A STUDY ON AWARENESS AND PREFERENCES TO USE M-WALLET IN RURAL AREA.

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Abstract: Technology is the cheapest and most convenient way to connect people. Mobile banking is one such invention to bring convenience and cost less transaction. The objective of the present study is to understand the awareness and preferences to use M-Wallet in the Rural District of Bangalore city. 200 samples were chosen by using the non-probability Judgmental sampling method. The data was collected through a well-structured questionnaire by using Likert's five-point scale type of questions. Data was analyzed by using descriptive statistics and K-Means cluster analysis. The results of this study has revealed that the awareness level is moderate with the preferred e-wallets like Google pay, Pay TM and Phone Pe. Cybersecurity was another concern area that has to be taken seriously by the cyber law to protect the interest of the M-Wallet users.

IndexTerms - Digital Payments, Mobile banking, M-wallet, Awareness, Preferences.

I. INTRODUCTION

Technology has brought tremendous changes in the way that business functions. Banking business is one of the such example where revolutionary changes are brought. Now the entire functioning of banking is done through Digitalization. Digitalization of banking is known as digital banking. Internet banking, Mobile/Phone banking, Automated Teller Machines, Plastic Cards, Electronic Clearing Service and Electronic fund transfer are the few examples for digital banking. Among all these M-Wallet or Mobile banking is more convenient and easier mode to do banking transaction in online mode. The total number of mobile banking payments across India in the year 2019 accounted around 6.2 billion. This is the tremendous increase compared to previous year 2018 (Shobha,2020).

Mobile banking/M-Wallet

Mobile banking is a service which is provided by monetary related establishments that permit its clients to conduct financial transactions using cell phones. It uses software or an app provided by the financial institutions to accomplish this purpose.(Mehta & Mehta, 2017)

Mobile has the potential to transform the lives of the world's poorest people. The technology is no doubt the cheapest and most convenient way to connect people and provide array of innovative services(Sultana, 2009). Mobile phones are used to perform all kinds of financial transactions which has resulted in development of different types of mobile payment systems.

Although m-wallets have been in the market for more than a decade, they have not experienced widespread adoption, except for a few early adopters(Kaur et al., 2020). This area has attracted many researchers to find out the reasons for low adoption. Many studies have been conducted on M-Wallet. But most of the studies concentrated on developed countries and very few studies were conducted in the developing countries like India.

Different types of M-wallet

Mobile wallets can be classified based on open, semi open, semi closed and closed depending on the type of use and payments which can be made. Following are the some of the more popular mobile wallets

Google pay

It is a digital wallet platform and online payment system created and developed by Google. This app enables the users to make payment with android phones, tablets or watches. User need not worry about reloading the wallets nor to do additional KYC. User can earn scratch cards and other rewards. The cash back is directly transferred to user bank account.

Pay TM

This is one of the largest used app in India. It works on semi closed model. Customer has to load the money to make payments. It has gained popularity since its inception because of its extraordinary digital wallet technology. Many of the leading e-commerce portals have partnered with Paytm to make the users to use Paytm wallet for doing their transaction.

Phone Pe

Initially this wallet was used for mobile recharges and bill payments. Now this wallet incorporated many features like sending and receiving money and bill payment. It has an additional option to split the bills among connected people which is not available in other wallets.

BHIM Axis Pay

This is a UPI baking application which allows you to transfer money and recharge instantly to anyone using smartphone.

Mobikwik

This wallet allows the user to add money into wallet by using debit, credit and net banking, which in turn used to recharge, pay bills and shop at market places. Now this app has tied up with many grocery, restaurants and other offline merchants.

Yono-SBI

This app was launched by State Bank of India to bank account holders to pay bills, shopping, booking movie tickets, recharge and transfer money to others. This mobile wallet is available to non SBI customers. The user has an option to choose and language out of 13 languages.

ICICI Pockets

This mobile wallet app is used by the ICICI customers. This app also helps to transfer money, recharge, book tickets, send gifts and pay for transactions. It offers the convenience of using any bank account in India to fund your mobile wallet and pay for transactions.

Amazon pay.

This app is owned by Amazon and launched in 2007. It is a wallet- based method that allows customer with an amazon account to do the payments by using their amazon balance.

Jio money

This digital payment app is launched in 2016 by Jio. User of this app can receive discounts and offers, do shopping. It is a safe payment browser and can make payments quickly.

II. REVIEW OF LITERATURE

Fenu & Pau, (2015) in their study described a method to assess and compare the maturity and completeness of the offer through online and mobile banking. Study used the case study method by taking Italian banks. It was concluded in the study that mobile apps have surpassed the corresponding mobile –optimized web applications.

Tam & Oliveira, (2017) in their review article focused on analyzing and synthesizing present studies on m- banking. Through their study it has concluded that topics of m-banking adoption and behavioral intention dominate the majority of research, but finds very few studies on post-adoption.

(Grover et al., 2017) have discussed the use of social media in promoting mobile wallet. The study tries to investigate the dynamics of virality of mobile wallets promotional offers made through twitter account. They also found that Paytm jargon "paytmkaro" is playing a great role in connecting the virtual world where as other mobile wallet companies are struggling hard to establish them.

Manikandan & Jayakodi, (2017) through their study explained the various factors affecting the consumer decision to adopt mobile wallet. They have also discussed the various risks and challenges faced by the customer in using the mobile wallet.

Manikandan & Jayakodi,(2017) have discussed about the application and usage of different type of e-wallets. The study also focused on different factors that affect the consumer decision to adopt mobile wallet and different risks faced by the users of mobile wallet. Demonetization and awareness about mobile banking induced the consumers to adopt mobile banking.

Adharsh et al., (2018), through their analytical study found out that use of E-Wallet is predominant among the youths. They have identified five factors which has influenced on extensive use of mobile wallet. They also found out that service providers are attracting the E-Wallet users by giving cash backs, redeem points.

Kumar et al., (2020) have explored the very important antecedents for use and adoption of mobile banking. They have provided comprehensive framework to the extended technology extensive model (TAM). Along with the two constructs used for TAM, four customer oriented constructs also have been measured. The model was empirically verified and demonstrated that, along with the constructs of TAM, subjective norms, personal innovativeness, trust and self-efficacy have positively influenced on mobile banking adoption.

Prabhakaran et al., (2020) have discussed on the users adoption level of mobile wallet with the mediating effect of promotional benefits. Study has discussed about cash back, coupons, free tickets, vouchers, discounts and rewards which attracts the customer to opt for mobile wallet. The study was conducted by using Sobel test to examine mediation effect of promotional benefits between social influence and behavioral intention to use mobile wallet. The study concluded that social influence and promotional benefits have a high influence on behavioral intention to use mobile wallets.

Kaur et al., (2020) have analyzed on developed economy and mobile payment. They conducted study on 1256 smartphone users on diffusion of innovation theory. It has been found out that relative advantage compatibility, complexity and observability were significantly associated with participant's intentions toward m-wallets. It was also found out that trialability had no association with participants' intention to use and recommend m-wallet.

III. OBJECTIVES

To Know the different types of M-wallets used for digital payments.

To Study the preferred m-wallet used in rural area.

To Analyse the level of awareness towards use of m-wallet.

To Study the issues relating to the use of m-wallet.

IV.RESEARCH METHOD

The study has used both qualitative and quantitate data. Qualitative data was collected through well-structured questionnaire. Secondary data was collected by using Journals, articles, newspapers, internet and websites

The present qualitative research work is carried under survey method. The questionnaire consists socio economic status of the respondents, sources of awareness, preferred M-Wallet, level of awareness, and issues for avoiding the use of E-Wallet. 230 set of questionnaire were distributed online and offline in Bangalore Rural district. The target respondents for this study were those using E-Wallet. Out of 230 responses 30 responses were rejected for incomplete responses.

VI. RESULTS AND DISCUSSION

Reliability Test

The questionnaire was tested for its reliability with the help of Cronbach's Alpha. The following table shows the result of the test.

Table -1 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.834	.834	5

Reliability of the scale was tested with the help of Cronbach's Alpha which was 0.834. A Cronbach Alpha which is higher than 0.7 is considered to be a good measure of reliability. So, the tested value indicates a high degree of reliability.

Analysis of demographic variables of the sample customer

Socio economic status are the very important variables. They help us to understand ability of taking financial decisions and expenditure pattern of an individual. In this regard following socio economic variables have been taken for the study.

Table 2
Socio-economic status of the respondents

Categories	Responses	Frequency	Percent
Gender	Male	156	78
	Female	44	22
	Total	200	100
Age	20-30	120	60
	31-40	47	23.5
	41-50	24	12
	51-60	9	4.5
	Total	200	100
Education	Secondary	5	2.5
	Higher secondary	23	11.5
	Diploma	76	38
	Graduates	88	44
	Post-graduation	8	4
	Total	200	100
Occupation	Private Sector	78	39
	Public sector	15	30
	Farming	22	11
	Others	84	42
	Total	200	100
Income Per Month	Less than 10,000	10	5
	10,000-20,000	96	48
	30,000-40,000	74	37
	40,000-50,000	20	10
	Total	200	100

The above table shows the socio economic status of the respondents. Gender of the respondent reveals that 78 percent were male. Age of the respondents indicates that 60 percent were of the age group of 20-30 years. With regard to education 44 percent were graduates followed by 38 percent who were diploma holders. Occupation of the respondents reveals that 42 percent were into other business followed by 39 percent who are working in private sector. Income Per month of the customer reveals that 48 percent respondents earning was 10000-20000 followed by 37 percent whose income is 30000-40000.

Table -3
Sources of information

Sources	Frequency	Percent
Television	10	5
Social media	70	35
News paper	4	2
Friends	14	7
Internet	86	43
Others	16	8
Total	200	100

The above table shows the sources of information. 43 percent of customer know about the M-wallet through Internet followed by 35 people whose source of information is social media.7 percent of respondents know through friends and 2 percent said newspaper was the source of information.

Table -4
Preferred E-wallet

E wallet	Frequency	Percent
Google pay	80	40
Pay TM	24	12
Phone pe	64	32
Yono by SBI	14	7
Amazon Pay	10	5
other apps	8	4
Total	200	100

The above table shows the most preferred E-Wallet among the respondents. 40 percent of the respondents are using Google pay.32.5 percent respondent uses Phone pe followed by 12 percent who uses Pay TM.

Table -5
Awareness on E-Wallet

Variables	Mean	Std. Deviation
Review transactions	2.96	.820
Transfer funds	2.71	.824
Pay bills	2.71	.824
Check balances	2.71	.824
Perform other financial services	2.96	.820

The above table shows that awareness level of customer towards E-wallet. Mean value showed that the respondents are slightly aware about the different use of E-wallet as the mean value is in between slightly aware and moderately aware.

Level of awareness

Table -6
K- Means cluster analysis on awareness

Cluster	**No**	**Percent**
High	21	10.5
Medium	77	38.5
Low	102	51.0
Total	200	100.0

The above table shows the result of cluster analysis.10.5% of responded awareness level is high, 38.5% of respondent's awareness level is medium and 51% of the respondent's awareness level is low.

Table 7

Issues for not using M-Wallet		
Issues for not using M-wallet	**Frequency**	**Percent**
Insufficient safety or security features	52	26
Cyber crime	46	23
Hacking Issue	52	26
Illiteracy/Lack of information about the app	30	15
Charges for online transaction	20	10
Total	200	100

The above given table shows the issues for not using the M-Wallet. 26% of the respondents said insufficient safety and hacking were the major concerns where as 23% of the respondents said cybercrime was another concerned area.

MAJOR FINDINGS

1. With regard to socio economic status of the respondents 78% were male, 60% were of the age group of 20-30 years, 44% were graduates, 42.5% were in to business. Majority of the (48%) respondent income was between 10,000 to 20,000.
2. With regard to the sources of information. 43 percent of respondent have come to know about the M-wallet through Internet followed by 35 people whose source of information is social media.7 percent of respondents know through friends and 2 percent said newspaper was the source of information.
3. Most preferred E-Wallet among the respondents is Google pay followed by Phone Pe.

4. Awareness level of customer with regard to different uses of E-Wallet is moderate with regard to review of transactions, very much aware on how to transfer funds, very aware on pay bills and moderate awareness with regard to perform other financial services.
5. Mean value on awareness level of customer towards E-wallet. showed that the respondent is moderately aware about the different uses of M-Wallet.
6. The result of K-means cluster analysis showed that 38.5% of responded awareness level is medium and 51% of the respondent's awareness level is low.
7. With regard to the issues for not using the M-Wallet. 26% of the respondents said insufficient safety and hacking were the major concerns where as 23% of the respondents said cybercrime was another concerned area.

Suggestions

1. Most of the respondents using M-Wallet are male, so there is a need to encourage female mobile users to use M-Wallet.
2.M-Wallet users can save the time and cost. It is more convenient mode of payments but the awareness level of the respondents is moderate. The bankers can take initiative with this regard to create awareness about the uses of M-Wallet.
3. There is a need to improve the service quality with regard to the mobile wallet service. High quality service will ensure the customer satisfaction and satisfied customer can be a loyal customer.
4.Security should be top priority. Incorporating multi factor authentication to ensure the security for the transaction is very much essential so, introducing either facial recognition, fingerprint or voice recognition is must for all mobile wallets. Any kind of customer grievances should be addressed immediately so that the customer trust can be enhanced.

CONCLUSIONS

Payment methods are going to boost the economic development of the country. Use of M-Wallet is going to easy the payment methods and promote economic activities. Despite of many advantages, use of M-wallets is low especially in developing country. So, this study is planned to understand the issues relating to the use of M-wallet in Bangalore rural. The results of the study revealed that Google pay, Phone Pe are most preferred E-Wallets with moderate level of awareness on different digital payment methods. The service quality with regard to M-Wallet has to be improved in order to encourage more users. Cyber security was another concern area which has to be taken seriously the cyber law to protect the interest of the M-Wallet users.

STUDY LIMITATIONS

As the study is conducted in Rural Bangalore, Hoskote Taluka, so the findings are limited to this region only.
Due to the time and money constraint data was collected through google form and most of the respondents did not response so the sample size was restricted to 200 only.

FURTHER SCOPE IN RESEARCH

Use of M-Wallet is an amazing way to do all type of banking transactions. The future studies can be conducted on Customer perception, Customer satisfaction, Service quality, comparative study of different mobile wallets in rural India.

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