

A Study on Perception of Digital Payments System

Dr.J. Anand, Dr. Radhaganeshkumar and Dr.L. Sujatha

Abstract--- *The demonetization ended in great increase in digital payments. With the government initiative along with Digital India and multiplied use of cellular technology and inter net are way to exponential boom in use of digital payments. This transformation closer to digital bills brings an advantage of greater transparency in transactions which empowers the country's economy. In current days many modifications in the gadget like digital wallets, apps help for smooth shift to digital payments. This paper talks about the services that the clients wish from the payment banks. It also captures how comfort/ease is assisting payment banks to extend customer base. The role of demographics as identifying factors for customers in choosing payment banks is studied in this paper. The paper in addition studies the impact of customer's decision to choose the mode of digital payments. Payment gateways have emerged as the most massive contributor in pushing Cashless and electronic bills. The surge of smart phones and net connectivity of 3G and 4G is meditated in the sturdy boom of charge gateways in India. The present study is targeted on Customer preference in the direction of payment gateways and analyzes the effect of demographic variables on the use of Payment gateways.*

Keywords--- *Digital Payments, Demonetization, E-Payments, Online Payments, Risks, Charges, Cash Back.*

I. INTRODUCTION

The term Digital Payment means making payments to other person with the assist of internet or through electronic mode rather than paper cash. The initiative of Digital Payments changed after the assertion of demonetization on eighth November 2016. The present paper specializes in the evaluation of the adoption stage of these virtual fee systems by customers. Primary statistics become gathered from a hundred respondents in Chennai. The collected records through the questionnaire had been analyzed. This paper seeks to recognize the current approach towards the adoption of digital payments in India. Digital Payments was initiated to carry transparency in transactions and putting off black money. It turned into truly a circulate towards cashless economy. Further, virtual payments became encouraged to offer enough cash availability to the banks for supplying credit score to human beings. Till date, a large part of society has began the usage of Digital mode of Payments, but still people experience fear of the use of Internet Banking, debit cards, e-cash etc. Initially the Government turned into supplying large incentives for digital payments however now a decline has been visible in this push. This paper tries to pick out the motives for adoption of virtual bills by means of people in India and it additionally attempts to find out the troubles faced via people in making Digital Payments. The "Digital India" is the Indian Government's flagship program with a vision to convert India into a digitally empowered country.

*Dr.J. Anand, Assistant Professor, Department of Management Studies, SRM Valliammai Engineering College, Chennai.
Dr. Radhaganeshkumar, Assistant Professor (SL.GR), Head, Department of Management Studies, SRM Valliammai Engineering College, Chennai.
Dr.L. Sujatha, Assistant Professor (SL.GR), Department of Management Studies, SRM Valliammai Engineering College, Chennai.*

II. REVIEW OF LITERATURE

Sanghita Roy, Dr. Indrajit Sinha (2014) stated that E- payment system in India, has shown tremendous growth, but still there has lot to be done to increase its usage. Still 90% of the transactions are cash based. Technology Acceptance Model used for the purpose of study. They found Innovation, incentive, customer convenience and legal framework are the four factors which contribute to strengthen the E- payment system.

Dr. R. Gokilavani (2018), Digital fee system is a digital medium that allows consumers to make electronic commerce transactions for his or her buy. Consumers have moderate level of belief about virtual price and there is widespread difference among socio-monetary status of clients and their belief toward digital price. The rate of adoption of digital fee is definitely and drastically suffering from belief of customers. At the equal time, the virtual price machine need to adopt suitable measures to overcome undue put off in processing payments.

K. Suma Vally and K. Hema Divya (2018), The study examines the effect of adopting digital payments impact on consumers of the banking sector of India. The end result gives us an important coverage course in the direction to increase cashless bills. The results indicate that the deployment of technology for virtual bills have stepped forward the performance of banking sector and able to acquire the purpose cash less country. The study gives awareness on maximum utilization of technology. Banks should take effective measures in creating awareness towards the effective usage of technology and security.

K Vinitha, S Vasantha (2017), E-payment usage depends on security and trust and therefore the increase in usage of e-payment depends on both. Digital payment is a technology which doesn't involve physical cash here the payment is done through the electronic medium. Although Demonetizations brought a way for E-payment, it has received acceptance throughout the world. But all the modes of e-payment are not utilized by all. It is an unavoidable reality that perceived danger is associated with the e-payment structures and it contributes to the choice elements in its utilization. This paper is focused to examine the Factors influencing Consumers purpose to Adopt Digital Payment. The factors so discovered consists of perceived use, perceived hazard, perceived ease of use and accept as true with. The findings based on numerous literature reviews recommends that patron cognizance, comfort, security, availability of e-price tools, incentives and licit body are the elements that could fillip using e-payment gadget.. Smartphone penetration, ubiquitous connectivity, biometrics, cloud computing and the Internet of Things are the various trends of transactions of consumers in future.

Rakesh H M & Ramya T J (2014) in their research paper titled "A Study on Factors Influencing Consumer Adoption of Internet Banking in India" tried to examine the factors that influence internet banking adoption they attempted to study the factors that influence the adoption of online banking. In a survey of digital banking, it was observed that India is leading all Asian countries in mobile and Internet usage for online banking. The growth of internet banking is estimated to increase three folds whereas there was a 15% decline in branch usage is noticed.

III. STATEMENT OF PROBLEM AND NEED FOR THE STUDY

The digital purchases is growing very fast in today's environment, many consumers are using digital payments and when everything else is mobile, the payments have to be mobile too; we have to be able to pay for goods and services no matter where we are. Thus there is a need for a payment gateway, with which digital payments can be made. It is therefore relevant to pay attention towards digital payment option as cashless payment.

IV. METHODOLOGY

The study is conducted to obtain data on adoption of digital payment system in Chennai. The study is conducted in Chennai region. A sample size of 100 was selected using the convenience sampling.

V. OBJECTIVES OF THE STUDY

- To find out the factors influencing towards adoption of digital payments.
- To find out the problems faced by people in making digital payments.
- To find out the most popular method of digital payments.
- To have an idea regarding the expected future of digital payments in India.

VI. QUESTIONNAIRE SURVEY

The draft questionnaire was developed keeping in view the specific objectives of the study and develop it later by conducting interview on a pilot basis to prepare the final questionnaire.

VII. DATA ANALYSIS

Table 1

Particulars	Respondents count	Percent (%)	Majority (%)
AGE			
BELOW 25	14	14	
25-50	56	56	56
50-75	26	26	
75 AND ABOVE	4	4	
TOTAL	100	100	
SEX			
MALE	78	78	78
FEMALE	22	22	
TOTAL	100	100	
EDUCATIONAL QUALIFICATION			
ILLITERATE	12	12	
ELEMENTARY	34	34	34
SSLC / HSC	32	32	
DEGREE	22	22	
TOTAL	100	100	
MARITAL STATUS			
MARRIED	86	86	86
UNMARRIED	14	14	
TOTAL	100	100	
USAGE OF DIGITAL PAYMENT			
YES	88	88	88
NO	12	12	
TOTAL	100	100	
DO YOU THINK THAT DIGITAL PAYMENTS ARE SAFE ENOUGH?			
YES	91	91	91
NO	9	9	
TOTAL	100	100	
WHICH MODE OF DIGITAL PAYMENT YOU USE ?			
PayTM	27	27	
PhonePe	10	10	
GOOGLE PAY	29	29	29
BHIM	8	8	
CARDS	11	11	
INTERNET / MOBILE BANKING	15	15	
TOTAL	100	100	
DO YOU FIND DIGITAL PAYMENTS AS CHEAP MODE THAN CASH PAYMENTS			
YES	96	96	96
NO	4	4	
TOTAL	100	100	

Inference

It is observed from the above table that Majority of the respondents are the age group of 25-50. Majority of the respondents are males. 34% of the respondents have Elementary qualification., 86% of the respondents are married, 88% of the respondents told that digital payment is useful to them, 91 % of the respondents told that Digital Payments are safe, Majority of the respondents told that Google pay is best mode of Digital Payment, Majority of the respondents says that Digital Payment is cheap mode than cash payments.

Table 2

HOW FREQUENTLY DO YOU MAKE DIGITAL PAYMENTS IN A WEEK?			
LESS THAN 3 TIMES IN A WEEK	29	29	
BETWEEN 3-10 TIMES IN A WEEK	46	46	46
MORE THAN 10 TIMES IN A WEEK	25	25	
TOTAL	100	100	
DO YOU FIND DIGITAL PAYMENTS AS CHEAP MODE THAN CASH PAYMENTS?			
YES	86	86	86
NO	14	14	
TOTAL	100	100	
WHAT IS THE REASON BEHIND YOUR SHIFT TOWARDS DIGITAL PAYMENTS?			
NO NEED TO CARRY HUGE CASH.	18	18	
CASHBACK OFFERS	10	10	
EASY AND FAST WAY TO MAKE PAYMENTS.	19	19	
24*7 TRANSFER	28	28	28
DISCOUNTS AND REWARD POINTS.	3	3	
SAFETY	2	2	
TIME SAVING	11	11	
EASY TO TRACK THE RECORD OF PAYMENTS	9	9	
TOTAL	100	100	

Inference

It is observed from the above table that Majority of the respondents told that they use digital payments 3-10 times in a week, Majority Percentage of the respondents says that 24*7 transfers is possible reason behind using digital payments.

VIII. RELIABILITY AND VALIDITY

Reliability of the questionnaire was also estimated to verify the internal consistency and accuracy of the results derived out of the data analysis. The researcher used commonly adopted measure of reliability i.e. Cronbach alpha coefficient to confirm the accuracy and internal reliability of the questionnaire by means of the data collected through the pilot study. Cronbach alpha coefficient value more than 0.7 indicates acceptability of the construct in the

data collection instrument. (Nunnally, 1978), however the construct having the number of variables less than ten can have smaller Cronbach alpha coefficients in the range of 0.6 to 0.7.

Table 3

CONSTRUCTS AND THEIR RELIABILITIES		
CONSTRUCT	NO. OF ITEMS	ALPHA
Perceived Usefulness	5	0.76
Perceived Ease of Use	4	0.71
Perceived Risk	3	0.79
Credibility	4	0.73
Customer Attitude	3	0.74

Table 3 summarizes the name of the constructs and factors with its number of items and their reliability Cronbach alpha coefficients. From the above table it is identified that all the above-mentioned constructs and factors Cronbach alpha coefficient values are more than the threshold value of 0.7, which ensures the existence of inner consistency and reliability among individual items, factors and constructs of the research. The theoretical concepts and the validity of the model are verified through measurement model using Structural Equation Modeling (SEM) approach. From the outcome of the measurement model findings are inferred and its theoretical validity (i.e. construct validity) are discussed. Generally, it is claimed that convergent validity exists among the variables which has the inter-item relationship coefficients more than 0.5, however all are above 0.7 and hence recommendable. The researcher has verified the discriminant validity of the research instrument through inter-item correlation analysis and found that the interrelationship among the items of one construct with other constructs are minimal or negligible.

IX. FINDINGS

- Majority of the respondents are in the age group of 25-50.
- Majority of the respondents told that they are currently using digital payments.
- 91% of the respondents felt that Digital Payments are safe.
- Majority of the respondents says that Google pay is best mode of Digital Payment.
- 96% of the respondents says that digital payments as cheap mode than cash payments.
- 46% of the respondents told that they use of Digital Payments 3-10 times in a week.
- 86% of the respondents feels that digital payments as cheap mode than cash payments.
- Majority of the respondents says that reason behind for shift towards digital payments is 24*7 online cash transfer is possible.

X. CONCLUSION

The travel toward cashless financial system is in reality an awesome and however it will take a more time to have a absolutely cashless financial system. The efforts are going properly with the aid of the government as well as the private area businesses having their e-wallets apps including PayTM, Google Pay, PhonePe and many others. The largest challenge in front of government is the lack of knowledge and focus and to educate and train rural

people. The authorities need to tackle these demanding situations to have cashless economy and to offer a lift to digital bills to provide sustainable financial improvement. Awareness can be created among public via engaging in seminars, workshops, education programmes, debates and so on. Tech savvy Youths from faculties can be nominated to monitor those who want to help in digital charge gadget.

REFERENCES

- [1] Sanghita Roy, Dr. Indrajit Sinha (2014), Determinants of Customers' Acceptance of Electronic Payment System in Indian Banking Sector – A Study, *International Journal of Scientific & Engineering Research*, Volume 5, Issue 1, January-2014 ISSN 2229-5518, pp 177 -187.
- [2] Dr. R. Gokilavani (2018), Can india move towards digital sovereign currency? A study on perception of consumers towards digital payment, *International Journal of Pure and Applied Mathematics*, Volume 119 No. 17 2018, ISSN: 1314-3395, pp 2167-2176.
- [3] K. Suma Vally and K. Hema Divya (2018), A Study on Digital Payments in India with Perspective of Consumer's Adoption, *International Journal of Pure and Applied Mathematics* Volume 119 No. 15 2018, ISSN: 1314-3395, PP 1259-1267.
- [4] K Vinitha, S Vasantha (2017), Factors Influencing Consumer's Intention to Adopt Digital Payment - Conceptual Model, *Indian Journal of Public Health Research & Development*, July-September 2017, Vol. 8, No. 3, DOI Number: 10.5958/0976-5506.2017.00181.4, PP 170 -175.
- [5] Rakesh, H. M., & Ramya, T. J. (2014). A Study on Factors Influencing Consumer Adoption of Internet Banking in India. *International Journal of Business and General Management*, 3, 49-54.