A STUDY ON CUSTOMER AWARENESS TOWARDS CASHLESS TRANSACTION IN VILAVANCODE TALUK, KANNIYAKUMARI DISTRICT

J. Jayaseelan*,
Ph.D Scholar in Commerce (Part Time-Internal), Reg. No: 18121291011001,
Research Centre in Commerce,

Dr. C. Arul Mary Thangam,
Research Supervisor,
Head, Post Graduate Department of Commerce,
Nanjil Catholic College of Arts and Science, Kaliyakkavilai-627153.

Dr. A. Venkateswaran,
Co-supervisor,
Assistant Professor and Head of Research Centre in Commerce,

ABSTRACT
Cashless transaction means payment of money through electronic means or digital payment system. Business enterprises, shops and even banks offer discount on purchases with digital payment and plastic money for attractive deals that they have made. The electronic payment or the plastic money is a very recent gift in the modern banking service and it replaces the traditional concept of cash and cheque payment. The government of India has emphasized on cashless payment which means all the payments are made digitally.

Keywords: Cashless transaction, Plastic money, Digital payment, Public awareness.

1. INTRODUCTION
Cashless transaction is a process of buying and selling of goods and services against money where there is no physical money involved. In a cashless environment payments are made through electronic means which makes it more safe and reliable. There are many reasons behind the peoples’ choice to do cashless transactions like convenience, improved digital technologies, faster and cheaper ways of money transfer.

2. OBJECTIVES

- To have an over view of cashless transaction system.
- To study the respondents’ awareness of cashless transaction.
- To offer valuable suggestions, based on the findingsto the users.
3. TYPES OF CASHLESS PAYMENT METHOD

3.1 Cheques and Demand Drafts
The cheque is one of the oldest methods of cashless payment, which is a printed piece of paper where the amount can be written by the user. In this method, a cheque is issued for the specific amount to someone. This cheque is deposited in the receiver’s bank account and the money is collected by a clearinghouse. A demand draft is safer than a cheque because it cannot be dishonored for insufficient funds. The demand draft is signed by a banker to ensure that sufficient funds are available for a successful transaction.

3.2 Debit and Credit Cards
A debit card is a plastic card which provides an alternative payment method to cash or cheques for making purchase of goods and services. It is a substitute for cash or cheque payments. Only the account holders can get the card. When a customer uses the debit card, the amount would be debited from their account at the time of use. Credit card is one kind of plastic money used to pay for purchases and services. The institution which issues the card, would pay to the outlet on behalf of the customer. Credit card is issued by banks to reputed customers. When this card is presented at the establishments which have undertaken to accept the card, they will deliver the goods and services, up to a certain limit, without getting immediate payment.

3.3 UPI Applications
Unified Payment Interface is another type of mobile payment method which allows to send and receive money using virtual payment address without entering bank details. The person wants to making payment can enroll with banks (current account) to accept UPI payments.

3.4 Mobile Wallets
Mobile Wallets are cashless transaction that does not require any plastic money like debit card, credit card, smart card and also any type of password. Before using the mobile wallets one must load the amount of money via IMPS and use it. For avail this services the users shall download the mobile wallet app form play store in their smart phone. Paytm, PayUmoney, MobiKwik, Oxigen are some of the mobile wallets.

3.5 NEFT and RTGS
National Electronic Fund Transfer (NEFT) is a wide payment system facilitating transfer of funds from one account to another. Under this scheme, customer can electronically transfer funds from any bank branch to any customer’s account with any other bank branch. The RTGS (Real Time Gross Settlement) is an electronic form of funds transfer where the transmission takes place on a real time basis. In India, transfer of funds with RTGS is done for high value transactions, the minimum amount being Rs 2 lakh. The beneficiary account receives the funds transferred, on a real time basis. It is a new system of payment evolved in the Indian banking environment. Its main objective is to enable online clearing and settlement of payments on a real time basis across banks in different cities. The RTGS is an upgraded technology aimed at reducing dependence on payment through cheques.
3.7 IMPS
IMPS stands for Immediate Payment Services. IMPS initiated by National Payment Corporation of India. To avail IMPS the user needs to register for mobile banking. The user can send or receive money through the IMPS and it has no cut-off time for transaction.

3.8 USSD
USSD stands for Unstructured Supplementary Service Data. The user can use USSD cashless option without smartphone and internet connection. It is a form of mobile banking, the user just dials *99# from anywhere and use this service. The users must register their mobile number with the account number to make the transaction a success. SBI, ICICI, PNB and Axis Bank support this payment option.

3.9 ECS
ECS stands for Electronic Clearing Services. Electronic clearing services can be used for both debit and credit. It is mainly used for utility services, Equated Monthly Installments (EMI) and disbursement of payment like salaries, pension and dividend. ECS is a more reliable because of instruction can be given regarding validity periods, maximum amount to debit and the purpose of the transaction are mandate.

3.10 Aadhaar Enabled Payment System (AEPS)
AEPS is one of the best cashless payment gateways which is offered by the National Payment Corporation of India. In order to avail this service, it is mandatory to link the customer’s Aadhaar card number with their bank account. AEPS uses Aadhaar number and UIDAI authentication through their business correspondent service centres. It provides the basic financial services like cash deposit and withdrawal, remittance and balance enquiry.

3.11 Net Banking
Internet banking is a platform for electronic delivery of banking services to the customers. In internet banking, customers have to link bank account with their computers and a browser, and thereafter perform various banking functions. Thus, the customer can avail bank’s services from anywhere and anytime.

3.12 Gift Cards or Vouchers
The Gift Cards or Vouchers are used for the purchase of goods and services from a specific merchant. It is a readymade card loaded with a fixed amount of cash which is used by the card holders only in the specific vendor.

ADVANTAGES OF CASHLESS TRANSACTION
- Cashless payment system eliminates physical theft and robbery.
- The customers get on time payment.
- Reduction in criminal activity by eliminating high denomination of notes.
- In the event of the loss of cards or theft of cards they can be blocked within minutes to prevent misuse.
- The users can get discount and cash back offers for making online payments.

DISADVANTAGES OF CASHLESS TRANSACTION
- Illiterate people do not know how to use digital transaction.
- It is very risky as compared to cash related transaction.
4. RESEARCH METHODOLOGY

Research methodology is the way of systematically and scientifically solving the problem. It is the blueprint of the way in which the research work is going to be conducted. The sample size is restricted to 125 customers including students, working professionals, Government officials, Home Makers and senior citizens of Vilavancode Taluk in Kanniyakumari District. The primary data was collected by using structured questionnaire and interview on the basis of stratified random sampling technique. Secondary data needed for the study was obtained from various sources such as books, journals, internet and newspapers.

5. STATEMENT OF THE PROBLEM

A cashless economy is one in which all the transactions are done by using plastic money and digital means. After demonetization in India, most of the people started electronic payment for their transactions. Cashless payments eliminate several risks factor like missing of cash, cost of security, theft and robbery. One can keep huge amount with themselves while going anywhere in the world. The plastic money makes the society a cashless society. The increased use of digital payment and plastic money will definitely reduce the risk associated with carrying too much of cash.

6. DATA COLLECTION

There are two sources through which data is collected i.e., primary sources and secondary sources.

6.1 Primary Data

Primary sources are original sources from which the researcher has directly collects data that have not been previously collected. Primary data are first-hand information collected through various methods such as observation, interviewing, mailing questionnaire etc.

6.2 Secondary Data

These are sources containing data which have been collected and compiled for another purpose. Secondary data have been collected through websites, books, online, magazines and journals.

7. REVIEW OF LITERATURE

Ashish Das and Rakhi Agarwal (2010) in their article entitled “Cashless Payment System in India-A Roadmap” stated that the usage of digital payment (cashless) is more profitable to the Government as compared with the cash payment. This will help diminish money administration cost, track exchanges, check charge evasion/misrepresentation and so forth, upgrade budgetary consideration and incorporate the parallel economy with standard.

Anupama Sharma (2012) in the article “Plastic Card Fakes and the Counter Measures towards a more Secure Installment Component” analysed the volume of cheats are high in the plastic money transaction. Fake plastic money, hackers, improper functioning and high transaction charges are some the examples.

Jashim Khan and Maggaret Crais-Lees (2014), in their article entitled “Cashless transaction: Their effect on purchase behavior” stated that when a credit card based payment is used, the volume, value and type of products
purchased increase. This is due to the credit element, or to the cashless element of the transaction. The notion that the tangibility of cash influences perceptions is not novel, but it is untested. The perception may well have a direct impact on purchase behavior.

Kumari (2016) in the study, “Awareness of Customer towards Cashless Transaction” had analysed the awareness on the use of digital technology in rural areas. Illiteracy is one of the major issues in the path of cashless transaction, as per unison report. The lack of digital technology and low literacy is acting a major role in cashless transaction.

Manivannan (2013) reported in “Plastic money a way for cashless payment system” stated that the plastic money and electronic payments are used only by higher income category. The extension of this facility is not only for customers in urban areas, but also for customers who reside in rural areas.

Pulina (2011) observed in “Do Digital Wallets as a Payment Method Influence Consumer in Their Buying Behavior? With the coming of innovation, customers have a huge exhibit of installment modes which encourages installment for exchanges by being more advantageous, worthy and open.

8. DATA ANALYSIS AND INTERPRETATION

Data analysis is a process of finding facts and summarizing useful information and conclusions. The study has been carried out by conducting a survey of 125 respondents by convenience sampling method. The study carried out by using structured questionnaire and interview techniques.

<table>
<thead>
<tr>
<th>Demographic Profile of the Respondents</th>
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<tbody>
<tr>
<td>Particulars</td>
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<tr>
<td>Gender</td>
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<td>Age Group (in Years)</td>
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<td>Marital Status</td>
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<td>Annual Income</td>
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</table>

Source: Primary data
From the Table 8.1 it was observed that 77 percentage of the respondents are females and the rest are males. In the parameter of age group 80 percentage of the respondents are in the age group of 21 to 35 years, 10 percentage are between 35 and 50 years, 8 percentage are in the age group of less than 20 and 2 percentage are above 50 years.

It has been found that 58 percentage of the respondents are married and rest of the respondents are unmarried.

The researcher found that 64 percentage of the respondent’s annual income is below Rs. 1,00,000, 23 percentage respondents annual income ranging between Rs. 1,00,001 and Rs. 2,00,000, 9 percentage of the respondents have annual income between Rs. 2,00,001 and Rs. 3,00,000 and in 4 percentage of the respondents annual income is above Rs. 3,00,000.

Private sector employees occupy 42 percentage, 26 percentage are government employees, 19 percentage are business people and 13 percentage are professionals. Also it has been found that 68 percentage are graduates or diploma holders, 9 percentage are qualified in other field, 8 percentage are post graduates, 8 percentage are at higher secondary level and only 7 percentage respondents belong to primary level.

**Table 8.2**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Payment Method</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Plastic Money</td>
<td>33</td>
<td>26</td>
</tr>
<tr>
<td>2</td>
<td>RTGS/NEFT</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>3</td>
<td>Mobile Banking</td>
<td>21</td>
<td>17</td>
</tr>
<tr>
<td>4</td>
<td>Net Banking</td>
<td>47</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>125</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

As observed from Table 8.2, 38 percentage of the respondents preferred to pay bills by way of net banking, 26 percentage of the respondents preferred cards, 19 percentage of the respondents preferred RTGS/NEFT, 17 percentage of the respondents preferred mobile banking.

**Table 8.3**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Awareness Created</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>News Paper</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>2</td>
<td>Television</td>
<td>37</td>
<td>30</td>
</tr>
<tr>
<td>3</td>
<td>Social Media</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>4</td>
<td>Relatives/Friends</td>
<td>23</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>125</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

Table 8.3 shows that, 40 percentage of the respondents are aware of cashless transaction through social media, 30 percentage are by television, 18 percentages by friends and relations and rest of the 12 percentage by newspaper.
According to Table 8.4 it can be seen that majority that is 45 percentage of the respondents agree to the fact that cashless transaction is convenient, 26 percentage of the respondents agree cashless transaction is more secured, 18 percentage of the respondents are giving more importance to time saving factor, and 11 percentage agree with the statement not to carry paper money.

**GARRETT’S RANKING TECHNIQUE**

Garrett’s Ranking Technique is used to find out the most significant factor which influences the respondents. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the formula.

\[
\text{Percent position} = \frac{100 \times (R_{ij} - 0.5)}{N_j}
\]

\(R_{ij}\) = Rank given for the \(j^{th}\) variable by the respondents

\(N_j\) = Number of variables by the respondents

The scores given by the respondents are analyzed by Garrett ranking technique and the ranks are given in the Table 8.6.
Table No. 8.6
Garrett ranking table

<table>
<thead>
<tr>
<th>Options</th>
<th>Garrett mean score</th>
<th>Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security</td>
<td>51.064</td>
<td>II</td>
</tr>
<tr>
<td>Convenience</td>
<td>59.960</td>
<td>I</td>
</tr>
<tr>
<td>Not to carry paper money</td>
<td>41.056</td>
<td>IV</td>
</tr>
<tr>
<td>Time saving</td>
<td>45.920</td>
<td>III</td>
</tr>
</tbody>
</table>

Source: Calculated value

It is inferred from the Table 8.6 that the factor convenience scores the highest value 59.96 and holds the first rank, security ranks second, time saving ranked third and not to carry paper money ranked last.

9. FINDINGS

- 77% percentage of the respondents (96) are females.
- The analysis infers that out of the total 125 respondents, 80% percentage come under the age group between 21 and 35 years.
- The analysis reveals that 58% percentage of the respondents are married and rest of the 42 percentage of the respondents are unmarried.
- The study reveals that 64% percentage of the respondents annual income below Rs. 1,00,000.
- It is also found that 42 percentage (52) of the respondents are private employees.
- Out of 125 respondents most of the respondents i.e., 68% percentage are educated up to graduation/diploma level.
- In this study the researcher found that 38 percentage of the respondents preferred to pay by way of net banking.
- It is inferred from the study that the usage of net banking will grow rapidly. Banking industries has provided 24x7 customer services for their customers.
- The usage of cashless transaction will help to curb black money as each and every transaction will be recorded.
- The factor, convenience has more power to influence the usage of cashless transaction/plastic money. Its score is the highest value of 59.96 and holds the first rank, security ranks second, time saving ranked third and not to carry paper money ranked last.

10. SUGGESTIONS

- Since old age people have less awareness regarding latest technological changes, therefore the organization may initiate to create awareness on cashless payment.
- The bank may reduce bank charges over plastic money, RTGS/NEFT, mobile banking and internet banking transaction to increase the number of customers.
The customers give more importance to safety of their cashless payments. Therefore, the banks/organization should protect the interest of the users by providing all necessary steps.

The public themselves must come forward to avoid cash and coin payments.

11. CONCLUSION

The electronic payment society or plastic money society eliminates the oldest payment methods like cash and cheque payment methods. Digital payment system brings better transparency and accountability. The government of India wants to go for a cashless society but doing so is not that easy, because of a lot of infrastructure required to make the dream of digital India true. Now a days, Indian customers find it easier to make card payments rather than physical payments. But some customers are not able to utilize plastic money effectively due to its complex nature. However the positive influencing trends are expected to continue in the near and far future.

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