

A study on customer's Usage and awareness of Digital payment system in Coimbatore city

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1.INTRODUCTION

The payment industry in India is expected to witness multifold growth in the next few years with the entry of payment banks and small finance banks and several payment modes like mobile wallets and prepaid cash cards. In today's scenario, no bank can grow without offering the cards (Debit, Credit), as these cards are used to pay for merchants, make remittances, open deposits or make loan payment etc., the increased spending patterns and consumer segmentation helps banks and merchants to offer better targeted service to users. The public sector bank now accounts for 83% of debit cards in circulation, while private sector banks accounts for 57% of credit cards. The e-commerce industry has made it convenient for even perishables and small value items to be purchased online. With the growing adoption of online shopping, e-transaction volumes are set to increase. The payments have grown to include loyalty cards and prepaid instruments which further widen the scope of payment and their role today.

1.1.OBJECTIVES OF THE STUDY

- To study about factor influencing the respondents towards digital payment.
- To analysis the customer awareness towards the various digital payment.
- To know the usage of the respondents towards digital payment.

1.2 RESEARCH METHODOLOGY: The methodology of research work provides an outline and a frame work of how the work is conducted. It is a systematic and scientific way of solving the research problems. Primary data was collected through a survey. The data-collecting instrument used for obtaining the desired information was a questionnaire. Secondary data are those data that already exists. Secondary data was collected through magazines and websites.

1.3 LIMITATIONS OF THE STUDY:

- The sample size is limited to 250 respondents, due to time constraint area of the study is selected Coimbatore city.

1.4 ANALYSIS AND INTERPRETATION : Analysis and interpretation refers to the awareness and usage of the Digital payment through digital transformation. This section deals with data collected from respondents through separate questionnaire, which were systematically processed and presented as tables in comprehensive manner.

1.4.1. Factor influencing the respondent:

FACTORS	NO OF RESPONDENTS	PERCENTAGE
Security	67	26.8
Time saver	57	22.8
24/ 7 Services	69	27.6
No clerical work	43	17.2
Advanced Technologies	14	5.6
Total	250	100

Interpretation: The above table shows the factor influencing the respondents towards digital payment system. Security as 26.8 %, time saver as 22.8% , 24/7 services as 27.6 %, no clerical work as 17.2% and advanced technologies as 5.6 %. The majority of the respondents as influenced by 24/7 services.

1.4.2. Awareness towards digital payment of the respondents:

Awareness	NO OF RESPONDENTS	PERCENTAGE
self-decision	51	20.4
social media	71	28.4
Friends and relatives	49	19.6
government & Banks	66	26.4
Family	13	5.2
Total	250	100

Interpretation: the above data shows that awareness of the respondent's digital payment system. Self-decision- 20.4%, social media - 28.4%, Friends and relatives - 19.6%, Government and RBI - 26.4%, Family - 5.2%. The majority of the respondents are aware through social media.

1.4.3. Usage of digital payment of the respondents

Usage	NO OF RESPONDENTS	PERCENTAGE
Fund Transfer	59	23.6
Shopping	62	24.8
Payment of bills	49	19.6

Convenient services	42	16.8
less transaction fee, Discounts & cash backs	38	15.2
Total	250	100

Interpretation: the above data shows that usage of the respondent's digital payment system. Fund transfer - 20.4%, shopping - 28.4%, payment of bills - 19.6%, government and RBI - 26.4%, convenience services - 5.2% and time consumption 15.2 %. The majority of the respondents are usage of digital payment through shopping.

1.4.4 CHI SQUARE : Age Group and Awareness of the Digital payment system - it is concluded from the statistical analysis that there is a significant and the null hypothesis should be rejected at 5% level. There is a significant relationship between Age Group and Awareness of the Digital payment system.

Calculated value	Degree of freedom	Table value	Result of 5% level
72.109	4	15	Significant

1.5 SUGGESTIONS

- Majority of the respondents feels that 24/7 service is influencing more to use digital payment system but they can adopt advanced technologies from their convenient place.
- Majority of the respondents are using more digital payments for shopping and fund transfer although special offers like discount and cash backs can be provided to the customers.

CONCLUSION

The study gives prominence to the percentage of awareness on maximum utilization of technology. Banks should take effective measures in creating awareness towards the effective usage of technology and security. The results indicate that the deployment of technology for digital payments has improved the performance of banking sector and is able to achieve the motive of a cashless country.