

A STUDY ON CONSUMERS' DIGITAL PAYMENT DECISION WITH SPECIAL REFERENCE TO STUDENTS OF SELECT COLLEGES IN TIRUCHIRAPPALLI CITY

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Abstract

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. No hard cash is involved in the digital payments. All the transactions in digital payments are completed online. It is an instant and convenient way to make payments. The main objective of the study is to identify the students' digital wallet preference towards Digital India movement, to know the relationship between personal factor and overall satisfaction towards digital payment. The future of digital payments is very bright. India is experiencing a remarkable growth in digital payments. In 2015-16, a total of Rs. 4018 billion transacted through mobile banking as compared to Rs. 60 billion in 2012-13. The percentage of the digital payments through other modes is also increasing in a significant speed.

Key words: Digital Payment, consumer decision, cashless India, etc.,

I. INTRODUCTION

A digital wallet refers to an electronic device or online service that allows an individual to make electronic transactions. Increasingly, digital wallets are being made not just for basic financial transactions but to also authenticate the holder's credentials. Digital revolution has provided an easy way to go for digital payments. India has more than 100 crore active mobile connections and more than 22 crore Smartphone users as of March 2016. This number is going to increase further with a faster internet speed. 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. Times of Money have launched a new product, 'Wallet365.com' – India's first e-Wallet. Bollywood star Amitabh Bachchan launched this service. Wallet365.com enables secure electronic payments between people and businesses easily and instantly. Signing up with Wallet365.com is free and all one needs is a valid email ID. The product is in association with YES BANK, who will provide the payment and banking services. This has been possible with the development of the internet; online payments began to operate first in the 1990s. Established of Stanford Federal Credit Union in 1994 was the first institution to offer online banking services to all its customers. In the starting, online payment system was not user-friendly and needed specialized knowledge of data transfer protocol.

Today's world is the world of e-commerce and it is the result of one man's effort. In 1979 Michael Aldrich introduced a technology which allowed consumers to make direct purchases over the phone and electronic medium. His innovation paved and introduced a new the way for many businesses and customers to transfer their money electronically. This process was 100% secure and purchases used to happen instantly. Individuals everywhere throughout the world began utilizing the inclining strategies when they embrace an arrangement of instalment for things that they need and need. Advancement is the characteristic

slant to create and utilize frameworks to achieve practical answers for ordinary errands. The advancement of electronic payment frameworks takes after accessible innovation, which can achieve the alluring result of tolerating money in return for products.

II. OBJECTIVES OF THE STUDY

1. To identify the students digital wallet preference towards Digital India movement.
2. To know the relationship between personal factor and overall satisfaction towards digital payment.

III. MATERIALS AND METHODS

The study is mainly based on the Primary Data were collected using a structured questionnaire from 100 students who are using digital payment from four select colleges such as Jamal Mohamed College, Bishop Heber College, Indira Gandhi College, Holy Cross College situated in Tiruchirappalli City. Each College 25 respondents were selected by using Non Probability Random Sampling Technique. Out of 100 questionnaires 20 questionnaires were rejected at the time of data processing because of incomplete or irrelevant data. The Secondary data were collected from books, journals and web sites. The sample of 80 respondents makes it difficult to generalize the results. The data were obtained through questionnaire and it has its own limitations. Some of the respondents might not have presented the accurate data. In this study, the data collected from the primary sources are analysed according to the objective with the help of the statistical tools such as percentage analysis, Rank test and chi-square test at 5% level of significance.

IV. RESULTS AND DISCUSSIONS

As in the Table-1, it is found that majority (50%) of the sample respondents are belonged to 20-25 years are group, 55% were female respondents, More than one-third of the respondents i.e., 36% of them were studying M.Phil, Majority of the respondents (70%) were day scholars, More than half of the respondents 52% having a family size of 3-5 members and members and Most of the respondents, 78% of them were in Nuclear families. 41% of the respondents were having a monthly income range between Rs.20,000-30, 000. There is no significance relationship between Age, Gender, Degree doing, Nature of stay, family size and Overall satisfaction at 5% level of significance.

According to the Table-2, Majority of the respondents (65%) were referred by friends, 60% of them were using digital payments for the period 1-2 years, 65% of them were making a digital frequency of once in a month, Half of the respondents (50%) were spent Rs.500-1000 to through digital payment mode, 67% of them were used Computer/Tablet to make a digital payment, 50% of the respondents prefers credit card payment mode, More than half of the respondents were satisfied and also recommend digital payment to others. From Table-3, we understood that most of the respondents, are preferring paytm digital wallet to make digital payment.

Table No. 1 Personal Factors and Overall Satisfaction

(Cross Table: Chi-Square Test)

Personal Factors	Category	Satisfied	Moderate	Dissatisfied	Total	%	χ^2	S / N.S
Age	<20 years	4	10	0	14	18	0.945	N.S
	20-25 years	12	28	0	40	50		
	>25 years	8	18	0	26	32		
	Total	24	56	0	80	100		
Gender	Male	12	24	0	36	45	0.621	N.S
	Female	12	32	0	44	55		
	Total	24	56	0	80	100		
	UG	4	10	0	14	18	0.286	

Degree doing	PG	4	14	0	18	23		N.S
	M.Phil	6	24	0	30	36		
	Ph.D	10	8	0	18	23		
	Total	24	56	0	80	100		
Stay nature	Day scholar	16	40	0	56	70	0.521	N.S
	Hosteller	8	16	0	24	30		
	Total	24	56	0	80	100		
Family size	Below 3	2	8	0	10	13	0.788	N.S
	3-5 members	12	30	0	42	52		
	Above 5	10	18	0	28	35		
	Total	24	56	0	80	100		
Family income (per month)	<₹.10,000	4	6	0	10	8	0.030	S
	₹.10,001 - ₹.20,000	20	14	0	34	30		
	₹.20,000 - ₹.30,000	4	8	0	12	41		
	₹.30,000 - ₹.40,000	0	6	0	6	8		
	Total	44	36	0	80	100		
Family nature	Nuclear	18	44	0	62	78	0.804	N.S
	Joint	6	12	0	18	22		
	Total	24	56	0	80	100		

Table No. 2: Percentage Analysis on Digital Payment Profile

Profile	Category	Frequency	Percentage
Digital payment Referral	Parents	2	3
	Friends	52	65
	Relatives	14	17
	Neighbours	12	15
	Total	80	100
Period of making a digital payment	Less than one year	24	30
	1-2 years	48	60
	More than 2 years	8	10
	Total	80	100
Frequency of using a digital payment	Once in a week	16	20
	Once in a month	52	65
	Once in six months	12	15
	Once in a year	0	0
	Total	80	100
Amount spent (p.m)	Below Rs.500	8	10
	Rs.500 - 1000	40	50
	Above Rs.1000	32	40
	Total	80	100
Instrument used to make a digital payment	Computer/tablet	54	67
	Mobile app	26	33
	Total	80	100
Mode of digital payment	Debit card	22	27
	Net banking	16	20
	Wallet payment	2	3
	Credit card	40	50
	Total	80	100
Reliability on using a digital payment	100% reliable	30	38
	50% reliable	46	57
	Not reliable to use	4	5
	Total	80	100
Overall satisfaction towards digital payment	Satisfied	24	30
	Moderate	56	70
	Dissatisfied	0	0
	Total	80	100

Recommendations to others	Yes	56	70
	No	24	30
	Total	80	100

Table No. 3: Preference on digital wallet:

Digital wallet	Frequency	Rank	Value
Mobikwik	18	2	$\chi^2 = 63.585$ $p = 0.000$ $df = 5$
Pay tm	24	1	
Airtel money	08	5	
PhonePe	14	3	
Vodafone M-Pesa	12	4	
Citrus	04	6	
Total	80		

V. CONCLUSION

India is traditionally a cash-based economy, with the value of physical currency in circulation estimated to be over 11% of GDP, one of the highest among emerging economies. as per the analysis and contemplation we could finally come to know that regardless of age, gender, education, nature of occupation nearly 50% of the respondents are youngsters of 20-25 age and further female users are five percent higher from the above. Students especially day scholars and people who are in nuclear families and majority of respondents got to use digital payment by their friends' reference and encouragement. Here at India Today Tech, we all are big fan of a cashless economy. We all use smart phones, comfortable with technology, understand the benefits of cashless transactions. Henceforth, if more number of digital payers evolve and make use of digital payment for paying bills, shopping, recharge, fuel filling, etc. Then India could become an at most cashless country as orated by our honourable Prime Minister Narendra Modi.

VI. REFERENCES

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