A STUDY ON USERS' AWARENESS AND FACTORS INFLUENCE TO PREFER DIGITAL PAYMENT APPS IN COIMBATORE CITY

Dr. K.Meenakshi Sundari, M.Phil.,

Associate Professor
Tiruppur Kumaran College for Women, Tirupur.

M. Shobana, M.Com(IB), M.Com.,

Ph.D Scholar
Tiruppur Kumaran College for Women, Tirupur.

ABSTRACT

With the popularity of mobile devices and new technologies and digitalization, digital payment takes place of plastic cards and currency Digital payment methods play significant role in the current scenario. In the context of technological innovations, the adoption process is also influenced by one or several factors that are incorporated in the new product. Consumer adoption is the process which determines whether to adopt the technological innovation or not. This process is influenced by the characteristics, such as personality traits and demographic or socioeconomic factors of the users. In this study, the customer awareness and factors influence to access the digital payment apps had been made to know the technological access behavior of the users. For this study the questionnaire was used to collect information from 150 respondents who made digital payments through apps in Coimbatore city. Simple percentage analysis, Descriptive statistics & ANOVA has been used for analysis.

Keywords – Digital Payments, users, Adoption, Awareness, Factors

1.1 INTRODUCTION

How do potential customers learn about new products - try them and adopt or reject them? The user-loyalty process later follows the user-adoption process, which is the concern of the established producer. Digital payment system, especially mobile payment has enabled the effortless transfer of money through virtual or digital method. It enforces faceless, paperless and cashless money transactions. Digital payment doesn't involve the use of hard cash or currencies. The users of Smart phone have been increased randomly and this has paved the way for digital transactions. Thus, it promotes contactless and quick transaction at anytime from anywhere in the world. Digital payment apps as Google pay, Paytm, PhonePe, and Amazon pay has been taken for this study.

1.2 STATEMENT OF PROBLEM:

The impact of technology and demonetization made people to use digital payment. The people still prefer for credit card facilities because of security issues but the whole world moves on digitalization and which facilitates easy cashless transaction with more comfort. It is important to study and understand the users' adoption behavior, awareness and factors that influence the adoption of digital system among the users. In order to achieve the aim and objective of this research study, the research questions that would be explored in this study

1.3 OBJECTIVES OF STUDY:

- To study the socio economic background of the users' of digital payment apps.
- To identify the awareness of users in digital payment apps.
- To find the factors influencing the users to prefer digital payment apps.

1.4 RESEARCH METHODOLOGY:

The study is based on primary data and secondary data. The primary data is virtually collected through structured questionnaires among the smart phone users in Coimbatore city. The study also uses secondary data to know about the users' behavior, awareness and adoption of digital payment apps.

- **SAMPLE DESIGN:**

  The Sampling techniques used Convenient Random sampling and the sample size is 150.

- **STATISTICAL TOOLS USED:**
1. Simple Percentage analysis
2. Descriptive statistics
3. ANOVA Test

1.5 LIMITATIONS OF THE STUDY:

- Time duration to complete the analysis is the main constraint.
- Most of the respondents are bias to response to questions.
- The sampling is restricted to Coimbatore city.

ROLE OF CONSUMER IN ADOPTING NEW TECHNOLOGY

The **adoption** process for a new product is the mental process through which an individual passes from first learning about an innovation to final **adoption**. The five stages of the **consumer adoption** process are awareness, interest, evaluation, trial, and **adoption**.

Stages in the adoption process:

Innovations take time to spread through the social system. Rogers defines the innovation diffusion process as 'the spread of a new idea from its source of invention or creation to its ultimate users or adopters'. The user-

adoption process focuses is the mental process through which an individual passes from first hearing about an innovation to finally adopting it.

Adopters of new products have been observed to move through five stages:

- **Awareness -** The consumer becomes aware of the innovation but lacks information about it.

- **Interest -** The consumer is stimulated to seek information about the innovation.

- **Evaluation -** The consumer considers whether to try the innovation.

- **Trial -** The consumer tries the innovation to improve his or her estimate of its value.

- **Adoption -** The consumer decides to make full and regular use of the innovation. The new-product marketer should facilitate movement through these stages.

REVIEW OF LITERATURE

Dr.S. Manikandan, J. Mary Jayakodi (2017) – "An empirical study on consumers adoption of mobile wallet with special reference to Chennai city". In this study they focus on the consumers perception towards mobile wallet and factors that influence consumers in adoption of mobile wallet and to study the problems faced by consumers in use of mobile wallet. They concluded that, mobile wallet usage awareness as spread among the people in India due to government policy of demonetization and this as forcefully induced the usage of mobile wallet. The risk factors are reduced and the security issues are tightened and that would automatically increase the adoption of mobile wallets.

Sujith, T. S., & Julie, C. D. (2017) In their study they found that now-a-days, world changed to digital. India tries to stepping towards e-payment system. In their study they also found that electronic payment system is a payment system through an electronic network. E-payment is a method in which a person can make Online Payments for purchase of goods and services without physical transfer of cash and cheques, irrespective of location and time. India, due to demonetization and present scenario encourages electronic payment at any time through the internet directly to manage the e-business environment.

Vibha Kaw Raina (2014) - Overview of mobile payment: Technologies and security apps. The author has illustrated the adoption of security and technology in the mobile payment apps. Through Secondary analysis the required security for mobile payment were discussed. In her study, she concluded that the mobile payment application is a main emerging digital feature of commerce. But non-secured mobile payments are simply unacceptable.

The term socioeconomic refers to the interaction between the social and economic habits of the respondents. The prefix socio- refers to "the study of the behaviors of people," including the ways they interact with one another or their family structures with the available environment.

Table No. 1

Socio- Economic Factors of the Respondents

Socio- Economic Factors		No. of Respondents	Percentage
Gender	Male	42	28.0
	Female	108	72.0
Age	18-25years	125	83.3
	26-35years	19	12.7
	36-40years	2	1.3
	Above 40years	4	2.7
Marital status	Married	39	26.0
	Single	111	74.0
Educational Qualification	School level	8	5.3
	UG	104	69.3
	PG	28	18.7
	Professional	10	6.7
Occupational Status	Government employee	2	1.3
	Private employee	50	33.3
	Student	20	13.3
	Business	22	14.7
	Housewife	56	37.3
Monthly Income	Below 20000	86	57.3
	20001- 40000	54	36.0
	Above 60000	10	6.7
Family Size	Less than 3 members	14	9.3
	3-5 members	121	80.7
	More than 5 members	15	10.0
Total		**150**	**100.0**

The above table shows that, out of 150 respondents, 72.0 percent of the respondents are Female and 28.0 percent of respondents are Male. 83.3 percent of the respondents are in the age group between 18 to 25 years, 12.7 percent of the respondents are in the age group between 26 to 35 years, 2.7 percent of the respondents are in the age group of above 40 years and 1.3 percent of the respondents are in the age group between 36 to 40 years. With regard to marital status, 74.0 percent of the respondents are single and 26.0 percent of the respondents are married. 69.3 percent of the respondents have completed their Under Graduate, 18.7 percent of the respondents have completed their Post Graduate, 6.7 percent of the respondents had completed professional degree and 5.3 percent of the respondents had completed their School Level. 37.3 percent of the respondents are Housewife. 33.3 percent of the respondents are Private employees, 14.7 percent of the respondents are Students, 13.3 percent of the respondents are Business and 1.3 percent of the respondents are Government employees as their occupational status. 57.3 percent of the respondents earn below Rs.20000 as a monthly income, 36.0 percent of the respondents earn between Rs.20001-40000 as a monthly income and 6.7 percent of the respondents are earn above Rs.60000 as a monthly income. With regard to family size, 80.7 percent of the respondents are under the category of 3-5 members in the family, 10.0 percent of the respondents are under the category of more than 5 members in the family and 9.3 percent of the respondents are family size of less than 3 members.

Types of Digital apps preferred

TABLE No. 2

Digital Apps	No. of Respondents	Percentage
Phonepe	70	46.7
G Pay	32	21.3
Amazon pay	16	10.7
Paytm	32	21.3
Total	150	100.0

The above table depicts that, 46.7 percent of the respondents use Phonepe, whereas 21.3 percent of them preferred Paytm and G pay and 10.7 percent of the respondents prefer Amazon pay as their preferred digital payment apps for their e-transactions.

Factors that adapts to Digital apps

TABLE No. 3

Factors	No. of respondents	Percentage
Perceived Performance	60	40
Perceived Benefits	65	43
Perceived Security	15	10
Social influence	10	7
Total	**150**	**100**

It is observed from the table that, 43 percent of the respondents had adopt apps for their perceived benefits, 40 percent of the respondents adopt for its perceived performance, 10 percent of the respondents adopt because of security, 7 percent of the respondents adopt for its social influence as the factors choosing the digital payment apps.

Factors influence to adopt digital payment apps - Descriptive statistics

TABLE No. 4

FACTORS	N	Minimum	Maximum	Mean	Std. Deviation	Indicator
Speed	150	3	5	4.48	.702	Strongly Agree
Cash back	150	1	5	3.87	1.151	Agree
Adopt to Innovation	150	1	5	3.89	.921	Agree
Attractive Discount	150	1	5	3.68	1.064	Agree
Ease of use	150	1	5	4.29	.909	Agree
Security	150	1	5	3.72	1.043	Agree
service Provided	150	1	5	3.69	1.062	Agree
Demonetization	150	2	5	4.00	.927	Agree
Time saving	150	1	5	4.56	.807	Strongly Agree
Immediate payment	150	3	5	4.57	.659	Strongly Agree

From the mean ratings it is inferred from the above table that, the high mean rating has been found for Immediate payment' (Mean 4.57) followed by the 'Time saving' (Mean 4.56), Speed ' (Mean 4.48) with the highly agreeable factors. 'Ease of use' (Mean 4.29), 'Demonetization' (Mean 4.00), 'Adopt to innovation' (Mean 3.89), 'Cash back' (Mean 3.87), 'security' (Mean 3.72), 'service provided' (Mean 3.69) and 'Attractive Discount ' (Mean 3.68) are agreed by the users as influencing factors. Hence, based on high mean rating, it is evident that, most of the respondents have highly influenced to adopt in digital apps for transactions mainly due to immediate payment.

ANOVA

The following ANOVA table reveals, whether there exists any significant difference between 'factors influence to adopt digital payment apps for online transactions' and 'Age group of the respondents' with the following null hypothesis. When there exists a significant difference in F-value at 5 per cent level, Post Hoc analysis has been applied to find which group of respondents differs in their mean perception from the others.

H_0: "The age group of the respondents does not differ significantly with the mean score of the factors influence to prefer digital apps "

Table No. 5

Age	N	Mean	Std. Deviation
18 – 25 years	125	4.0192	.60063
26 – 35 years	19	4.3947	.44281
36 – 40 years	2	4.3500	.07071
Above 40 years	4	4.2000	.42426
Total	150	4.0760	.58707

Table No. 6

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2.545	4	.848	2.538	.054
Within Groups	48.808	146	.334		
Total	**51.354**	**150**			

It is observed from the Table that, the respondents who fall in the age group between 26-35 years have been highly influenced (Mean 4.3947) and the respondents who fall in the age group between 18-25 years have been less influenced (Mean 4.0192) by the digital payment apps for online financial transactions. However, with the ANOVA table value it is understood that, the factor influencing mean score has not significantly differed among the respondents when they are classified based on age groups. Therefore, the null hypothesis has been accepted.

Discussion:

- ❖ Awareness regarding security payment system should be increased more to the users for the proper use of digital payment apps.
- ❖ Providing some loyalty or reward points to the user of the service will attract more users.
- ❖ Speed Transaction process must be implemented with less simple steps.
- ❖ Digital payment should be compatible across all platforms so that it is convenient for the users to use the digital apps in best way.

CONCLUSION:

Digital payment system is an electronic medium that allows the users to make transactions with ease. While introducing digital system apps, most of the people are unaware and not to adopt in new system, but due to necessity for their financial transactions, this digital payment apps plays a major role in our country. This payment system has remarkable momentum in our country particularly after demonetization in India. The Government of India is taking various steps for efficient utilization of digital payment platforms to wipe out corruption and black money from the Indian economic system.

REFRENCES

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