# "Determinants of digital/mobile payment services adoption in India"

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## ABSTRACT

**Purpose** – The aim of this research paper is to investigate the factors that influence the acceptance and popularity of digital wallets and mobile payment apps in India, specifically with regard to leading wallet brands such as Paytm, PhonePe, Google Pay, and Amazon Pay.

**Methodology** – The descriptive study focuses on primary data collected through a standardized questionnaire from 160 respondents in Bengaluru's sub-urban area, who were chosen using a convenience sampling method with no probability. The collected data was converted into a data matrix and inferential tests were performed using SPSS 23.0 software.

**Findings** – Digital payment wallets/apps are becoming more popular as a result of factors such as attractive cashback and rewards, ease of use, fast money transfers without using cash, higher transaction security, and the lack of a service charge, habit and expected performance.

**Research limitations**: The research is limited to a sub-urban area of Bengaluru, Karnataka. The scope of study can be further increased by collecting more samples from different part of the country.

**Originality/value**: This research paper gives insights into the factors influencing acceptance and use of various digital payment apps in context of India with help of primary data interpretation.

**Keywords**: Digital payment systems, digital wallets, e-wallets, and mobile wallets are all terms used to describe digital payment systems.

# 1.INTRODUCTION

Online payments are becoming increasingly common as people strive to go digital in all aspects of their lives. Following demonetization and the resulting cash shortage, India's mobile payment app market exploded. The government of India's intervention increased the acceptance of online payment systems including digital wallets, assisting in the transition "from a cash-based economy to" a cash-less economy. According to RBI numbers, digital payment transactions increased by 1.25 times to rupees "74.48 billion" in December 2016. Unified Payment Interface (UPI) was the top gainer in December 2016, with a 596 percent increase. A report by Google and Boston Consulting has predicted that Indian online payment sector will witness a 10-fold growth to reach USD 500 billion by end of year 2021 and it will constitute about 15 percent of the GDP. Over the last year, India has seen a tremendous increase in digital payments. The number of UPI transactions more than doubled from 1.0 billion in April 2020 to 2.7 billion in March 2021, with the TPV increasing from US$ 22 billion to US$ 72 billion in March 2021. According to the report, by 2021, the majority of India's population

will be using digital payment systems, thanks to mobile phones and widespread internet coverage. Even though the number of people using digital payment apps and other digital payment services is growing rapidly, cash remains the most used mode of payment in India. Cash on Delivery is the preferred method of payment in India, according to the Neilsen Global Connected Commerce Survey. According to the survey, 83 percent of respondents prefer cash to various digital payment methods. It was also thought that the surge in digital payment systems would only last a short time. However, after demonetization (11/2016), it has increased by a factor of ten. As a result, there are various perspectives on the long-term viability of digital payment wallets. This study looked into the factors that influence low-income consumers' adoption of digital payment services/online payments in a developing economy like India.

The increased availability of mobile phones and Internet access, which has resulted in a global rise in transactions occurring on cell phones or laptops, influenced the choice of digital payment services as the research's focus field. Corporates have been able to expand their offerings as a result of this tremendous development. Even though the digital payment system is still in its infancy, the increasing popularity and scope of mobile phones has opened up a new world of possibilities.

## 1.1 National Electronic Funds (NEFT) and Real-time Gross Settlement (RTGS):

NEFT and RTGS are payment modes which allows the buyer to send money electronically from one bank account to another bank account. A user can make a payment by transferring funds from anywhere via internet banking. In addition to this, NEFT is also more cost effective, and money is transferred instantly. The worth of transactions via NEFT raised by 40 % compared to the transactions made via RTGS which grew mere 21.6% during the same period between April to December 2016.

## 1.2 Immediate Payment Service (IMPS):

IMPS is an electronic fund transfer from one bank to another that allows a user to make transfers to another individual's bank account at any time and from any location in India using mobile internet and ATMs. It is superior to NEFT/RTGS in those transactions can be completed outside of regular banking hours and on holidays. According to RBI data, the amount of money transferred via IMPS increased by 147 percent in FY 2019-2020 compared to FY 2018-19.

## 1.3 Unified Payment Interface (UPI):

In April 2016, the National Payments Corporation of India (NPCI) launched the Unified Payment Interface (UPI). UPI allows for fund transfers using a virtual ID that does not include the receiver's bank account information. Currently, 207 banks accept transactions via the UPI portal. According to NPCI info, in January 2021, there were a total of 70.3 million transactions worth Rs 4,31,181.89 crore.

## 1.4 Digital payment wallets:

Money is transferred from a user's bank account to another individual's account using an automated system accessible on a mobile device or computer, using a debit or credit card or internet banking. Transactions in digital wallets are often made by mobile applications, which are rapidly outnumbering their websites in terms of use. The value of transactions through digital payment wallets grew the most after IMPS. This demonstrates how common digital payment wallets have become in India. Fund transfers, shopping, ticketing, smartphone recharge, and bill payments are all available from digital wallets. The most common method of transferring funds is through wallets, which has a 38 percent share, followed by mobile recharge and bill payments, which have 30 percent and 12 percent shares, respectively. Paytm, Freecharge, Mobikwik, Oxigen, Airtel Money, SBI Yono, PhonePe, and Google Pay are the most common digital wallets. With new entrants joining the market and mergers and

acquisitions, this sector is rapidly expanding. Samsung also introduced Samsung Pay, which uses a technology known as Magnetic Secure Transmission to enable users to move funds by simply tapping their phone against the card reader at a payment terminal.

These advancements aided with availability of data at very low cost has played a major role in wide acceptance of cashless modes of payment by not only urban population but also in tier-II & tier-III cities as well as rural areas.

# 2.LITERATURE REVIEW

1.  **Performance. Expectancy-PE:** The extent to which a person believes that using a device can assist him or her in improving job performance is referred to as performance expectancy.
2.  **Social Influence-SC:** Social influence refers to deliberate and unintentional efforts to change another person's beliefs, behaviors, or actions. Unlike persuasion, which is normally deliberate and requires the goal to have some degree of awareness, social influence may be unintended or unintentional.
3.  **Facilitating conditions-FC:** Facilitating Conditions refers to how confident a person is that the system's organizational and technological framework is in place to facilitate its use. Polson is a type of steroid. Facilitating circumstances are objective variables that make it easier to carry out a certain behavior.
4.  **Hedonic Motivation-HM:** Motivation is the process of starting, maintaining, and guiding goal-oriented behaviors. It is what motivates you to take action, whether it's having a glass of water to quench your hunger or reading a book to learn something new. The biological, mental, social, and cognitive forces that trigger actions are all part of motivation.
5.  **Habit-H:** A habit is a pattern of action that is replicated on a daily basis and is usually unconscious. Via the process of habit forming, new habits may become automatic.
6.  **Perceived Security-PS:** A person's confidence in another individual to carry out planned tasks without taking advantage of them.
7.  **Perceived security (PS):** Perceived security is defined as the extent to which a mobile payment user assumes that financial and personal information transactions on mobile payment platforms are safe.

## 2.1 Performance Expectancy-PE

PE is explained as how much innovation will provide benefits to buyers in carrying out certain exercises (Venkatesh 2012, p.159). The meaning of the positive connection between PE and BI has been recognized in the accompanying settings like expectation to utilize installment framework by means of cell phone, portable shopping applications, computerized installment frameworks, and versatile innovation (Morosan and DeFranco, 2016; Savita Panwar, 2017; Sivathanu, 2018; Venkatesh 2012); goal to embrace m-banking (Al Mashagba and Othman Nassar, 2012; Baptista and Oliveira, 2015; Oliveira2014; Yu, 2012); aim to utilize Internet advertising (Mohd-Isa and Wong. 2015) and in Internet banking (Martins 2014; Sanchez-Torres2018; Sok Foon and Chan Yin Fah, 2011); aim to utilize another innovation administration (Lee and Song, 2013; Venkatesh and Zhang, 2010). The positive connection between PE and BI recognized in such examinations is seen to be steady with results found in various nations. Here, expectation to make online buys has been examined (Escobar-Rodríguez and Carvajal-Trujillo, 2014. Musleh 2015; Pascual-Miguel 2015; Sanchez-Torres 2017; Sing and Matsui, 2017). Despite the wide agreement on PE's illustrative control over different levels of the UTAUT model, writing surveys that have examined the PE and BI relationship depicts contrasts in the commitment of this variable over BI.

The audits by Khechine (2016) and Williams (2015) tracked down that in 87% (71 of 62) and 80% (93 of 116) of the examinations wherein the PE and BI relationship was assessed, PE precisely and emphatically anticipated BI on appropriation and utilization of innovation. In any such case, these audits were led with decreased and generally assorted examples utilizing the UTAUT model in various fields. It is fascinating to bring up that audits in explicit mechanical settings by Zhang (2018) in Electronic Banking and Sanakulov and Karjaluoto (2015) in Mobile appropriation showed a lower test weight mean connection between PE and BI. So, these creators prescribe to have further exploration of the relationship to decide more absolutely its commitment in explicit mechanical settings. Along these lines, it is suggested that:

**H1:** *Performance expectancy will positively influence consumers behavioral intention to accept Digital/mobile payment services.*

## 2.2 Social Influence-SI

SI is characterized/explained as the degree to which customers see that significant others (e.g., loved ones) believe that they should utilize a specific or particular innovation (Venkatesh 2012, p. 159). Thinking about the S. Dakduk Heliyon 6 (2020) e054513 discoveries of a few writing audits and meta-examination, SI is just another variable that efficiently and essentially anticipated BI (Khechine 2016; Sanakulov and Karjaluoto, 2015; Williams 2015) with a mid-range impact on account of the reception and utilization of innovation (Khechine 2016). yet with a high impact on account of the aim to utilize e-banking (Zhang 2018). SI has been contended to have a positive yet critical effect on the specified goal i.e., to utilize portable shopping applications, versatile innovation, portable shopping administrations, advanced installment frameworks (Savita Panwar, 2017; Sivathanu, 2018. Venkatesh 2012, Yang, 2010) and the aim to accept m-banking, Internet banking, Web advertising, and use of installment framework by means of cell-phone (Al Mashagba and Othman Nassar, 2012; Mohd-Isa and Wong, 2015; Morosan and DeFranco, 2016; Shaikh and Karjaluoto, 2015; Sok Foon and Chan Yin Fah, 2011; Yu, 2012). Moreover, SI was found to impact both the expectation to utilize another innovation administration (Lee and Song, 2013) and online business (Escobar-Rodríguez and Carvajal-Trujillo, 2014; Musleh 2015; Pascual-Miguel 2015; Sanchez-Torres 2017). In any such case, as per Sanchez-Torres and Arroyo-Canada (2016) the SI and BI relationship is the most overlooked variable that is likely to be dependent on the nation of cause in electronic trade. Current proof against this contention is upheld by existing contrasts between created nations and poor or developing nations. Few creators contend that social impact is foreseen to affect the expectation to utilize internet business when its dissemination in a nation is at beginning levels and this impact will decrease as the advanced proficiency decline and the web-based business piece of the pie increases (Sanchez-Torres and Arroyo-Canada, 2016). Moreover, low-pay families are portrayed by bigger families comprising of a rigorous mix of family cores and ages that live together in a similar actual space. This exceptional dynamic situation presents a critical social impact on shopping practices since a huge piece of the items they buy are merchandise and enterprises that are shared by numerous individuals in the family, so the conference also, impact of individuals from the prompt climate would be an inherent segment of the choice cycles. Likely, it is sensible to expect that conceptualization of social impact connected to people have higher pertinence in shoppers with less involvement in innovation and conditions with less advanced development. Therefore, it is appropriate and suggested to proceed with the investigation of this variable with regards to arising economies. Specifically, it is useful to investigate the connection between the countries innovation improvement and the buyers profile. Along these lines, it is suggested that:

**H2**: *Social influence will positively influence consumer's behavioral intention to accept Digital/mobile payment services.*

## 2.3 Facilitating Conditions-FC

FC alludes to buyers view of the assets and backing accessible to play out a conduct (Venkatesh 2012, p. 159). Despite the fact that the FC and BI connection has not been as investigated as the PE and BI and SI and BI connections, the FC has been upheld in over half of the examination considers broke down by Khechine (2016) and Williams (2015). and in 86% of the investigations and surveys of versatile innovation appropriation by Sanakulov and Karjaluoto (2015). The results recommend that FC directly affects social aim in various settings of reception of innovation: utilization of flexible shopping administrations and installment framework through cell phones (Morosan and DeFranco, 2016; Yang, 2010); utilization of versatile shopping application (Savita Panwar, 2017); receiving m-banking and e-banking administrations (Oliveira 2014; Sok Foon and Chan Yin Fah, 2011; Yu, 2012); utilization of computerized installment frameworks (Sivathanu, 2018), use Internet promoting (Mohd-Isa and Wong, 2015) and making online buys (Sanchez-Torres 2017). All things considered, there is likewise proof that negates the impact of FC and BI in arising economies and created nations, also in various settings of innovation selection. Similar is the situation of the examinations completed by Baptista and Oliveira (2015) in Mobile Banking in Mozambique, Muslehet al. (2015) in Ecommerce in Palestina, Oh and Yoon (2014) internet shopping in Japan, and Venkatesh and Zhang (2010) up to date innovation framework in USA and China in which the above stated connection between these factors was not affirmed. Regardless of the distinctions introduced in the past results, it is feasible to accept that in regard of less advancement of electronic trade and with purchasers with less innovative education, the job of institutional help to assist them emphatically affects the goal to utilize portable trade. In this way, we estimate that:

**H3:** *Facilitating conditions will positively influence consumer's behavioral intention to accept Digital/mobile payment services.*

## 2.4 Hedonic Motivation-HM

HM alludes to the joy received from innovation usage (Brown and Venkatesh, 2005) and mirrors customers impression of this current experiences expected diversion. Observations recommend that in the specific circumstance S. Dakduk, Heliyon 6 (2020) of the utilization of data advances. indulgent advantages are significant drivers of aim to utilize or receive the utilization of innovations (Alalwan 2016; Morosan and DeFranco, 2016; Poong 2016; Venkatesh 2012). Also, Savita Panwar (2017) found that HM fundamentally affected the aim to utilize a portable shopping application. Sivathanu (2018) discovered that HM altogether anticipated goal of utilizing advanced installment frameworks by Indians, being the best indicator of conduct aim. Similarly, it additionally has been seen in arising economies that MH expands the goal to utilize m-banking in Mozambique (Baptista and Oliveira, 2015), and advanced installment framework in India (Sivathanu, 2018), prompting that utilizing innovation is a lovely and exciting experience that predicts the goal to utilize it. This permits us to propose the accompanying theory:

**H4:** *Hedonic motivation will positively influence consumer's behavioral intention to accept Digital/mobile payment services*

## 2.5 Habit-H

Habit (H) a degree to which individual uses the technology repeatedly based on learning Venkatesh 2012; page 161). There is a need for more investigation on effect of Habit in Mobile payment context (Ahmed and Sathish, 2018; Escobar-Rodríguez and Carvajal-Trujillo, 2014; Morosan and DeFranco,

2016; Venkatesh2012). Ajzen and Fishbein (2005) moreover avowed that past encounters would impact convictions and future conduct goal and execution. Habit leads to frequent use of technology (Sivathanu, 2018). Habit Was the major factor that affected Mozambique's residents (Baptista and Oliveira, 2015) and Indian users (Savita Panwar, 2017). Tamilmani, (2020) in his meta-analysis recommended to identify the impact of Habit on technology adoption studies because it plays a significant role. In synopsis, in spite of the fact that it is a positive what's more, huge relationship set up in the writing, the way that it is less concentrated additionally welcomes its consideration in the model to extend its generalizability in the UTAUT2 model, as a difference to the first model as shown for general references reason (Tamilmani, 2017). Then again, evaluating the commitment of habit has significant reasonable ramifications. On the off chance that habit, as hypothetically anticipated, impacts the aim to utilize versatile trade in low-pay shoppers, this would permit us to quantify the significance of the instruction interaction for these shoppers in activities focused on the BOP. Thusly, we set that:

**H5**: *Habit will positively influence consumer's behavioral intention to accept Digital/mobile payment services.*

## 2.6 Perceived Trust-PT

Trust is conceptualized as a bunch of explicit convictions between parties that incorporate trustworthiness/genuineness/genuineness, altruism, capacity/ability/mastery, and consistency of another part, or an ability to be powerless against the activities of someone else or Individuals. All the more explicitly, Interpersonal trust can be supposed to be founded on the assumption for dependable conduct with respect to the next party included (Pavlou, 2003) who will then not exploit the resulting reliance that creates upon the person in question (Gefen2003; Gefen and Straub, 2004). Thusly, trust can be considered a basic part in financial relations in online conditions because of the vulnerability and hazard related with these conditions (Ashraf2014; Flavian and Guinalíu, 2006; Gefen2003; Gefen and Straub, 2004; Hansen2018; Nguyen and Huynh, 2018; Nor and Pearson, 2007; Pavlou, 2003; Sing and Matsui. 2017), and the weakest condition where the buyer can be discovered (Tan what's more, Sutherland, 2004). Tan and Sutherland (2004) proposed a trust model that features the pertinence of dispositional trust, which alludes to the capacity and manner of a person to believe in everyday terms. This establishes the S. Dakduk Heliyon 6 (2020) e054515 reason for the improvement of relational trust (Tan and Sutherland, 2004). In this sense, individuals contrast socially in how sure they are in general (Tan and Sutherland, 2004). Truth be told, Zhang (2018) found that the strength of the connection among trust and aim to receive electronic banking was influenced by the social measurement shirking of vulnerability: the certainty to settle on choices about the reception of e-banking was more significant for individuals from societies with high scores in shirking of vulnerability. An audit did by Williams (2015) found that trust was quiet possibly the most every now and again remembered builds for the investigations in which UTAUT was utilized.

Similarly, it has been accounted for that apparent trust by implication affects the expectation to utilize web-based media for exchanges through the immediate impact it has on disposition, seen usability, what's more, seen social control (Hansen2018). It is important to take note of that extra exploration contemplates did in arising economies exhibited the impact of apparent trust in the selection of m-trade in Bangladesh and Pakistan (Ding2019; Skin 2015), m-installment administrations in India (Liebana-Cabanillas2020), Smartphone banking applications in Malaysia (Wasiul2020), web-based business in Indonesia (Muflih2020) and Colombia (Sanchez-Torres 2019). On the other hand, research on business activities focusing on BOP clients has shown that they infrequently fit their necessities. Customary activities to serve the BOP have comprised of diverting the offer of items intended for other higher-pay fragments, with a few changes in the promoting blend (more modest sizes, modest adaptations, a basic design of properties with bad quality (Dakduk and Malave, 2014). These activities are predictable with convictions that BOP clients are as it were spurred by low costs and are not inspired by advancements. For this reason, a few activities in arising economies have not been fruitful since they don't add to apparent trust in these areas (Puente what's more, Lopez, 2011). Accordingly, we place that:

**H6:** *Perceived trust will positively influence consumers behavioral intention to accept Digital/mobile payment services.*

### 2.7) Perceived Security-PS

PS has been treated as the shoppers view of an E- framework expected for making monetary exchanges (Shin, 2010). This discernment additionally incorporates the dependability of installment techniques just as the security components for sending and putting away touchy individual information (Eid, 2011). All the more explicitly, saw security induces the clients view of vender's abilities to fulfill a client's wellbeing needs (Musleh2015) or client's convictions about the security of individual data and its proper dealing with and administration when making electronic exchanges (Flavian and Guinalíu, 2006). It additionally deduces seen security, which is related with the dealer's capacity to ensure client secret data when conducting an electronic exchange (Musleh2015), which is additionally identified with legitimate prerequisites also, great acts of individual data the board (Flavian and Guinalíu, 2006). Exploration model of speculation. S. Dakduk Heliyon 6 (2020), Morosan and DeFranco (2016) tracked down an immediate connection between client's interests about data protection and the aim to utilize an installment framework through cell phone applications: the higher the client's concern, the lower the goal for utilizing this installment framework.

Then again, saw security was the essential indicator of Jordanians' expectation to receive m-banking administrations (Al Mashagba and Othman Nassar, 2012), as it was found to have an immediate and constructive outcome on the goal to utilize versatile installment (Shin, 2009). It was likewise found to have a roundabout sway on the aim of Colombian clients to utilize e-banking, through an immediate and constructive outcome on saw trust (Sanchez-Torres2018) what's more, on the aim to utilize interpersonal

interaction through the immediate effect it has on mentality (Shin, 2010). In any case, Gupta (2017) found that goal to embrace m-banking was decidedly connected with the client's view of control and contrarily connected with apparent danger, however the degrees of safety didn't influence apparent danger or control. Unmistakably the restriction of pay is a reality for BOP purchasers. The way that their need utilization needs are focused on the fundamental necessities doesn't demonstrate that their dynamic cycles are basic (D'Andrea 2004). The deficiency of cash or an extortion circumstance in a computerized exchange in this area exceptionally affects the family's funds. Consequently, it is fundamental to comprehend the impacts of this variable and its commitment corresponding to different factors in the model. In this manner, it is recommended that:

**H7:** *Perceived security will positively influence consumers behavioral intention to accept Digital/mobile payment services.*

fig:1
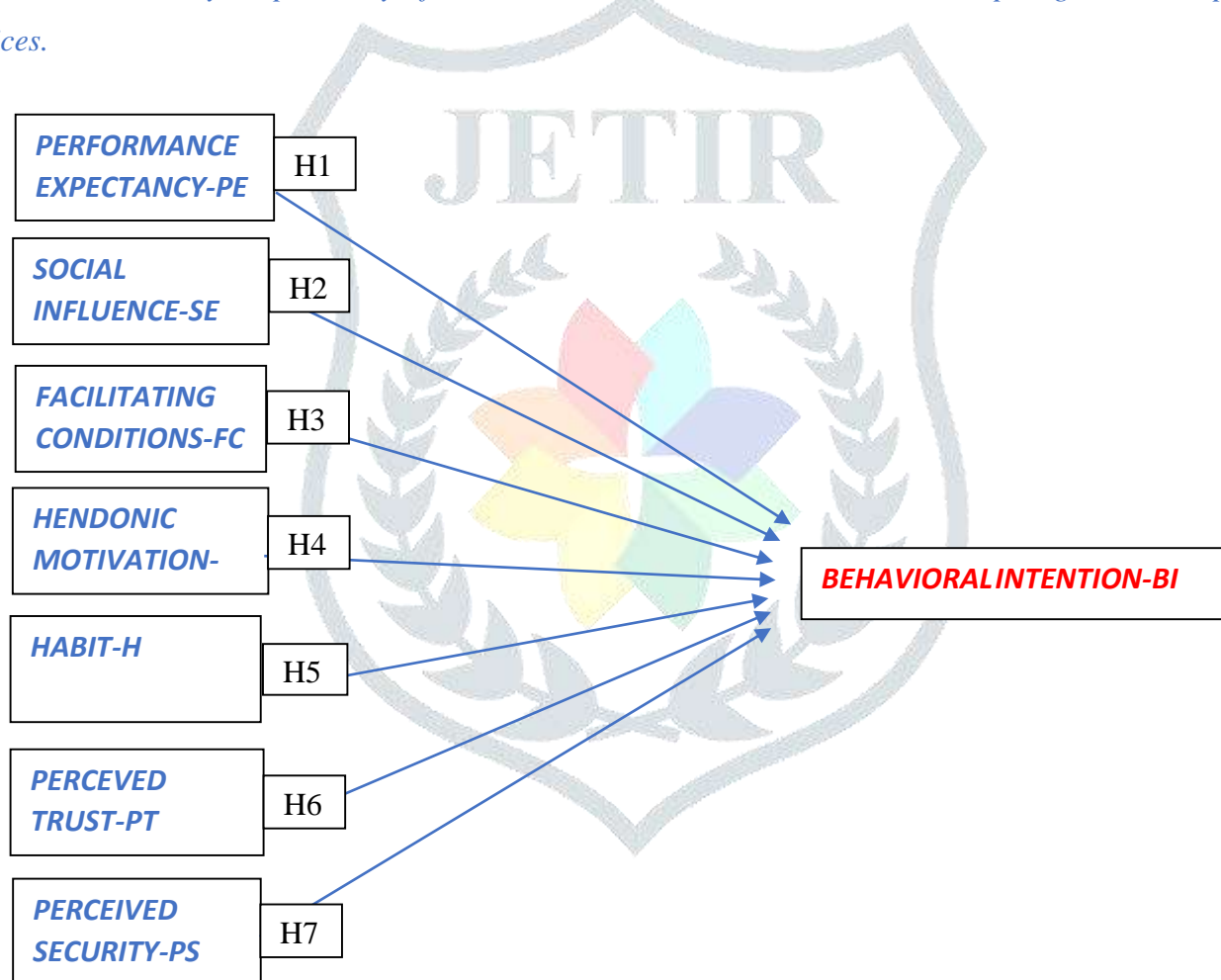


## 3.METHODOLOGY

The approach used in the study was exploratory as well as descriptive analysis.

### 3.1 Research Objective:

The primary goal of this study is to determine the relationship and impact of various factors on the adoption of digital payment services, including Performance Expectancy, social influence, facilitating conditions, motivation, habit, confidence, and protection.

### 3.2 Sampling and Data Collection:

A survey was used to collect data for this report. The items and scales were adapted from previous research that defined their reliability and validity in measuring the constructs mentioned above (See Table 1). Each item was graded on a 5-point Likert scale that ranged from "strongly disagree" (1) to "strongly agree" (5).

The survey invitation included details about the research's primary objective, the voluntary nature of participation, and the privacy of the data given. A total of 250 people received the questionnaire. A total of 161 people were included in the final survey. The most common age group to answer was 18-24, which accounted for 57.1 percent of all responses. Male respondents accounted for 52% of all responses, while female respondents accounted for 48%. From respondents 47% had income of below 1 lakh, 22% had income between 1-5 lakhs, 16 % had income of 5-10 lakhs and 15% had income of 10 lakhs or above. Out of total 161 respondents 98.1% were using one or other mobile payment apps and 1.9% responded that they don't use any mobile payment apps or digital wallets. Demographic profile of sample is summarized below:

*Table 1*

| Variable | Category | % Respondents |
|---|---|---|
| Age | 18-24 | 57.1% |
| | 25-24 | 35% |
| | 35-44 | 1% |
| | 45-55 | 4% |
| | 55+ | 2% |
| Gender | Male | 52% |
| | Female | 48% |
| Income Group | Less Than 1 lakh | 47% |
| | 1 lakh - 5 lakh | 22% |
| | 5 lakh - 10 lakh | 16% |
| | More than 10 lakhs | 15% |
| App | Google Pay | 26% |
| | PhonePe | 37% |
| | Paytm | 28% |
| | Amazon Pay | 9% |

### 4.DATA  ANALYSIS

### 4.1 Reliability Analysis:

*table 2:*

| Construct | Cronbach's Alpha Value | Criteria |
|---|---|---|
| Performance Expectancy | 0.901 | >0.7 (Nunnally,1994) |
| Social Influence | 0..901 | >0.7 (Nunnally,1994) |
| Facilitating Conditions | 0.857 | >0.7 (Nunnally,1994) |
| Hedonic Motivation | 0.827 | >0.7 (Nunnally,1994) |
| Price Value | 0.829 | >0.7 (Nunnally,1994) |
| Habit | 0.912 | >0.7 (Nunnally,1994) |
| Trust | 0.845 | >0.7 (Nunnally,1994) |

| Perceived Security | 0.823 | >0.7 (Nunnally,1994) |
|---|---|---|

The reliability analysis is carried out to find whether the instrument used to measure is reliable or not. All the variables' reliability Cronbach's alpha are above 0.7 which indicates that the instruments are reliable.

### 4.2 Hypotheses Testing:

| Coefficients[a] | | | | | |
|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.316 | .522 | | 2.523 | .013 |
| | Performance Expectancy | .349 | .062 | .341 | 5.651 | .000 |
| | Social Influence | .104 | .061 | .100 | 1.713 | .089 |
| | Facilitating Conditions | .251 | .059 | .229 | 4.248 | .000 |
| | Hedonic Motivation | -.247 | .055 | -.227 | -4.485 | .000 |
| | Habit | .158 | .065 | .128 | 2.410 | .017 |
| | Trust | .094 | .067 | .072 | 1.417 | .159 |
| | Perceived Security | -.176 | .058 | -.173 | -3.034 | .003 |
| a. Dependent Variable: Behavioral Intention | | | | | | |

### 4.3 Results:

1. In order to achieve the study's target, respondents were asked about their preferred digital payment app for different types of transactions. According to the findings of the study, cash remains the most popular mode of payment for local shopping, grocery shopping, metro card recharging, and other services such as doctor's fees. Debit and credit cards are widely used for online shopping and buying movie tickets. Net banking is the most common method for sending money to family and friends. Checks are also the most popular mode of payment for monthly payments like insurance premiums.

2. The study's findings also reveal that 98.1 percent of respondents use one or more digital wallet services. Following the demonetization in November 2016, people were forced to use a digital wallet due to a cash shortage.

3. In order to investigate the factors that lead to the adoption of digital wallets, the following theories were used to determine the relationship between reasons to use a digital wallet and the use of a digital wallet.:

- H1: There is a significant influence/relationship/impact of Performance Expectancy with β=.341, t-statistics=5.651, ρ=<0.05. Hence, Performance Expectancy has significant impact on consumer's Behavioral Intention.

- H2: There is no significant influence/relationship/impact of Social Influence with β=.100, t-statistics= 1.713, p>0.05. Social influence will not positively influence consumer's behavioral intention.

- H3: There is a significant influence/relationship/impact of Facilitating conditions with β=.229, t-statistics=4.248, p=<0.05. Hence, facilitating conditions has significant impact on consumer's Behavioral Intention.

- H4: There is a significant influence/ relationship/impact of Hedonic Motivation with β=-.227, t-statistics=-4.485, p=<0.05. Hence, Hedonic Motivation has significant impact on consumer's Behavioral Intention.
- H5: There is significant influence/relationship/impact of Habit with β=.128, t-statistics= 2.410, p<0.05. Hence, Habit has significant impact on consumer's Behavioral Intention.
- H6: There is no significant influence/relationship/impact of Perceived trust with β=0.072, t-statistics= 1.417, p>0.05 Trust will not positively influence consumer's behavioral intention.
- H7: There is significant influence/relationship/impact of Perceived Security with β=-.173, t-statistics= -3.034 p<=0.05. Hence, Perceived risk has significant impact on consumer's Behavioral Intention.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .810ᵃ | .656 | .638 | .79225 |

a. Predictors: (Constant), Trust, FC, HAB, HM, PV, PE, EE, PR

The model summary shows the R-square (Coefficient of determination) value = 0.656 which

indicates that the model is having medium effect on dependent variable. As per *Hair (2012)* recommendations the R-square value ranging from 0.25-0.49 is considered as weak, 0.50-0.74 is considered as medium and > 0.75 is considered as strong effect on dependent variable.

## 5.CONCLUSION:

Important improvements have occurred as a result of the introduction of smartphones and internet access into our lives. Cell phones were once mostly used for communication, but they are now used in nearly every single sphere of life. Consumers may use their smart phones, which are developing into digital wallets, to pay for products and services. The objectives of this research were to find out what factors that influence the adoption of mobile payment services, as well as how these factors affected user's behavioral intention.

To find out which variables have a positive impact on adoption of digital/mobile payment services, we performed multiple regression analysis. We specified the 7 hypotheses for this, and only hypotheses with a p-value of less than or equal to 0.05 were accepted. As a result, it was found out that Performance Expectancy, facilitating conditions, Hedonic Motivation, Habit and Perceived Security are significantly correlated with user's behavioral intention to use digital/mobile payments services, while the result of the study did not show any significant impact of Social influence and Trust on behavioral intention of users. As a result, hypotheses H1, H3, H4, H5 and H7 were accepted, while hypotheses H2 and H6 were rejected. Performance expectancy has highest beta value, then comes facilitating condition and Habit.

Based on above analysis, service providers should focus on improving factors such as Performance Expectancy, facilitating conditions, Hedonic Motivation, Habit and Perceived Security which has significant impact on a user's behavioral intention to adopt and use digital payment apps. This will help further increase the scope of acceptance of digital payment services among users in India. The easier and safer it becomes; more and more people are going to start using digital payment apps. This will be detrimental in process of digitalization on economy and expedite the process of India becoming a cash-less economy.

## 6.Limitations of the Research and Recommendations for the Future Studies:

These findings have certain drawbacks in terms of generalizability. For example, there are numerous antecedents of digital/mobile payment service adoption in the literature, but only performance expectancy, social impact, facilitating conditions, hedonic motivation, habit, trust, and perceived security were examined in this study. Future research models may include additional factors influencing the adoption of digital/mobile payment services. Within the limits of those models, the effects of multiple mediator variables may also be investigated.

Because reaching the entire population would be difficult, convenience sampling was chosen. This is the study's second drawback. A survey would never be able to accurately represent the entire population. As a result, extrapolating the results from this analysis is impossible.

Some recommendations for future research could be made as a result of this report. The study took place entirely in Bengaluru, India. It would be possible to conduct empirical research in the future, in which other aspects will also be considered. Furthermore, the research model could be put to the test by conducting cross - cultural study with people from all over the country.

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