to negative impacts will be inherent when buying and consuming products.
5. Social risks, related to negative impacts coming from the environment when buying and consuming products.
6. The risk of time, related to a decision will spend a lot of time.

#### Safety

Safety as the seller's ability to control and maintain the safety of data transactions. Safety guarantees have a role in building trust by reducing attention about misuse of consumer personal data and corrupted data transactions (Park et.al., 2006). The safety theory was also put forward in research conducted by (Indriani, 2016), (Herawati et.al., 2019), (Edwar et.al., 2018), (Katawetawarakas et.al., 2011) and (Joshi et.al., 2015). When safety guarantees are accepted and meet consumer expectations, consumers may be willing to disclose their personal information and will buy with a feeling of safety. Computer safety is a precautionary measure against computer user attacks or irresponsible network accesses. Safety requirements for computer systems are categorized in several aspects, as follows:

1. Privacy or confidentiality is an effort to safeguard information from people who are not entitled to access.
2. Integrity is not allowed to change information without the permission of the owner of the information.
3. Authentication is a method that states the original information, people who access or provide information.
4. Availability is the availability of information when needed.
5. Nonrepudiation is the sender cannot avoid that who sent the message or information.
6. Access control is getting access to information.

### **III. Research Methods**

This study uses a quantitative approach. Survey method as the primary data source. Data collection was carried out using a questionnaire or questionnaire instruments. Based on the level of exploration, classified as a sociative study or relationship, namely research to determine the causal relationship (Sugiono, 2017), (Arikunto, 2013). The technique used in this research is purposive sampling. The instrument in this study was in the form

of a questionnaire containing questions, the preparation of the questionnaire was based on theoretical constructs that had been prepared previously. This study uses multiple linear analysis to determine the effect of independent variables on the dependent variable (Ghozali, 2018).

#### IV. Results

This study uses an approach that uses data in the form of numbers in statistical analysis. Based on the level of explanation of the position of the variable, this research is causal associative.

**Table 1.** Multiple Linear Regression Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,505 <sup>a</sup>	,255	,239	2,884

a. Predictors: (Constant), Safety, Trust, Risk Perception

ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	401,806	3	133,935	16,102	,000 <sup>b</sup>
Residual	1172,843	141	8,318		
Total	1574,648	144			

a. Dependent Variable: Buy Interest

b. Predictors: (Constant), Safety, Trust, Risk Perception

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,518	1,849		,821	,413
Trust	,126	,041	,243	3,053	,003
Risk Perception	,124	,043	,230	2,887	,004
Safety	,170	,049	,254	3,443	,001

a. Dependent Variable: Buy Interest

Source: processed data

The results showed that the trust variable obtained the value of t-count and positive regression coefficient with a significance value of less than 5%, the risk perception variable obtained the value of t-count and the positive regression coefficient with a significance value of less than 5%, and the safety variable obtained the value of t- calculation and positive regression coefficients with a significance value of less than 5%, this study proves that the variables of trust, risk perception, and safety affect the interest in buying cryptocurrency in Surabaya.

#### V. Conclusion

This study aims to determine the effect of trust, risk perception and safety on cryptocurrency buying interest in Surabaya. This type of research is a survey, the sampling technique using a purposive sampling method. The results showed that the trust variable obtained the value of t-count and positive regression coefficient with a significance value of less than 5%, the risk perception variable obtained the value of t-count and the positive regression coefficient with a significance value of less than 5%, and the safety variable obtained the value of t- calculation and positive regression coefficients with a significance value of less than 5%, this study proves that the variables of trust, risk perception, and safety affect the interest in buying cryptocurrency in Surabaya.

#### References

##### Book

- [1]. Arikunto, S., 2013, Research Procedure, Jakarta, Rineka Cipta.
- [2]. Ferdinand, A., 2014, Management Research Methods, Semarang, BP UNDIP.
- [3]. Ghozali, Imam, 2018, Multivariate Analysis Application with the IBM SPSS 25 Program, Semarang, BP UNDIP.
- [4]. Kotler, P., and G. Armstrong, 2014, Principles of Marketing, 12th Edition, Volume 1, Bob Sabran Translation, Jakarta, Erlangga.
- [5]. Mowen and Minor, 2012, Management Behavior Volume 1, Fifth Edition (translation), Jakarta, Erlangga.
- [6]. Nitisusastro, M., 2012, Consumer Behavior in the Entrepreneurship Perspective, Bandung, Alfabeta.
- [7]. Pride, H., Ferrel, 2013, Marketing 17th Edition, South-Western: Cengage Learning.
- [8]. Rossiter, J.R., and Percy, 1997, Advertising and Promotion Management, USA, Mc Graw-Hill Book Company.
- [9]. Sangadji, E.M., and Sopiah, 2013, Consumer Behavior: A Practical Approach Accompanied: Research Journal Association, Yogyakarta, Andi Publisher.
- [10]. Sugiyono, 2017, Quantitative, Qualitative and R&D Research Methods, Bandung, Alfabeta.

**Journal Entry**

- [11]. Adel AK, Hasan AS, Mahmaoud AR, Khamis AK, and Faten Hamad, 2015, The Effect of Trust and Risk Perception on Citizen Intention to Adopt and Use E-Government Services in Jordan, *Journal of Service Science and Management*, Vol.8, June, pp. 279-280.
- [12]. Altekar, S., and Anil Keskar, 2014, A Study of the Factors Impacting the Buying Decision Process Vis-a-vis Specified Consumer Durables in NOIDA, *Journal of General Management Research*, Vol.1, No.2, July, Pp. 111-123.
- [13]. Edwar, M., Rizki Ayu AD, and Nur Fahmi W., 2018, The Factors That Affecting The Product Purchasing Decision Through Online Shopping By Students Of Surabaya State University, *International Journal Of Educational Research Review (IJERE)*, Vol.3, No .4, pp.54-64.
- [14]. Fang, Shyang C., and Tai-Yi Yu, 2015, A Risk Perception Model of Climate Change For University Students, *Journal of Baltic Science Education*, Vol.14, No.3, Pp.339-350.
- [15]. Herawati, Suchatningsih D.W.P., and Kardoyo, 2019, Predicted Purchasing Decisions From Lifestyle, Product Quality and Price Through Purchase Motivation, *Journal of Economic Education*, Vol.8, No.1, pp.1-11.
- [16]. Indiani, N.L.P., I.K. Rahyuda, N.N.Kerti Yasa, and I.P.G. Sukaatmadja, 2015, Perceived Risk and Trust as Major Determinants of Actual Purchases, Transcending The Influence Of Intention, *Asean Marketing Journal*, Vol.7, No.1, June, Pp. 1-13.
- [17]. Indriani, I.A.D., 2016, Analysis of The Factors Influence of Consumer Buying Decision On Online Shopping Clothing For Consumer In Manado, *EMBA Journal*, Vol. 4, No.1, March, pp.1166-1177.
- [18]. Joshi, Y., and Zillur R., 2015, Factors Affecting Green Purchase Behavior and Future Research Directions, *International Strategic Management Review*, Vol.3, No.1-2, June-December, Pp.128-143.
- [19]. Katawetawaraks, C., and Cheng Lu Wang, 2011, Online Shopper Behavior: Influences Of Online Shopping Decision, *Asian Journal of Business Research*, Vol.1, No.2, pp.66-74.
- [20]. Mahfud, AG, and Vincent S., 2016, Effect of E-Service Quality on Consumer Interest Buying (Case Study on the Korean Denim Website), *IOSR Journal of Economics and Finance (IOSR-JEF)*, Vol.7, No.4 , Ver.1, July-Augst, Pp.61-67.
- [21]. Marakanon, L., and Vinai P., 2017, Perceived Quality, Perceived Risk and Customer Trust Affecting Customer Loyalty of Environmentally Friendly Electronics Products, *Kasetsart Journal of Social Sciences*, Vol.38, No.1, January-April, Pp.24 -30.
- [22]. Park, C.H., and Y.G. Kim, 2006, The Effect of Information Satisfaction and Relational Benefits on Consumer Online Site Commitments, *Journal of Electronic Commerce in Organizations*, Vol.4, No.1, pp. 70-90.
- [23]. Priyanti, Y., Febsri S., and Nazaruddin A., 2017, Interest in Buying Consumer Bata Shoe Stores in Padang Raya Market Viewed from Attitudes and Advertisements, *Pundi Journal*, Vol.1, No.2, July, P.87-96 .
- [24]. Putra, Bayu APW, Fatchur R., and Noermijati, 2017, The Effect of Trust, Risk, and Web Design on Consumer Intention by Means of Consumer Attitude to Purchase Online, *Journal of Applied Management (JAM)*, Vol. 15, No. 3, September, Pp. 472-479.
- [25]. Ryu, Yeonjae, Sunhee Kim, and Seoyong Kim, Does Trust Matter? Analyzing The Impact Of Trust On The Perceived Risk And Acceptance Of Nuclear Power Energy, *Sustainability Journal MDPI*, Vol.10, No.758, Pp.1-19.
- [26]. Satria, A.A., 2017, The Effect of Price, Promotion and Product Quality on Consumer Purchase Interest in A-36 Companies, *PERFORMA: Journal of Management and Business Start-Up*, Vol.2, No.1, Pp.45-53.
- [27]. Siegrist, M., H. Gutscher and T.C. Earle, 2005, Perception of Risk: The Influence of General Trusts, and General Confidence, *Journal of Risk Research*, Vol.8, No.2, March, pp. 145-156.
- [28]. Wulandari, D.A., and Rr. Iramani, 2014, Experience Regret Study, Risk Tolaerance, Overconfidence and Risk Perception in Investment Decision Making in Economics Lecturers, *Journal of Business and Banking*, Vol.4, No.1, May, Pp.55-66.
- [29]. Yoebrilanti, A., 2018, The Effect of Sales Promotion on Interest in Buying Fashion Products with Lifestyle as a Moderator Variable (Consumer Survey on Social Networks), *Management Journal*, Vol.8, No.1, Juni, Pp.20-41.

**Internet**

- [30]. Wahyu, Elda, 2019, 65.5% Millennial Indonesia is fond of Cryptocurrency Investment, bitocto.com (accessed February 2, 2020).