

A Study on Attitude of Consumers Towards Using E-Wallet in South West Zone of Surat City

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Abstract : The “Digital India” is the Indian Governments flagship programme with a vision to convert India into a digitally empowered country. “Faceless, Paperless, Cashless” is one of supposed function of Digital India. Digital payment is a way of payment which is made through digital modes. No hard cash is involved in the digital payments. All the transactions in digital payments are completed online. Moreover E- Wallet refers to an electronic device that allows an individual to make electronic transactions. The main Objective of the study is to know about attitude of consumers towards using E-wallet. Primary Methods of data collection is been used with single cross sectional descriptive research design. Structured questionnaire has been developed and personal online survey has been used as a method of primary data collection to study attitude of consumers towards using E Wallet in South west Zone of Surat City. Findings shows mostly 35% consumer prefers to use E- wallet as a method of E Payment because of most convenient payment rather than debit card, credit card or online banking. 150 respondents have been surveyed with non probability convenience sampling method to know the attitude towards using E Wallet in South west zone of Surat City.

IndexTerms - Attitude, Perception, E-Wallet, Digital Payment, E- Payment.

I. INTRODUCTION

Introduction: Digital payment is a way of payment which is made through digital modes. In digital payments, payer and payee both use digital modes to send and receive money. It is also called electronic payment. Electronics Consumer transaction made at point of sale (POS) for services and products either through internet banking or Mobile banking using smart phone or card payment are called as digital payment The “Digital India” is the Indian Governments flagship programme with a vision to convert India into a digitally empowered country. “Faceless, Paperless, Cashless” is one of supposed function of Digital India. As part of government reforms Prime Minister Mr. Narender Modi demonetized the high value currency of Rs. 500 and 1000 in November 2016 and also launched the “Digital India” initiative in 2015. These initiatives have provided extensive boost up to the digital payment system in the country. Government” initiatives like BHIM and UPI are supporting in transition and faster adoption of digital payments.

The digital payment system has the following phases,

- Registration
- Invoicing
- Payment Selection
- Payment Confirmation.

Literature Review:

Roy and Sinha (2014) indicated that e-payment systems had grown considerably in India and there was a greater scope for increasing usage of digital payments. They also found that innovativeness, incentives, convenience and legal provisions were contributing to improve the e-payment system.

Rouibah (2015) showed that poor security, lack of trust, fear of failure, high charges and poor familiarity were the major constraints that affected e-payments. Besides, security features of internet, banking facilities, privacy and quality of services were also affecting adoption of e-payments.

Rathore (2016) stated that digital payment using wallet was highly convenient for consumers in purchasing products through online without physical movements across places.

Tyagi and Shukla (2016) entitled “The Study of Electronic Payment Systems”. This study aimed to identify the issues and challenges of electronic payment systems and offer some solutions to improve the e-payment system quality. The successful implementations of electronic payment systems depends on how the security and privacy dimensions perceived by consumers as well as sellers are popularly managed, in turn would improve the market confidence in the system.

Agarwal and Variyar (2017) reported that in Budget our finance minister Arun Jaitley encouraged digital payments and announced a mission targeting at least 2,500 crore cashless transactions in 2017-18 through payment modules such as the government’s Unified Payments Interface (UPI) and Aadhaar Pay.

Bhakta and Variyar (2017) reported that The Ratan Watal committee recommends proper measures for encouraging digital payment in India, may have envisaged a rosy picture for digital transactions and recommended sweeping changes to regulation around payments. But industry executives and experts felt that the report was extremely futuristic and almost verges on wishful thinking as several recommendations are likely to face implementation issues.

Goriparthi and Tiwari (2017) have found demonetisation as positive step ahead to dream of Digital India. They also emphasised that demonetization has also in a way dismantled some of the traditional barriers preventing Indians from adopting digital payment solutions such as the habit of using cash, complexity and unfamiliarity of digital payment systems, lack of compelling value proposition, and anxiety over fraud and network security.

Kumari and Khanna (2017) mentioned that cashless economy initiative will be of significant benefits to developing economy; hence the cashless system will be helpful in the fight against corruption and money laundering. One most significant contribution of the cashless economy is that it is expected to reduce the risk associated with carrying cash like loss of cash, theft and armed robbery, which will drastically reduce. They have also put an argument about positive relationship between cashless and economic growth.

Mishra (2017) in her study found that Government is decided to set digital targets for banks and payment firms. The government has taken a holistic approach to digital banking, looking at ways to incentivize train merchants and customers who use digital platforms, food and civil supply with the five lakh ration shops. Government is also planning to educate people well about digital payments. The process of demonetization was not properly planned. .

Ravi (2017) in his study found great scope of digital payment in rural India as it is faster and cheaper. He also argued that NPCI had developed new payment application, which are designed to work on all phones with or without internet and even without phones is helping rural India.

Sujith and Julie (2017) "Opportunities and Challenges of E-Payment System in India". This study aimed to identify the issues and challenges of electronic payment systems and offer some solutions to improve the e-payment system. E-payment system not only provides more opportunities but many threats also. The study found that, Digital revolution has provided an easy way to go for digital payments. The study also found that, the reach of mobile network, Internet and electricity is also expanding digital payments to remote areas. This will surely increase the number of digital payments.

Variyar (2017) reported issues of digital payment did not consider in Budget 2017. Such issues were: costs of incentivizing digital payments should be borne by government and RBI and not customers or financial intermediaries. Other issue was interoperability and open access to payment systems by non-bank payment service providers emphasized by Ratan Watal Committee. She also reported an issue related to role of NPCI..

Research Methodology:

Problem Statement

As consumers are offered with so many choices and there is so much competition among the service providers so the main focus is to identify the driving forces behind consumer choices towards consumer attitude on using E-Wallets as a digital payment modes in South west zone of Surat City . The digital payment modes is gaining popularity and users are increasing .Owing to hectic competition it becomes necessary to study consumer minds. Therefore, the study determines the factors affecting consumer preference and satisfaction towards online digital payment modes in Surat.

Research Objectives

To know attitude of consumers towards using E-Wallets
To find out the reasons persuading adoption of E-wallets amongst users
To know which factor is most responsible for using E-Wallet

Variables of the study

Convenience of payment
Security
Time saving
Cash back and discount offers
Service charges of different methods

Research Design

The research design used for this project is descriptive single cross sectional as it aims to identify the factors affecting consumer preference in South West Zone in Surat towards online food ordering system.

Data Collection Method

Primary Data

Online personal survey method has been used to collect the primary data. Primary survey was done using Structured Questionnaire.

Target population

Citizens of south west zone of Surat city in the age group of 18-51 & above years have been considered to be the target population

Sample size and sampling method

In this research sample size is 144 respondents. Non probability convenience sampling method has been used by the researcher.

Data Processing

For the coding of data, Google form summary is used. Data Representation refers to the form in which data is stored, processed, and transmitted. Devices such as smart phone and computers store data in digital formats that can be handled by electronic security. In this research the data representations is done on smart phone.

Major Findings

The present study is about the attitude of consumers towards E Wallets in south west zone of Surat. A total sample size of 144 has been taken, 67 are male and 77 are female. The following are the findings of the study:

The finding of the study revealed that there is more use of digital payment modes in the age group of 18-25 years i.e. the youngsters use the maximum and the minimum use of digital payment is between the age group of 36-50 years. As the more use is in youngsters group so students use it more than any other occupation, the least are currently not employed people. Also the digital payment modes is used more by the income of Rs less than 10000/- and the least is being used by Rs 50000-75000/-. The use of digital payment modes is high with 28% more than twice a day, with 24% less than once a month and least with 11% more than once a day. The foremost reason for adoption of digital payment mode is Online Purchasing as everything is getting easy day by day, the consumers are not taking any effort to move out and go for shopping. Consumer's preference for digital payments modes are the advantages that they provide for maximum use of digital payment and the most preferred advantage is convenience of the payment.

48 respondents are neutral with the convenience of the payment, 48 respondents are neutral in terms of security, 47 respondents are highly satisfied with cash back & discount offers, 47 respondents are satisfied with time saving, 46 respondents are satisfied with the performance of service charges & 50 are satisfied with the overall performance.

E-wallets**Frequency distribution of Satisfaction of Variables of various modes of E-wallets**

Variables		HD	D	N	S	HS	T
Convenience of payment	F	16	6	48	37	37	144
	%	11.11	4.16	33.33	25.69	25.69	100
Security of payment	F	15	10	48	47	24	144
	%	10.41	6.94	33.33	32.63	16.66	100
Cashback & discount offers	F	18	7	29	43	47	144
	%	12.5	4.86	20.13	29.86	32.63	100
Time saving	F	15	11	37	47	34	144
	%	10.41	7.63	25.69	32.63	23.61	100
Service charges of different payment methods	F	14	13	38	46	30	144
	%	9.72	9.02	26.38	31.94	20.83	100
Overall Performance	F	17	8	39	50	30	144
	%	11.80	5.55	27.08	34.72	20.83	100

Conclusion

To know attitude of consumers in digital payment modes, the present study has set up three different objectives. To attain the objectives, data was analyzed. After analyzing the data, it can be concluded that digital payment modes is vital for making the India known as Digitalized India. Statistical data shows that due to their positive impact on the customers, the numbers of users are increasing as they are making the life of consumers easy. So conclusion is that in near future India will get more digitalized. The study examines the effect of adopting .The result put together gives us an important direction towards what can enable the country to increase cashless payments. The results indicate that the deployment of technology for E -Wallet has improved the performance of digital payment and able to achieve the motive that is cash less country. The most preferred digital payment mode is by E-wallets. Digital payment modes also save a lot of time. The reason that persuade customers more to use digital payment is online purchasing as technology is upgrading, customers needs everything online. It was also found that privacy and security, followed by convenience are the most important factors which influence consumers towards cashless transactions. The superiority, efficiency, safe and secured, convenient, cost and time savings, user friendly, easiness and protection of privacy of E-Wallet have positive and significant influence on the rate of adoption of digital payment of consumers. Therefore, E- Wallet should be strengthened to improve safety and security of financial transactions of consumers and it must be simplified and make it user friendly. In addition, digital payment system using E wallet should minimize risk associated with transactions of consumers and it must adopt appropriate measures to overcome undue delay in its processes. Thus, in spite of the new innovations that takes place in cashless society consumers must able to adapt with these changes and move forward. Smart phones and internet facilities had made life simpler by a click of a button. This ultimately increases the needs and expectations of the consumers.

Suggestions

Majority of Indians are still suffering with a cash crunch in the country as some of them did not have enough equipment and [technology to go digital](#) while others do not have awareness on using alternative methods. The rest are opting for cash as most of the traders are not encouraging electronic methods for various reasons. If digital payments like E Wallet are encouraged by eliminating all forms of charges and taxes on them, majority of citizens will turn to them. Children can teach their parents how to use the digital payment modes which would in turn will increase the number of users in near future. Government has to bring transparency and efficiency in e-payment system, strategies used by government and RBI to encourage cashless transactions by licensing payment banks, promoting mobile wallets. As a part of “Make in India” initiative by the Government, RuPay cards, Aadhar based payment systems should be given preferential treatment. Government should withdraw service charge on cards and digital payments. A financial literacy campaign should be conducted by government time to time to make population aware of benefits of electronic payments. To accelerate the adoption of digital payments, women should be educated through campaigns. Financial literacy will lead to women empowerment. This will lead to digital and social revolution. In schools also basic banking skills may be imparted. The banking institutions have to establish the trust in customers about digital money.

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