

USERS PERCEPTION TOWARDS PAYTM

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ABSTRACT

The world is increasingly mobile people want access from whenever, anywhere and are equipped with a secure online wallet called Paytm cash. Paytm is one of the India's largest mobile commerce platform. They started their journey by offering mobile recharge and utility bill payments. Today it offers a full marketplace to consumers on its mobile apps with the introduction of shopping platform on its mobile wallet recharge app. Paytm is deepening their roots in Indian e-commerce market. With a very short span of time, there are over 25 million registered user's and are expected to double by the end of this year. Paytm's success is followed by adverse challenges in the face of banks and e-tailors like Flipkart, Snapdeal who are on the path of introducing their own mobile wallets. In order to survive and grow in the market Paytm is developing effective marketing strategies and are expanding their operational competitiveness. The objective of the study are to know about user's awareness and to study the factors that influence the user's to use of paytm.

KEY WORDS : Paytm wallet, Banking Apps, M-Wallet, E-commerce Market, Online Payments.

1. INTRODUCTION

In today-world smart phone has become essential part of daily life. India will exceed 200 million smart phone users, topping the US as the world's second largest smart phone market by the end of 2018 due to increasing penetration of affordable smart mobile devices in the country. Shoppers are adopting digital wallets at an incredibly rapid pace, largely due to convenience and ease of use.

Paytm is an Indian e-commerce shopping website headquartered in Noida, India launched in 2010 as a prepaid mobile recharge website with Android, Windows, IOS applications. Paytm is an acronym for "Pay Through Mobile". It was founded by Vijay Shekhar Sharma, incubated and owned by One97 Communications. Paytm is One97 Communications flagship brand. The firm started by offering mobile recharging, adding bill payment and e-commerce with products similar to businesses such as Flipkart, Amazon, Snapdeal.

In 2014, the company launched Paytm RBI approved semi-closed wallet – inspired and driven by a commitment to great consumer experience. Paytm is also a leading payment solutions provider to e-commerce merchants and is now India's largest mobile payment service platform with over 40

million wallets. The service became the preferred mode of payment across leading consumer internet companies.

In 2015, it added booking bus travel. Also in that year, Indian Industrialist Ratan Tata made personal investment in the firm. The company received a \$575 million investment from Chinese e-commerce company Alibaba group. After Ant Financial Services Group, an Alibaba group affiliate, took 25% stake in One97 as part of a strategic agreement.

Paytm works with the all mobile operators in all states in India for prepaid mobile, DTH and data card recharges and postpaid mobile, landline and data card bill payments. It has partnered with multiple national banks for credit card, debit card and net banking payments. Paytm also works with various billers for utility bill payments. In 2015 Paytm received a license from RBI for starting India's first payments bank. The bank intends to use the Paytm's existing user base for offering new services, including debit cards, savings accounts, online banking and transfers to enable a cashless economy.

1. STATEMENT OF PROBLEM

One of the reasons to push towards the adoption of e-wallets (paytm) is the demonetization. With hard cash in short supply, services like paytm, mobikiwik, freecharge, oxygen etc. With the technology advancement and adoption in each sector there came a different approach to the currency handling. When smart phone can function as leather wallets. Hence the study concentrated on the topic "A study on the user's perception and satisfaction towards usage of Paytm with special reference to Pollachi".

2. OBJECTIVE OF THE STUDY

- ❖ To know about users awareness towards paytm.
- ❖ To study the factors that influence the customers to use of paytm.

4. SCOPE OF THE STUDY

Paytm will play a significant role in day to day life as an increase in use of smart phone can be seen and people are relying on digital lifestyle to make things convenient and fast the study is made taking consideration of whole of paytm service to know its usage by the customers and its accessibility.

5. RESEARCH METHODOLOGY

5.1 Research design

The aim of this research paper is to analyze the awareness and influencing factors to use of paytm. This research used descriptive method in order to get the statistic result from respondents.

5.2 Area of the study

The study is undertaken in Pollachi and the study covers the period of six months from May 2018 – November 2018.

5.3 Data and sample size

The primary data is collected using descriptive structured questionnaire from 100 respondents belong to the study area of working people, bankers, business concern under convenient sampling method.

5.4 Statistical tools

The following statistical tools have been used to analyze the collected data.

- Percentage analysis
- Chi-square test
- Weighted average

6. LIMITATIONS OF THE STUDY

- Respondent bias was one of the major limitations of research and there might not be perfect positive response from all the respondents.
- The sample size very less comparatively to the total population.
- The study area was limited to only in Pollachi.

7. REVIEW OF LITERATURE

Dr. T. Venkatesan (2018) in the article titled” usage of Paytm” , Concludes that the usage of Paytm is only at a satisfactory level. The customers face problems in ease of use, security issues and slow Paytm server in the usage of Paytm. Paytm can establish a separate wing with trained staff to address the issues and problems related to Paytm services. The Paytm may initiate necessary action for periodic updation, up gradation and maintenance of both hardware and software and to prevent cases of slow server and complete breakdown of system by having back storages.

FE Bureau (2017) states that According to the RBI: Demonetization has increased the growth of Paytm&Mobikwik which is known as the Digital payment companies.

Dr. Poonam Painuly, Shalu Rathi (May 2016) study revealed on “Mobile Wallet: An upcoming mode of business transactions” has explained about mobile wallet, types and trends. Then discussed about Role of mobile wallet in various sectors like Banks, Retail and Hospitality. The paper explains the importance of mobile wallet for Banks, Customers and Companies. In future scope it talks of mobile wallets becoming a latest marketing channel in near future. And contribute highly in a seamless shopping experience for the customers that increase their tendency for frequent and more repurchases with delightful experiences. To conclude they speak the importance and growth of mobile money in business, social and economic prospective. The presence of mobile wallet spreading from urban to rural areas on a large scale. Hence, wallet money sees a high bright future in near time.

NinnaMallat & AnssiOorni (2014) study revealed on The value of different customer satisfaction and loyalty metrics in predicting customer retention, recommendation and share of wallet “(2007) examined different customer satisfaction and loyalty metrics and test their relationship to customer retention, recommendation and share of wallet using micro (customer) level data. The results indicate that recommend intention alone will not suffice as a single predictor model performs better in predicting customer recommendations and retention.

Zilvinas Bareisis, (2012) study revealed on Banks should think twice before going down the path of launching their own branded independent wallets. For some, it might make sense, but many others will likely be better off focusing on making their payment credentials available and top of wallet in the wallets already out in the market, as well as enhancing and extending their mobile banking platforms with value-added services, including payments.

8. DATA ANALYSIS AND INTERPRETATION

8.1 SIMPLE PERCENTAGE ANALYSIS

8.1 TABLE SHOWING SIMPLE PERCENTAGE ANALYSIS

<i>Variables</i>		<i>No of Respondents</i> <i>(N=100)</i>	<i>Percentage (%)</i>
Age	Below 18 years	10	10%
	20-30years	81	81%
	31-40 years	6	6%
	Above 41 years	3	2%
Occupation	Student	54	54%
	Self employed	31	31%

	Banker	4	4%
	Business man	6	6%
Monthly Income(Rs.)	Below 10000	36	36%
	10001 - 20000	31	31%
	20001 - 40000	25	25%
	Above 40001	8	8%
Qualification	SSLC	8	8%
	HSC	5	5%
	UG	73	73%
	PG	20	20%
Awareness	Own occurred	13	13%
	Social media	31	31%
	Friends	45	45%
	Magazine /Television	11	11%
Device used for making payment	Smart phone	61	61%
	Computer	15	15%
	Both	24	24%
Period of using paytm	Less than one year	35	35%
	1-2 year	46	46%
	2-3 year	19	19%
Frequency of using paytm in a month	Less than once	25	25%
	1-2 times	41	41%
	3-5 times	22	22%
	More than 5 times	12	12%
Amount spend for shopping per month	500-1000	32	32%
	1000-2000	42	42%
	2000-4000	20	20%
	Above 4000	6	6%

INTERPRETATION

The table 8.1 depicts that majority (81%) of the respondents are in the age group of 20-30 years. Majority (55%) of the respondents are male. Majority (54%) of respondents are students. Most (36%) of respondents are earning below Rs.10000 per month. Majority (73%) of the respondents are UG. Most (45%) of the respondents are aware about paytm through friends. Majority (61%) of the respondents are making paytm payment using smart phone. Most (41%) of respondents availing

using paytm 1-2 times per month. Most (42%) of the respondents spend Rs.1000-2000 every month for shopping. Most (40%) of the respondents are preferred for instant payment.

8.2 CHI-SQUARE

8.2.1 TABLE SHOWING MONTHLY INCOME AND AMOUNT SPEND PER MONTH

H0: There is no significant relationship between income and amount spend per month.

H1: There is a significant relationship between income and amount spend per month.

TABLE SHOWING CHI-SQUARE TEST

Table value	Calculated value	Degree of freedom	Significant/No Significant	Accept/Reject
26.3	8.04	16	No significant	Accepted

INTERPRETATION

In the above analysis, the calculated value (8.04) is less than the table value (26.3) at the 5% level of significant. Hence, null hypothesis is accepted and there is no significant relationship between monthly income and amount spend per month.

8.2.2 TABLE SHOWING AGE AND USAGE OF PAYTM WALLET

H0: There is no significant relationship between age and use paytm wallet.

H1: There is a significant relationship between age and use paytm wallet.

TABLE SHOWING CHI-SQUARE TEST

Table value	Calculated value	Degree of freedom	Significant/No Significant	Accept/Reject
21	9.79	12	No significant	Accepted

INTERPRETATION

In the above analysis, the calculated value (9.79) is less than the table value (21) at the 5% level of significant. Hence, null hypothesis is accepted and there is no significant relationship between age and use of paytm wallet.

8.3 WEIGHTED AVERAGE SCORE METHOD

8.3 TABLE SHOWING THE FACTORS THAT INFLUENCE TO USE PAYTM

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Weighted mean	Rank
Save time/convenient	15	17	25	23	20	324	3
More secure transactions	34	16	7	33	10	321	4
Faster transactions	10	13	25	34	18	299	5
Fewer risks	31	17	34	14	4	333	1
More private	24	26	19	18	13	326	2

INTERPRETATION

The above table infers it is obvious that the respondents strongly agree with fewer risks with the average score of 333, followed by more private with weighted average score of 326, further followed by save/time convenient with weighted average score of 324, followed by more secure transactions with weighted average score of 321 and followed by faster transactions with weighted average score of 299.

9. FINDINGS

9.1 PERCENTAGE ANALYSIS

- Majority (81%) of the respondents are in the age group of 20-30 years.
- Majority (55%) of the respondents are male.
- Majority (54%) of the respondents are student.
- Most (36%) of the respondents are earning income below Rs.10000.
- Majority (73%) of the respondents are under graduate.
- Most (45%) of the respondents get information about paytm through friends.
- Majority (61%) of the respondents use smart phone for making payment.
- Most (46%) of the respondents use paytm for 1-2 years.
- Most (41%) of the respondents do shopping 1-2 times with paytm store.
- Most (42%) of the respondents spend Rs.1000-2000 amount every month.

9.2 CHI SQUARE ANALYSIS

- There is no significant relationship between age and usage of paytm wallet.
- There is no significant relationship between monthly income and money spend every month for shopping to paytm store.

9.3 WEIGHTED AVERAGE

- It is conclude that respondents strongly agree with fewer risks, followed by more private, further followed by save/time convenient, followed by more secure transactions and followed by faster transactions.

10. SUGGESTIONS

- Paytm provider needs to inform about their services on the mass level.
- The digital wallets (paytm) nowadays mostly focus towards the users.
- It should be made easy and it should maintain the feedback portion if the customer also.
- Paytm provider can do necessary correction in the security system that can increase the number of users using paytm.
- Paytm provider should made easier in KYC process.

11. CONCLUSION

As per the analysis the researcher has done it is found that the Paytm is most convenient and it is trust worthy. The respondents are all neutral about the services rendered by paytm. It should develop the quality of service. The awareness about the Paytm will promote it to the next level.

Paytm supports their customers to transfer their payments with the usage of their mobile phones in the easiest way. Paytm is a good app to download due to its wide network of partners which make it convenient whether taking a cab ride with Uber, or rendering a meal via Food panda and so on.

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