

## MOBILE PAYMENT: AN CHANGE OF CONSUMERS TOWARDS ONLINE PAYMENT METHODS OF SELECTED DIGITAL WALLETS

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### **ABSTRACT:**

Recent trends in technology and digitalization are incessantly changing the life of society. For the financial development of a country, the bank plays a significant role. Nowadays all bank transactions have become cashless transactions. Digital wallets are modern versions of e-banking. Digital wallets are software-based wallets that are also known as e-wallets. Smartphones have become a vital part of the payment, through customized apps like BHIM, Google pay, Pay Pal, Paytm, etc provided by a mobile wallet company, a person is ready to do all banking transactions with a click. The main objective of this research paper is to analyze the customer awareness and usage of selected digital wallets. From the study, it was found that the majority of the respondents have adapted to mobile wallets. The usage of mobile wallets has a higher influence on the age, gender, education, and marital status of the respondents.

**Key Words:** Mobile Wallets, Application, technology, Digitalization, Cash Less transaction

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## **1. INTRODUCTION**

The Digital India initiative has made a tremendous change and created a new platform for digitalization by cashless transactions. The digital payment system is a payment method performed through various apps which is installed on mobile phones. The “Digital India” innovation by the government has made the transactions to be paperless, contactless, and also cashless. Mobile wallets are the major cashless payment platform that emerged in India. Cashless transactions have made the development of consumers from conventional to convenience payments. In the present scenario, digital wallets are the most commonly used financial instruments for making all kinds of payments, transferring and receiving funds making, mobile recharge, etc. Before these digital wallets, consumers faced many problems in making cash payments even at small shops, stores, etc. But at present with the help of mobile wallets, this problem has been sorted.

### **1.1 Mobile Wallet :**

Mobile wallets are the service provided by a bank or financial institution through a mobile application (app) that has to be installed on the phone, the consumers have to give their bank details in that specific app with a password, which helps them to keep their bank details safe and secure. Once they are registered with the details they can make all the transactions that can be made through a bank account. In India, these applications are provided by a bank licensed under RBI.

### **1.2 Types of Mobile Wallets :**

#### **1. Open Wallet :**

It is a type of wallet provided by the bank which allows the user to buy goods and services. Users of open wallets can make any kind of transaction easily. Users can make transactions both online and in-store at any time.

#### **2. Closed Wallet:**

These kinds of wallets are popular for e-commerce companies. These wallets are developed by the company which sells its products or services. Customers using a closed wallet may access the saved money to transact with just the wallet issuer. Money is collected by a wallet from returns, cancellations, or refunds. Example: Amazon Pay, Flipkart pay, etc.

### **3. Semi-closed Wallet:**

It allows the customers to make transactions at listed sites and traders. These kinds of wallets can be used both offline and online. However, the customers must sign in through a mobile wallet application by accepting the agreements or contracts with issuers. For example, Paytm, Freecharge and Mobikwik are semi-closed **carriers**.

#### **1.3 OBJECTIVES:**

- To compare users' views on the usage of selected mobile wallets.
- To scrutinize the factors that influence the usage of mobile wallets
- To explore the psychological factors that influence digital banking usage among customers.

#### **1.4 STATEMENT OF THE PROBLEM:**

The usage of technology and the internet is more when compared to before, people now prefer cashless transactions. For all modes of transactions, they prefer digital wallets but still, there is a problem with safety and security, This research paper deals with various variables that were used to find out the perception of customers towards some selected digital wallets:

## **2. RESEARCH METHODOLOGY**

Research methodology is a detailed way to solve the research problem. It is how research is done scientifically. It consists of different steps that are generally adopted by a researcher to study the research problem along with the logic behind them.

### **2.1 SOURCES OF DATA**

- PRIMARY DATA
- SECONDARY DATA

### **2.2 COLLECTION OF DATA**

#### **Primary data**

- Questionnaires were prepared for the collection of primary data from the respondents. The questionnaire was prepared in an understandable way so as to express their views frankly.

### **Secondary data**

- Secondary data were collected from various journals, magazines, websites, newspapers and various journals, and websites

### **2.3 SAMPLING SIZE AND POPULATION**

208 respondents were collected for the study. The purposive sampling method is used for this research study. The result of the study will help the customer to better understand the various digital wallets and also overcome the drawbacks of digital payment. This study covers only the Customers who are residing in the geographical location of the Kanchipuram district.

### **2.4 PERIOD OF STUDY**

The period of study is from January 2022 to June 2022 .

### **2.5 STATISTICAL TOOLS FOR THE STUDY**

- Simple Percentage Analysis
- KENDALL RANK CORRELATION COEFFICIENT
- Annova
- Chi-Square

### **2.6 LIMITATION OF THE STUDY:**

The following are the limitations only:

- The study was limited to the Kanchipuram district only.
- The sample size is limited to 208 respondents.
- The data was collected through a questionnaire method and it may not be exact.

## **3. REVIEW OF LITERATURE**

(AMIN , SULTANA , SAHA , ISLAM , KASHEM ,2021)

This study focused on customer attitudes towards the use of mobile banking in Bangladesh. The study found that factors such as the benefits of using, shopping benefits, and

psychological factors influence the positive attitude of customers towards the use of mobile banking in Bangladesh.

**( VAN, PHAM, WILLIAMSON, CHAN, THANG, & NAM, 2021)**

This study was conducted by using the technology acceptance model (TAM) to know the customers' behavior towards mobile banking. Perceived hazards and beliefs of customers have been studied in reference to this model. Totally 403 respondents were collected for the study from one of the largest joint-stock commercial banks in Vietnam .customers are ready to adopt the new technology by using mobile banking but they find it difficult in the initial stage to adapt to the changes From their study they found that there is a positive association between perceived comfort of use with perceived usefulness towards mobile banking applications.

**(LIVE MINT 2018)**

According to the study he said that consumers feel challenged to carry cash, so to overcome this mobile wallets play a vital role. People can make payments with a click by using a mobile wallet application installed on their smartphones.

**(ABHIJIT M. TADSE & HARMEET SINGH NANNADE 2017 )**

In their study “A STUDY ON USAGE OF PAYTM” they concentrated on the usage of PAYTM, devices used for PAYTM, average monthly spending on this application, and failure in transactions. A total of 151 respondents were collected for the study. consumers prefer PAYTM because of the transfer facility, and the majority of the respondents are satisfied with the application.

#### **4. ANALYSIS AND INTERPRETATION:**

**Table-1 GENDER**

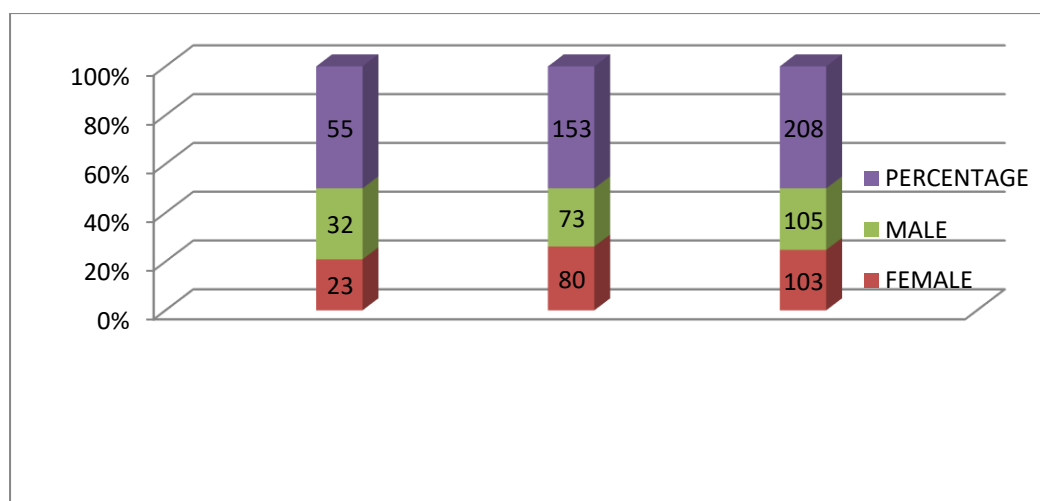
**To know more about Digital Wallet**

		<b>FEMALE</b>	<b>MALE</b>	<b>PERCENTAGE</b>
To know more	No	23	32	55

about Digital Wallet	Yes	80	73	153
Total		103	105	208

### CHART-1

#### Do you want to study more about Digital Wallet



### INTERPRETATION:

From the above table of 208 respondent's majority of the female respondents are more interested to learn more about digital wallets

### KENDALL RANK CORRELATION COEFFICIENT

TABLE NO -2 Most used digital wallets:

S.No	DIGITAL WALLET	Mean Rank	Rank
1	AMAZON PAY	5.07	5
2	PHONEPE	6.25	7
3	GOOGLE PAY	4.00	2
4	PNB	6.88	8
5	YONO	4.50	3

6	BHIM	4.51	4
7	PAYTM	3.52	1
8	OBC M	6.65	9
9	DHAN	7.32	10
10	MOBIKWIK	6.1	6

### INTERPRETATION:

It is seen from the above table most used digital wallet Paytm has secured a higher mean score and stood at the top, followed by Google pay, which has secured the next higher mean score and stood at second, Yono has secured the next higher mean score.

**TABLE NO: 3 ANOVA**

Sum of Model Squares			Df	Mean Square	F	Sig.
1	Regression	59.976	6	9.996	8.706	.000b
	Residual	208.3	197	1.148		
	Total	268.276	203			

- **Dependent Variable:** how often you use digital wallet?
- **Independent Variable:** Gender, Age, Occupation, Annual Income, Marital Status, Qualification

The above table shows that there is a significant relationship between the dependent variables (frequency of using digital wallets) and independent variables (age, gender, annual income, occupation, marital status, and qualifications).

### CHI-SQUARE

Comparison between the demographic factors of the customers with the Apparent Ease of Use of digital wallets.

H0: There is no relationship between the personal factors and the Apparent Ease of Use of digital wallets.

**TABLE NO-4**

**Demographic Factors vs. Apparent Ease of Use**

	<b>Demographic Factors</b>	<b>Chi-square</b>	<b>Df</b>	<b>Table</b>	<b>S/NS</b>
<b>Apparent Ease of Use</b>	Age	1975.000 <sup>a</sup>	6	.210	NS
	Gender	.338 <sup>a</sup>	1	.735	NS
	Education	50.860 <sup>a</sup>	12	.000	S
	Occupation	188.765 <sup>a</sup>	16	.000	S
	Marital Status	40.566 <sup>a</sup>	8	.000	S
	Family status	20.12 <sup>a</sup>	4	.005	S
	Residential Area	26.825 <sup>a</sup>	8	.003	S

Note: S- (p value < 0.05): Ns- (p value > 0.05)

Interpretation:

There is significant relationship between the personal factors like education (0.000), occupation(0.000) ,marital status(0.000), family nature(0.005), and the residential area (0.003 )with the Apparent Ease of Use as the value is less than 0.05. There is no significant relationship between the Gender (.735) and Age (.210) Apparent Ease of Use, as the value is greater than the significant value (0.05).

**5. FINDINGS :**

**5.1 SIMPLE PERCENTAGE ANALYSIS :**

- Majority of the female respondents are more interested to learn more about digital wallets

**5.2 KENDALL RANK CORRELATION COEFFICIENT**

- Majority of the respondents prefer PAYTM and Google pay for making online transactions.

**5.3 ANOVA:**



There is a significant relationship between the dependent variables (frequency of using digital wallets) and independent variables (age, gender, annual income, occupation, marital status, and qualifications).

#### **5.4 CHI-SQUARE**

There is significant relationship between the personal factors like education (0.000), occupation (0.000), marital status (0.000), family nature (0.005), and the residential area (0.003) with the Apparent Ease of Use as the value is less than 0.05. There is no significant relationship between the Gender (.735) and Age (.210) Apparent Ease of Use, as the value is greater than the significant value (0.05).

#### **6. CONCLUSION:**

Digital wallet usage has made a good change in the banking field. Today the development of technology and the internet has made the digital wallet more awareness among the customers. Digital banking is now familiar in both urban and rural areas. Digital wallets by installing a customized app on the mobile, which enables the customers safe and secured transactions, However, there are certain risks also involved in digital payments customers experience certain risk and security problems.

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