

Research Article

Resistance of Traditional SMEs in Using Digital Payments: Development of Innovation Resistance Theory

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The impact of the pandemic has also affected the sustainability of traditional traders. One of the merchants' efforts in overcoming the effect of COVID-19 is to make transactions with digital payments, both in-store purchases and through online media. This study is aimed at determining user resistance with the innovation resistance theory (IRT) approach based on two main approaches, namely, functional and psychological barriers. The unit of analysis in this study is a traditional clothing market trader who uses digital payments to process transactions. This study uses a qualitative method with a case study approach in Indonesia's traditional clothing market through in-depth interviews of eight respondents. The results of this study prove that the clothing market trader uses digital payments when conducting transactions directly to consumers and for the needs of traders in supporting their business activities such as bill payments and purchases to suppliers. Most buyers complain about the risk barrier on the security and privacy factor, especially when they experience delays in information when processing transactions, causing more efforts to make complaints. The research contributes to the development of IRT theory, especially in the context of technology such as digital payments. The results of this study can also be helpful for service providers and the government in making strategies and policies that can protect users, especially buyers and sellers, in adopting digital payments.

1. Introduction

COVID-19 has spread throughout the world, which has an impact on the community's economy. Until 27 November 2022, the number of COVID-19 cases in Indonesia reached 6,478,720, with the number of deaths reaching 158,499 [1]. The existence of COVID-19 causes the public to avoid socialization that impacts the country's economy. The pandemic's impact makes merchants adapt to the times, one of which is by making their stores provide various digital payment models. The online payment model can make it easier for buyers [2, 3]. This is evidenced by more than half of digital payment users in America who have begun to divert online transactions from physical stores [4]. The penetration of digital payment growth in Indonesia is increasing very rapidly. Based on the data from Bank Indonesia (BI), the

number of electronic money in circulation reached 594.17 million units in February 2022. In detail, 512.98 million units (86.34%) were server-based electronic money, and 81.19 million units (13.67%) were based on chips or cards. The data from Bank Indonesia (BI) state that electronic money circulating in February 2022 was 594.17, with 86.34% cloud-based electronic money and the remaining 13.67% in the form of chips or cards [5]. Meanwhile, based on data from financial technology companies, e-wallets will be the most popular platform in 2021 [6].

Since 2018, the Indonesian government has encouraged SMEs to go digital following the government's program and vision, namely, "go digital 2020," to become the most extensive digital economy in Southeast Asia [7]. Bank Indonesia published the National Noncash Movement (GNNT) program in 2015. It made a blueprint for the Indonesian

Payment System (SPI) until 2025 to encourage all stakeholders, from SMEs, governments, and banks, to implement digital payments. The program has been implemented in the government, including the integrated public transportation, online transportation, digital banking, and public services. In the SME sector, the government encourages SMEs to implement single-data digital payments using the QR code payment method known as the Indonesian standard quick response code (QRIS). Since 2020, Bank Indonesia has carried out massive socialization. Even in 2021, the growth rate of transactions using QRIS is more than 150%. This shows that regulations and support from the government are in line with the SMEs and the customers [8]. In several countries, retail traders' digital payment percentage increased from 24% in 2015 to 29% in 2018 [9]. However, only 38% of smartphone users worldwide use digital payments [10]. This gap makes digital payments less effective between consumers and SMEs, so the demand and supply for digital payments are not maximal enough. Especially with the characteristics of most SMEs operating only managed by a few employees or even managed by the owners themselves so that when conducting banking transactions at branches, they are forced to leave their businesses. The impact is that the sale opportunities on that day are reduced, and the chances of survival are disrupted [11].

The development of the digital economy has been increasing during the COVID-19 period. So, this changes consumer behaviour and the business map of business actors. During COVID-19, goods and services are consumed from offline to online by 15-20% [12]. This increase is due to physical and social restrictions that make digital payment options safer. This is proven by 37% of new consumers taking advantage of the digital economy and 45% of entrepreneurs actively selling through e-commerce [12]. Research conducted by visa states that there is a connection between consumers and SMEs regarding digital payments. The research results say that 80% of consumers are motivated to make purchases related to online payments, while 54% of SMEs say there has been a 15% increase in sales since digital payments. [13]. In Indonesia, the speed of adoption in the development of digital payments is not as fast as large companies because the majority of SMEs are distributed on the island of Java (60%) [7]. Hence, updates regarding technology are also slower. [7]. However, with the high development of digital payments, there is an inherent risk of financial crime if it is not appropriately managed [14]. Even during the pandemic, according to the Financial Action Task Force, a leading international standards-setting body for financial crime, the risk of fraud due to the use of digital payments is increasing [14].

So, with technology that continues to develop, the citizen must also get used to technology in everyday life. However, because of the rapid development of technology, not all people understand the technology itself. Many people find it challenging to use, worry about security problems, and do not know much about the features and benefits of technology and other internal and external factors. For this reason, researchers adopt innovation resistance theory (IRT) to explain how users are resistant to information technology.

IRT describes user resistance to adopting a technology that threatens trust and the status quo [15]. User resistance can also be seen from two sides: active and passive. Active resistance [16, 17] arises due to resistive behaviour resulting from the innovation characteristics of different users and can be learned through functional barriers such as those in IRT [17]. In contrast, passive resistance occurs when there is a conflict with the user's beliefs and can be shown through psychological barriers [17]. Research on user resistance to information technology is growing [15]. This gives rise to an in-depth knowledge of how users can adopt the technology properly. Previous researchers have shown clear evidence of digital payments, such as the complexity of payment procedures [18, 19], privacy and security risks [20–23], lack of merchant acceptance of technology adoption [24–26], and the perceived lack of convenience and usefulness [27–30]. Previous literature shows that there are barriers to use due to the inability to operate a smartphone [17, 31] and digital literacy [32].

Users are concerned about security issues in the online area when trading over the Internet [33]. Previous researchers revealed that the everyday use of digital technology is driven by various motivational reasons [15, 34]. Some authors even mention that user resistance is critical in making these users adopt a technology [15, 35] because it can lead to innovation failure [16]. Innovation resistance occurs when there is resistance to a product or service that is contrary to values and beliefs. In the context of technology, resistance is an integral part of assessing the points of difficulty that prevent the adoption of new technologies [36].

Based on this analysis, this research is aimed at analysing with a qualitative approach through depth interviews. This study explores in depth the resistance of traditional traders to the use of digital payments. Thus, this research contributes to developing the theory of IRT with a technological approach and in the context of technology using digital payments. So that various parties such as traders, digital payment service managers, and the government can develop appropriate strategies and regulations in organizing digital payment services, especially for traditional traders.

2. Literature Review

2.1. Innovation Resistance Theory (IRT). IRT describes user resistance to adopting a technology that threatens trust and the status quo [15]. IRT was first conceptualized by Ram and Sheth, who revealed that technology is an innovation that is constantly being upgraded. Various studies on IRT emerged when there were various responses and experiences of high failure due to technology adoption innovation [36, 37]. User resistance can also be seen from two sides: active and passive. Active resistance [16, 17] arises as a result of resistive behaviour due to the innovation characteristics of different users and can be learned through functional barriers such as those in IRT [17]. At the same time, passive resistance occurs when there is a conflict with the user's beliefs and can be shown through a psychological barrier [17]. In other words, IRT consists of two dimensions, namely, psychological and functional barriers [18, 24]. These

two dimensions are divided into several barriers. The psychological barrier consists of the image and tradition barrier. These barriers occur when the user's perception is not in line with the image and service of the product [38]. Meanwhile, the functional barrier consists of three barriers, namely, value, risk, and usage, which can increase when users perceive a substantial change in the use of the technology [18, 38]. Previous literature also confirms that the five barriers are relevant to using digital financial services [18, 39].

2.2. Usage Barrier. The usage barrier occurs when the innovation of products and services from technology is not under the value, user experience, and user conditions interpreting the ease of technology [15], especially if the new technology is not following existing habits so that users take longer to accept the technology [15, 40]. The usage barrier is significant because it can significantly threaten users' opportunities to become innovators, especially in using modern technologies. Previous literature shows that there are barriers to use due to the inability to operate smartphones [17, 31] and digital literacy [32].

2.3. Value Barrier. A value barrier is defined as users who do not have the initiative to change when there are innovations, especially regarding technology that can provide better value than others (Chen et al.). Value barrier resistance also occurs when existing values are inconsistent, especially in terms of the value and cost of using the benefits obtained [17, 41]. Therefore, for users to have a low-value barrier, technology providers must have more excellent added value so that users are willing to learn the technology [17]. Talwar et al. found that the value barrier positively impacts user resistance to technology adoption. However, suppose users feel that the benefits offered by technology are not helpful enough for users in everyday life. In that case, this can create a value barrier and decrease the intention to use [15].

2.4. Risk Barrier. Every technology has a level of uncertainty that can be a barrier for users [15, 29, 36]. This risk causes resistance, resulting in users not wanting to use the technology [15]. One of these risks is security and privacy in terms of financial data and information [15, 29]. So that the more secure the technology used, the more users will continue to use the technology [29, 42]. The findings also discuss the impact of user resistance to security and privacy, especially in mobile technology [43, 44]. In the process of using digital payments, all users, both from the consumer side and SMEs, must register to fill in their data first. They allow the risk of information misuse resulting in the user's money loss so that this risk can lead to user resistance to adopting digital payment usage barrier.

2.5. Image Barrier. Image barrier is a person's resistance to feeling the complexity of innovations along with their convenience [45]. The image may occur when particular technologies are not considered safe by users, thus forming a negative image [17, 46]. When users feel that the use of technology is helpful, it will increase expectations for the performance of the technology [3, 47] so that users can continue to use technology is getting bigger. Kaur et al. revealed that the

image barrier could explain more than 59% of user adoption, especially in mobile payments. In addition, previous researchers also revealed that image is one of the most important things for a company and can be a barrier when the image seen by users is terrible. It affects users' decisions in using the technology.

2.6. Tradition Barrier. Traditions in society can determine the success of goods and services offered by companies, including technology [17]. John and Klein argue that tradition is firmly attached to society, resulting in strong reactions from users for dissatisfaction with the use of goods and services or technology, resulting in nasty comments and boycotts of products and services [48]. Tradition barriers occur when there is a gap between the products or services offered and the culture and behaviour of everyday people [49]. Kaur et al. found that the traditional barrier is said to be a barrier that weakens users' resistance to technological innovation [17]. Tradition has also been found to be the most significant barrier to digital finance adoption [50]. When social norms in a tradition exist and conflict with the presence of new technology, it can certainly be a barrier for someone [38].

2.7. Materials and Methods. This research is a qualitative research with a case study approach. This method allows researchers to conduct an in-depth research on the object studied during the interview process [51]. Interviews were conducted with SME traditional clothing markets in Indonesia who already have and use digital payments in their business activities. Respondents in this study obtained as many as eight people. The target of this research is clothing business actors in traditional markets in Indonesia who use digital payments as a transaction tool. There are several criteria for selecting respondents. First, SMEs must use digital payments to conduct business transactions. Second, SMEs must have general knowledge of digital payments. Third, SMEs must have at least two years of selling. These criteria are intended to give the authors sufficient information about the resistance to using digital payments. After that, each respondent will be met by one researcher, after which an interview will be conducted for 30-40 minutes with semi-structured questions. The criteria for determining the respondents were carried out by purposive means, namely, choosing according to the characteristics of the respondents. The author maps respondents based on the use of digital payments, age, length of business, and digital literacy that comes from sales behaviour using online media such as social media or e-commerce.

This study uses an interactive model analysis approach starting from data collection in the field, data selection, data presentation, and making verification and conclusions [52]. The data analysis technique used is thematic analysis to translate the results of interviews conducted by researchers, which are described using iterative techniques [53]. The interview results were analysed with the help of Microsoft word and excels at mapping the respondents' questions and answers. Using tools with the help of word and excel will be very effective when systematically unstructured coding

data [53]. The results of each interview that has been carried out are rewritten in word format. After that, each interview data result was transferred in excel format and coded inductively by several other researchers separately [18]. Then, the data are analysed and grouped according to general themes and specific problems. The data were then compared and discussed with the researchers. A total of 11 question item codes are involved in the five barriers in IRT, namely, usage barrier, tradition barrier, value barrier, risk barrier, and tradition barrier. A list of questions asked by traders in traditional markets is presented in Table 1.

3. Results and Discussion

3.1. Result. Based on the field interviews, eight respondents were used for research. The respondents of this study consisted of 3 men and five women. Most of these respondents have an age range of 27-35 years, as many as five. While the age range of 36-45, as many as two respondents. Moreover, only one respondent is more than 50 years old. Meanwhile, from the duration of trading in the traditional clothing market, the majority are under ten years. Moreover, only three respondents have had a business for more than ten years. The respondent data are presented in Table 2.

The results of interviews and in-depth discussions can be found several essential points regarding user resistance to digital payment adoption, namely, as follows.

3.2. Tradition Barrier. The traditional barrier has two main keywords: old habits and switching costs. Old habit in the context of this research is more directed to the habit of using the old method, namely, the use of direct cash transactions between SMEs and consumers. Based on the interviews, all traders did not eliminate the payment method with paper money.

I prefer to transact directly with paper money because money is received immediately. And do not have to check mobile banking or take money at the bank (PA6).

I prefer to transact directly because the money is immediately received (PA1, PA3, PA4, and PA7).

I prefer direct transactions. However, if it is through digital payments, it is not a problem because the most important thing is that the money from the customer reaches our account (PA2, PA5, and PA8).

Switching costs indicate an additional cost or effort to implement a digital payment method. Based on interviews with the respondents, there are different answers regarding switching costs, especially for PA6 and PA7 respondents who only have one type of digital payment. At the same time, the other six respondents have more than two types of digital payments (PA1, PA2, PA3, PA4, PA5, and PA8).

I just have mobile banking that suits what I'm using now. Having more mobile banking will incur costs (PA6).

Only one type of car wallet because most use that payment method (PA7).

I have many types of payment methods, aiming to facilitate customers in making payment methods. Many of these methods do not incur considerable costs. It only takes a little

effort to register the first time. In addition, the transfer fee is also cheap (PA2, PA3, PA4, and PA8).

I have many payments because I also use them for daily purposes (PA5 and PA1).

3.3. Value Barrier. Relative advantage refers to users' advantages when using a digital payment model compared to physical payments. Most of respondents know the functions and facilities of digital payments.

The advantage of using mobile banking is that it can be done anywhere and anytime (PA6).

Using digital payments can make it easier for me to make transactions online. When using e-commerce, I prefer digital payments to cash on delivery (COD) (PA1, PA3, PA4, and PA8).

Digital payments are more flexible to use because transactions can be carried out faster without physical contact (PA1).

Incentive refers to the additional value provided by digital payment service providers. Several respondents said that incentives are one of the factors that encourage them to use digital payments.

Digital payment models often offer discounts or cash backs for both buyers and users (PA1, PA2).

Digital payments provide cheaper and less complicated transfer fees when entering a bank account (PA6 and PA8).

3.4. Risk Barrier. There are two main focuses on the risk barrier theme: perceived security risk and reliance on digital payment. Perceived security shows the level of security of user data while using digital payments. Several respondents expressed the importance of data security, especially regarding service providers' security. Even security is the focus for users in using this type of digital payment. One of them is the potential for losing money in digital payment storage. In addition, there are direct messages from social media that contain spam that can interfere with user comfort. Some users also underlined that they fear making large transactions using digital payments. They prefer to do transactions directly or through bank tellers.

I am worried about transacting online. I must quickly check the account to ensure that the money sent goes to my account (RA6).

While making a transfer, I once had problems entering my account late. As a result, I panicked and had to confirm with the digital payment service provider's customer service (PA5).

Too many messages from service providers via direct messages (PA2).

In my opinion, digital payment models are riskier than direct transactions. It could be that the money did not come in or in the middle of the road. Another party stole the money (PA8).

I am afraid to make significant transactions through the digital spread. It is better to make transactions at a bank teller or pay directly (PA1).

Reliance on a digital payment shows the potential for dependence due to the features and functions used in digital payments. For example, the user must have a smartphone.

TABLE 1: Research questions.

Topic	Question
Introduction	Researchers asked SMEs about the type of business and personal data such as name, age, and place of residence.
Experience	How long have you been trading in the traditional clothing market?
	Do you open a business online?
	What platform do I use to open a business online?
Usage barrier	Do you use digital payments?
	What type of digital payment do you use?
	How long have you been using digital payments?
	Do you use more than one type of digital payment?
Tradition barrier	What are the features of digital payments?
	Are you more comfortable transacting directly or online?
	Why are you more interested in transacting directly or online?
Value barrier	Do you have other digital payment applications?
	What do you like about using digital payments?
Risk barrier	Does digital payment provide incentives, cashback, or discounts to users? If so, what kind of program is it?
	In your opinion, are transactions through digital payments safe?
	Why do you think that there is potential for data security or insecurity?
	When you have problems with your smartphone, does it affect digital payments?
Image barrier	What affects digital payments when a problem occurs on a smartphone?
	What are the considerations for you7 in choosing a digital payment service?
	Is company image important?
	Does every transaction need approval?

TABLE 2: Participant data.

No.	Name	Initial	Age	Gender	Length in business
1	Participant 1	PA1	34	Female	6 years
2	Participant 2	PA2	30	Female	2 years
3	Participant 3	PA3	27	Female	7 years
4	Participant 4	PA4	30	Male	5 years
5	Participant 5	PA5	28	Female	Four years
6	Participant 6	PA6	54	Female	26 years
7	Participant 7	PA7	42	Male	13 years
8	Participant 8	PA8	38	Male	12 years

So, there is a possibility of loss or misuse when the smartphone is lost.

Sometimes the operator signal is also decisive (PA1).

My smartphone has short battery life. So, when there is a payment, I cannot make the transaction (PA2).

Mobile banking usually uses a card that is embedded in the cellphone. So, if there is a problem with the smartphone (e.g., lost or damaged), there is the potential for misuse (PA4, PA5).

3.5. Usage Barrier. The keywords in the usage barrier are the adoption of digital payments in SMEs, knowledge about digital payments, and fragmentation. Based on keywords regarding digital payment adoption, all respondents claimed to have used digital payments such as mobile banking, digi-

tal wallets, or QR codes. Some even use all three at once (PA3 and PA2). This is due to improve service to customers. Many digital payment methods will make it easier for consumers to buy their products.

Sometimes I use mobile banking when there is a transaction with a supplier. Transactions with buyers rarely use mobile banking (PA6).

The use of digital payments depends on the buyer's desire to use the payment method. Usually, every week there are those who use digital payments, especially when making online transactions (PA2, PA3, and PA4).

The use of digital payments is uncertain, depending on customer requests. Usually, every month someone makes transactions via the transfer method (PA7).

The interview results show that most sellers use social media assistance to interact with the community. The process is continued with WhatsApp, then performs the transaction using the peer-to-peer mobile banking transfer method. One of the respondents who do not have e-commerce (PA6) revealed that they make transactions only through mobile banking. Digital payment knowledge shows user knowledge about digital payment models. In addition, knowledge describes the features of the digital payment model.

Digital payment models are online payments such as mobile banking. There may be other payment models, but I am not interested in finding out (PA6).

I know there are many types of digital payments (PA2 and PA3).

Yes, I know. Only, I am not very interested. It is better to focus on the payment model that suits our needs (PA1, PA6, and PA8).

Mobile banking can make transfers to other banks (PA6).

Digital payments include electricity bills, in-store payments, health insurance, and bank transfers (PA1, PA2, PA3, PA4, PA5, PA7, and PA8).

Fragmentation shows users' disappointment in using digital payment models, especially when using multiple payment models simultaneously. Most respondents use many digital payment models because they adapt to consumer needs. In contrast, only one user uses one payment model because they do not know and do not want to experience difficulties.

I use other digital payment models according to customer needs (PA1, PA8, and PA5).

I use other payment methods because I see friends or consumers using this payment model a lot (PA2, PA3, and PA4).

I only use mobile banking because it is linked to my bank account (PA6).

3.6. Image Barrier. In the image barrier, two topics that are the primary concerns are image service providers and need others' approval. The image service provider shows the user's image of the existing services and features. The higher the company's image, allows users to trust and adopt the payment model.

I use mobile banking because I know and trust the company (PA6).

I do not know the mobile wallet service provider. I use it because I follow a friend (PA7).

I need to know a digital payment service provider, especially regarding security (PA1, PA2, and PA3).

I use digital payment because I know from social media news and friends (PA4 and PA5).

When conducting transactions, the need for approval becomes vital for one of the respondents. It has to do with the money that goes out. However, most respondents said that there is no need for approval because there is digital evidence that can be accounted for. In addition, some respondents also rely on positive responses from other merchants or friends to believe that the payment model is safe.

When making transactions using digital payments, I have to check on my mobile banking application (PA6).

I believe that digital payments can be trusted because every time I make a payment, there is proof of transfer (PA1, PA3, and PA8).

To adopt new technology, I need recommendations from others that this payment model can be trusted (PA7).

I think there is no need for approval because there is already proof of the transaction. So, you can complain to the service provider if the money does not come in (PA2 and PA5).

4. Discussion

This study is aimed at digging deeper into clothing traders' views regarding the use of digital payments in traditional markets. This view leads to SMEs' resistance to financial

technology based on innovative resistance theory, including tradition, value, risk, usage, and image barriers. The explanation is contained in Table 3.

Based on the results of the interview, the IRT theory has provided a clear picture of how these barrier factors can affect the adoption of digital payment. These factors follow IRT theory and are adapted from previous research, namely, the image barrier, with two main concerns the provider's image and the other party's need for approval. Then the usage barrier consists of SME adoption, digital payment knowledge, and fragmentation. Risk barriers have two main problems: perceived security and reliance on digital payment. Then, the value barrier with two problem approaches, relative advantage, and incentive. Finally, the traditional barrier consists of 2 main problems: old habits in viewing digital payments and switching costs.

There are three main approaches to the usage barrier: SME adoption, digital payment knowledge, and fragmentation. Regarding the adoption of digital payments, most respondents use digital payments on a regular basis. The purpose of merchants using digital payments for most transactions is to make payments, follow trends, increase sales, attract consumers, and improve company image. Most respondents said that the use of digital payments can make it easier for sellers to make transactions online. When using e-commerce, sellers prefer to use digital payments when compared to cash on delivery (COD) or payments made. This is supported by other researchers where when using digital payments, sellers can freely control payments wherever and whenever SMEs are located [54]. The average respondent uses it several times weekly, depending on the transaction method.

Nevertheless, merchants also use digital payments for daily business purposes, such as paying for electricity, bank transfers, bill payments, and buying trade materials. Especially with the social restrictions imposed by the government due to COVID-19, thus requiring buyers and sellers to make cashless transactions, so that the digital payment option is one that buyers and SMEs rely on. Meanwhile, only one respondent uses digital payment several times every month (PA6). The reason for rarely using it is because the merchant does not provide digital payments, but has mobile banking if consumers want to use the bank transfer method. In addition, PA6 also only uses mobile banking when transferring to other people. This is also consistent with the subsequent issue of fragmentation, whereas PA6 only has 1 type of digital payment because it does not want to be bothered by a system that has not been mastered. They are following the opinion of previous researchers, where when the benefits obtained are not in line with the needs of the user, then he tends to be reluctant to use it [29, 30, 55]. Vice versa, when consumers receive great benefits from the presence of technology, they will tend to use it [3]. At the same time, most of the rest tend to have more than two types of digital payment models. The reason is that each digital payment model provides cashback offers or specific promo promos that can attract consumers to buy at the merchant's place of business. This is related to the third focus usage barrier, namely, incentives. Everyone will respond to incentives provided by service providers [56, 57].

TABLE 3: Item of concern.

Barrier in IRT	Identified themes	Item of concern
Tradition barrier	Old habit in viewing digital payment	(i) Many respondents are more comfortable transacting directly
	Switching cost	(ii) Payment using digital media requires additional effort
Value barrier	Relative advantage	(i) The use of digital payments can be used anytime and anywhere (ii) It has many more features and advantages
	Incentive	(i) Cashback offers or specific promos can increase the value of digital payment service providers
Risk barrier	Perceived security	(i) There is a possibility of losing financial data (ii) There is a misuse of personal data, for example, users are continuously sent promos
	Reliance on a digital payment	(i) The occurrence of technical problems (ii) Bad connection (iii) The risk of the smartphone being lost, damaged, or borrowed
Usage barrier	SME adoption	(i) Most digital payment adoptions are pretty broad in scope (ii) There are still merchants who use digital payments only for specific needs (iii) The majority are used in daily business life
	Digital payment knowledge	(i) Almost all respondents are familiar with digital payment (ii) There is a difference in knowledge, especially for traders who are over 50 years old (iii) The majority have understood the functions and facilities of digital payments
	Fragmentation	(iv) Most merchants have three different types of digital payments (v) Some traders do not want to use more than one because they do not want to find it difficult
Image barrier	Image of provider	(i) The more well-known a data provider, the more merchants use the product (ii) Some of their respondents do not pay much attention to the image provider. They only use it because of the recommendation of a friend or relative
	The other party's need for approval	(i) Almost all respondents do not need other parties for the approval process. Because in digital banking there is proof of payment

Then, this study also found that the value barrier has a somewhat important role. The focus of attention is on the relative advantage and incentive. The results of this research show that in the direct payment process in the market, most buyers prefer to pay through direct banknotes. This is due to the lack of benefits at the time of direct transactions. The payment time is longer, or the buyer must check the transaction first. This is in accordance with previous research where the lack of benefits affects technology adoption [50].

Data security risk is the most discussed factor by respondents. Respondents think that the security in conducting transactions can disconnect them from using digital services. This fact is also supported by previous researchers where security plays a crucial role in making someone adopt technology [15, 17, 20, 24, 29]. Respondent PA6, for example, only uses 1 type of digital payment model because it considers various data security. Several respondents also revealed that it is possible to lose financial data when transacting online. In addition, there can also be a misuse of personal data, for example, users are continuously sent promos that are too frequent. While the reliance on the digital payment factor, respondents usually get technical problems such as an error or having to update the application when opening the digital payment application. Users also complain that transactions are not smooth when the internet connection is terrible. The results of this study follow previous research that the risks faced by SMEs in adopting digital

payments are delays in receiving money and transaction failures due to unstable connections [7]. Finally, what users are most worried about is when the smartphone is lost, damaged, or borrowed by a colleague, which can potentially be misused by using their digital payment account.

Tradition and image barriers are shown by the old habit and switching costs. Most respondents agree that the traditional way of the transaction is essential when conducting transactions in the market. They provide a digital payment model only to attract consumers to buy in their stores. However, it is different from a functional point of view. Merchants prefer digital payments when they want to process transfers when there are online transactions. Merchants also use digital payment applications to pay electricity, credit, internet bills, and other online necessities. Although when making payments digital requires additional effort, such as being connected to the internet. However, it is better when compared to buying goods and services physically. They must go and wait long enough, which results in higher costs and fewer benefits compared to digital payments. The results of this research are also following what previous researchers said that technology could provide more significant benefits when compared to traditional methods [28, 30, 58–61]. In contrast, the service image is shown by two big things: approval and company image. The image of a digital payment service provider is essential for traders because it affects the process of selling goods and services. Consumers

usually choose a digital payment model according to the reputation of the digital payment. This is following the opinion of other researchers that there is a role between companies and consumers in supporting the technology adoption process [18, 50, 62].

5. Conclusions

This study develops IRT theory by explaining users' barriers to adopting technology. IRT can be seen from two significant aspects: functional barriers (usage, risk, and value) and psychological barriers (tradition and image), which include eleven types of identification of digital payment user resistance. This study shows a significant obstacle that causes users to hesitate to adopt technology: the risk barrier. Risk barrier has a significant impact on other obstacles, such as image barrier and value barrier. The experience of traders when an error occurs or experiences interference when making a transaction causes the risk barrier to become even more extraordinary. Of course, this impacts the image of the service provider. Other factors, such as traditional barriers, also have a significant impact.

Moreover, the respondents in this study are traders who trade in traditional clothing markets. So, both consumers and traders are still attached to the existing payment traditions. The results in the field prove that most traders still prefer direct transactions. Meanwhile, the digital payment method is only used when a consumer request to use the service. However, when making transactions that can be used by digital payments, for example, to purchase goods and services on social media or e-commerce, traders agree that digital payments are much more practical and profitable.

This research contributes to the development of innovation resistance theory, especially in terms of using digital financial services by traditional traders, by identifying ten types of resistance topics. Some of these topics were adopted by resistance theory and based on previous research. This research also illustrates that security is essential for SMEs in traditional markets. Service providers should provide education and layered protection to minimize data security risks. Service providers must also maintain data security, especially regarding the data problem factor, which avoids the possibility of losing user money. More importantly, digital payment service providers and the government must provide data security regulations and ensure that the service provider bears any accidental loss. Digital payment service providers should also pay attention to traders who are less familiar with the technology, for example, because of the age factor and digital literacy. They tend to use one technology faithfully if the merchant is satisfied. This means there needs to be a segment or special attention in dealing with traders with these characteristics.

Data Availability

The data carried out in the study can be available from the corresponding author according to the request.

Conflicts of Interest

The authors report that this study is free from conflicts of interest.

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