

A STUDY ON THE USAGE OF DIGITAL PAYMENTS AMONG THE STUDENTS COMMUNITY

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Abstract: India is, gradually, moving towards cashless economy and this was further fuelled by the recent demonetization, taking place in our country in 2016. There are lots of advantages of digital payments like safety, ease, convenience, tracking expenditure, getting discounts in various transactions etc. Our government is also encouraging people, getting used to making digital payments. Digital payment is hassle free as it does not involve any physical cash transactions. As we see the gradual evolution of payment disbursements, shifts have taken place from barter systems to cash transactions to card payments and then to cashless payments. In developed countries, we see greater usage of digital payments. Within the country, people in urban areas use more digital transactions, compared to rural areas. This may be due to low internet penetration in the rural areas and technology fear. But it is a fact that more and more people in our country are becoming aware of advantages of making digital payments, though digital payments have some disadvantages too. Our present paper reflects an outcome of present research survey, conducted on the awareness of the benefits of using digital payments, among the students' community. The research was undertaken among the students of Kolkata and nearby districts. The students are the future citizens of our country, and the results of the present survey may highlight a future trend of digital payments usage, in our country.

Keywords: Digital payments, barter system, cashless economy, technology fear, cashless payments.

Introduction

India's digital payment system is a promising success story in the market. India is going to become cashless. Indian government launched digital India Campaign to reduce dependency of Indian economy on cash and prevent from money laundering. Digital **payments** stand for paying for goods or services without the use of physical cash. Digital payment is a subset of an

e-commerce transaction to include electronic payment for buying and selling goods or services offered through the internet. Generally, we think of Digital payment are referring to online transactions on the internet, there are many forms of Digital payments. As the name implies, Digital **include all financial operations carried out with the help of electronic devices, such as computers, smart phones, or tablets** or anything that is connected to the internet and your e-money. As technology is developing, the range of devices and processes to transact electronically continues to increase while the percentage of cash and cheque transactions continues to decrease. So, in other word a Digital payment system is needed for compensation for information of goods and services provided through the internet.

The traditional system is replacing by the digital system. The traditional payment systems are Cheques, withdrawals, drafts, money orders, letters of credits, travel cheques etc. The most common reason is that the traditional system has some leakages and inefficiency and that's overcome by the digital payment system. But in India digital system is in emerging trend. Today India is using most common variety of Digital is enormous, from **Digital wallets, bank transfers, direct debits to mobile apps, or QR code-based payments.**

STATEMENT OF THE PROBLEM

Digital Payment is a financial exchange that takes place online between buyers and sellers. The content of this exchange is usually some form of digital financial instrument. Digital-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. So, there is a need to widen the scope of digital payment. Innovation, incentive, customer convenience and legal framework are the four factors which contribute to strengthen the Digital payment system. The aim of this study is to explore the problems, challenges, and perception of digital payment system. The study also focuses on the different modes of digital payment system is most preferred by the customers as an easy payment mechanism.

OBJECTIVES OF THE STUDY

- To find out the number of respondents using Digital payments.
- To assess the advantages of using digital payments.
- To find out the percentage of Digital payments usage out of the total transactions.
- To find out the various Digital payment platforms used.
- To find out the reasons for not using Digital payments.

LIMITATIONS

The research was carried out based on primary and secondary data. The primary data for research objectives was collected from the samples-based survey with only 50 samples selected from students who cannot be considered as a complete representation of the population of the country. However, the objective of the survey was to verify the students' perceptions on digital payments about the concept of general banking. For primary data, non-response error cannot be ruled out.

RESEARCH METHODOLOGY

This study is empirical research involving online survey from the college students pursuing mainly undergraduate and post graduate courses. The responses were collected from 50 students during the month of Nov-Dec 2022. The online responses were collected from Institutions of Kolkata and surrounding areas. Then the data, so collected were analysed and findings presented in the study.

A. Data Source

It is based on primary data, interaction/interview of our respondents taken for this survey using Google form through structured questionnaires, regarding know their perspective opinion.

B. Sample Population

A Sample of 50 respondents, to study their behaviour in few districts of West Bengal.

C Sample Frame

Research was conducted through online mode like WhatsApp, Messenger, and Instagram etc.

D. Sampling Method

This research was made using stratified random sampling method.

E. Structured Questionnaire

Structured questionnaire specifies the set of response alternative and response format. A structured questionnaire may be multiple choice, dichotomous or a scale. Statistical tool utilised are pie chart and funnel.

F. Software Used

Microsoft Excel is a commercial spreadsheet application written and distributed by Microsoft. MS Excel was used to organize and analyse raw data collected from survey. It was also useful in making graphical representation of the organized data.

G. Results

Results can be defined as the outcome of some systematic examination, sequence, action etc expressing both in terms of quality and quantity of performance. It gives a bird-eye view of current scenario.

DATA ANALYSIS AND INTERPRETATION

	AGE GROUP	PERCENTAGE
1	18-21	18%
2	22-25	76%
3	25 ABOVE	6%
4	TOTAL	100%

TABLE NO.1: AGE WISE CLASSIFICATION OF STUDENTS.

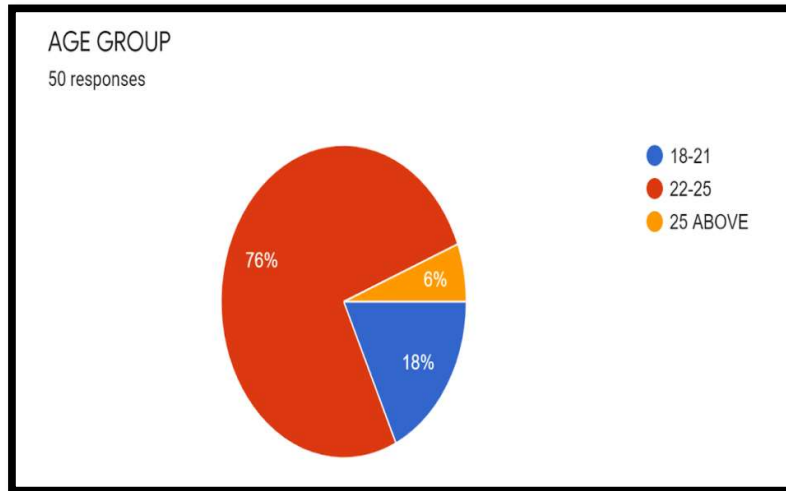


FIGURE 1: THE AGE OF THE RESPONDENTS

	GENDER	PERCENTAGE
1	MALE	68%
2	FEMALE	32%
3	OTHERS	0%
4	TOTAL	100%

TABLE NO.2: GENDER WISE CLASSIFICATIONS OF STUDENTS

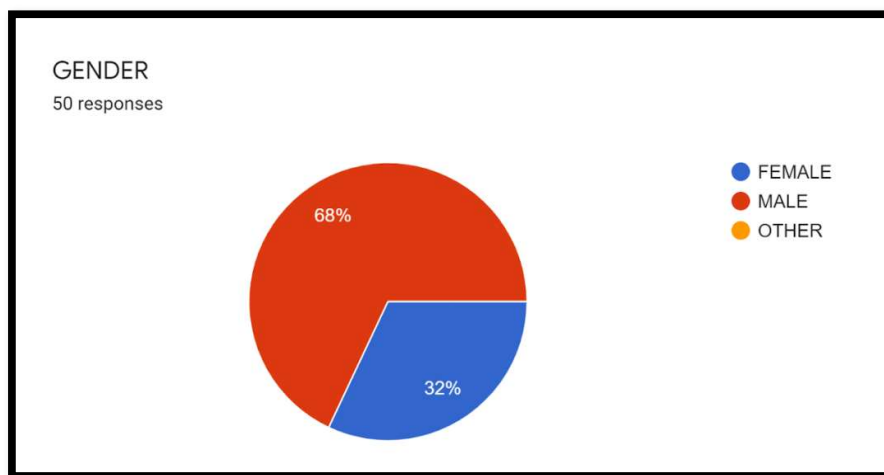


FIGURE-2: GENDER WISE CLASSIFICATION OF STUDENTS

	AWARENESS	PERCENTAGE
1	FULLY AWARE	58%
2	PARTIALLY AWARE	24%
3	NOT AWARE	18%
4	TOTAL	100%

TABLE-3: AWARENESS LEVEL OF DIGITAL PAYMENTS.

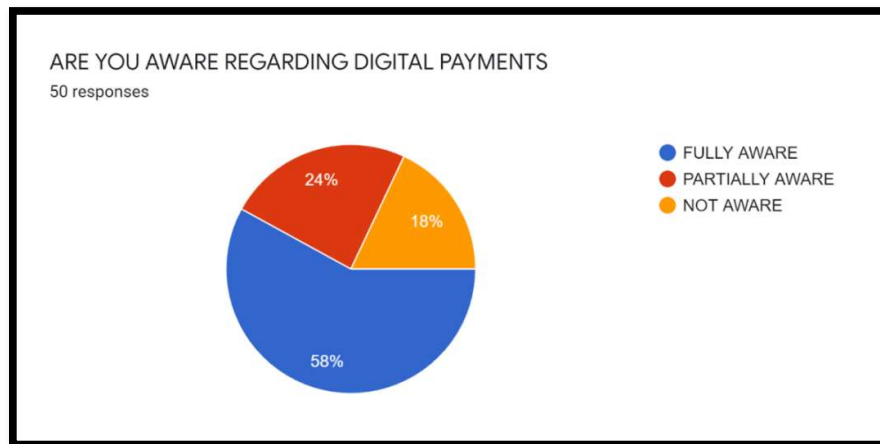


FIGURE-3: AWARENESS LEVEL OF DIGITAL PAYMENTS

	STUDENT WHO USED DIGITAL PAYMENTS	PERCENTAGE
1	YES	94%
2	NO	6%
3	TOTAL	100%

TABLE NO-4: Usage Pattern of Digital Payments

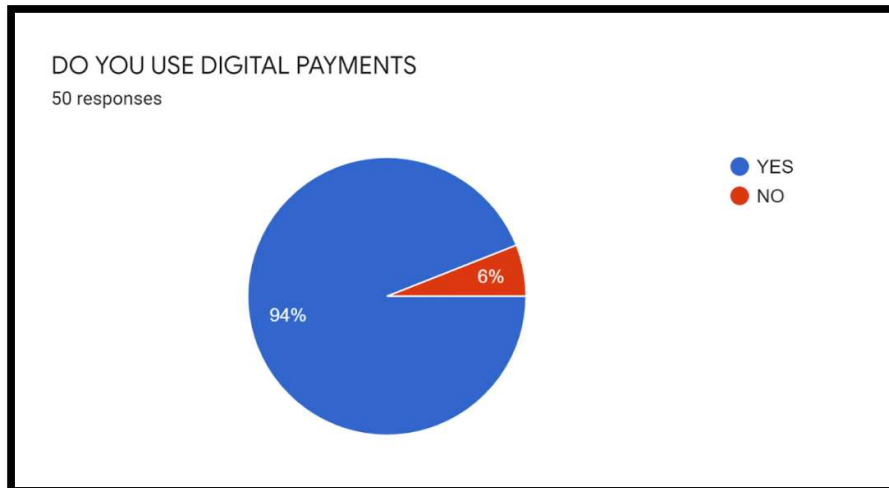


FIGURE-4: Usage Pattern of Digital Payments

	TRANSACTION DID MOST OF THE TIME	PERCENTAGE
1	DIGITAL PAYMENTS	63.8%
2	CASH	36.2%
3	TOTAL	100%

TABLE- 5: MODE OF TRANSACTIONS

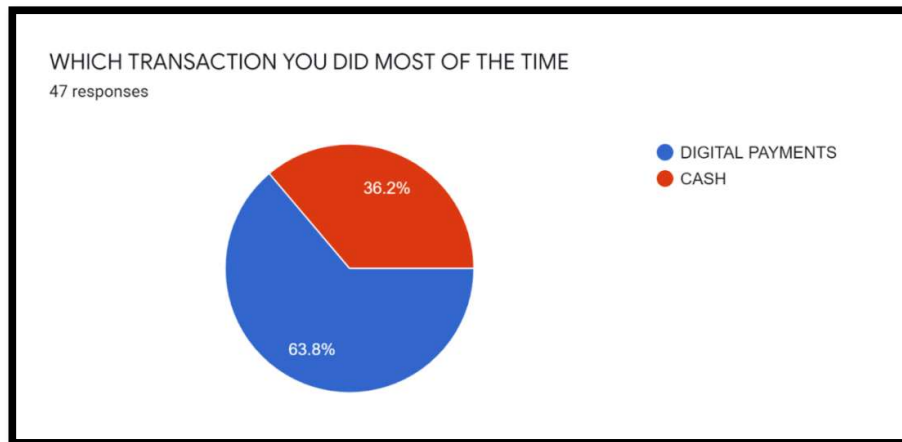


FIGURE-5: MODE OF TRANSACTIONS

	HOW OFTEN DOING ONLINE TRANSACTION	PERCENTAGE
1	DAILY	40.4%
2	WEEKLY	34%
3	MONTHLY	23.4%
4	YEARLY	2.2%
5	TOTAL	100%

TABLE-6: USAGE DURATION OF ONLINE TRANSACTION

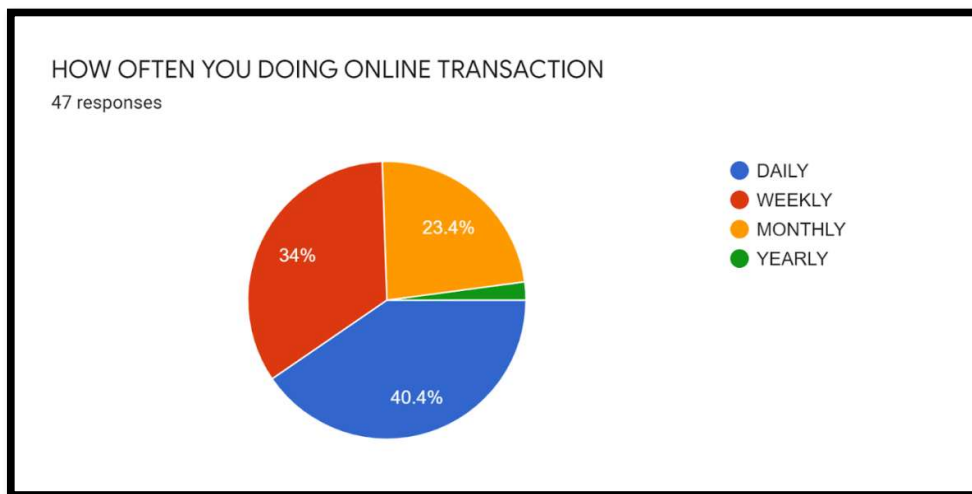


FIGURE-6: USAGE DURATION OF ONLINE TRANSACTION

	REASONS FOR ONLINE TRANSACTION	PERCENTAGE
1	TIME SAVING	78.7%
2	LESS STRESS	31.9%
3	SECURED	38.3%
4	SPEEDIER TRANSACTIONS	42.6%

TABLE- 7: FEEDBACK ON THE BENEFITS OF ONLINE TRANSACTIONS

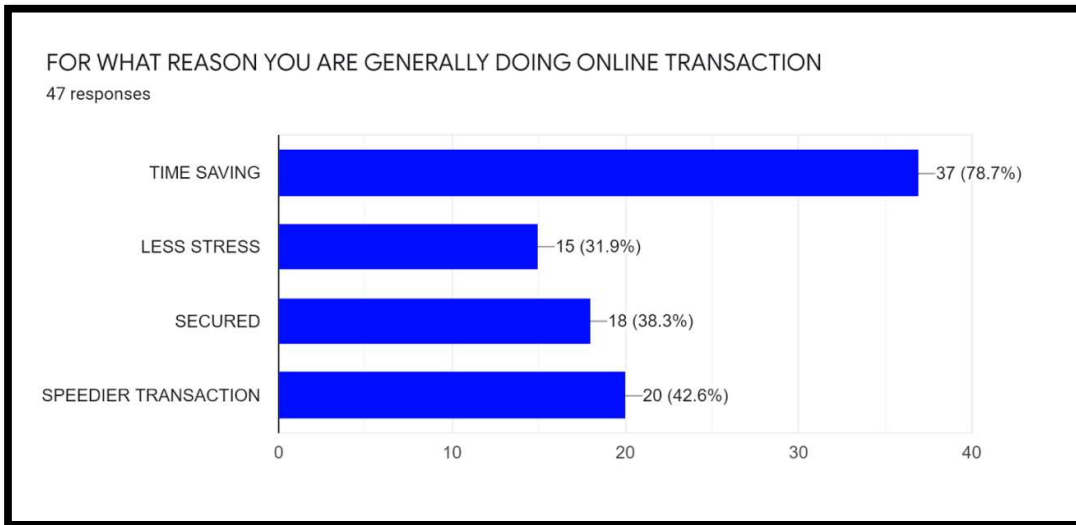


FIGURE- 7: FEEDBACK ON THE BENEFITS OF ONLINE TRANSACTIONS

	SECURED	PERCENTAGE
1	YES	95.7%
2	NO	4.3%
3	TOTAL	100%

TABLE -8: FEEDBACK ON THE SECURITY OF ONLINE TRANSACTIONS



FIGURE- 8: FEEDBACK ON THE SECURITY OF ONLINE TRANSACTIONS

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	PAYMENT METHOD	PERCENTAGE
1	PHONEPE	70.2%
2	GPAY	78.7%
3	AMAZONPAY	38.3%
4	PAYTM	46.8%
5	NET BANKING	17%
6	BHIM, FREECHARGE	2.1%

TABLE -9: FEEDBACK ON THE DIGITAL PAYMENT METHODS

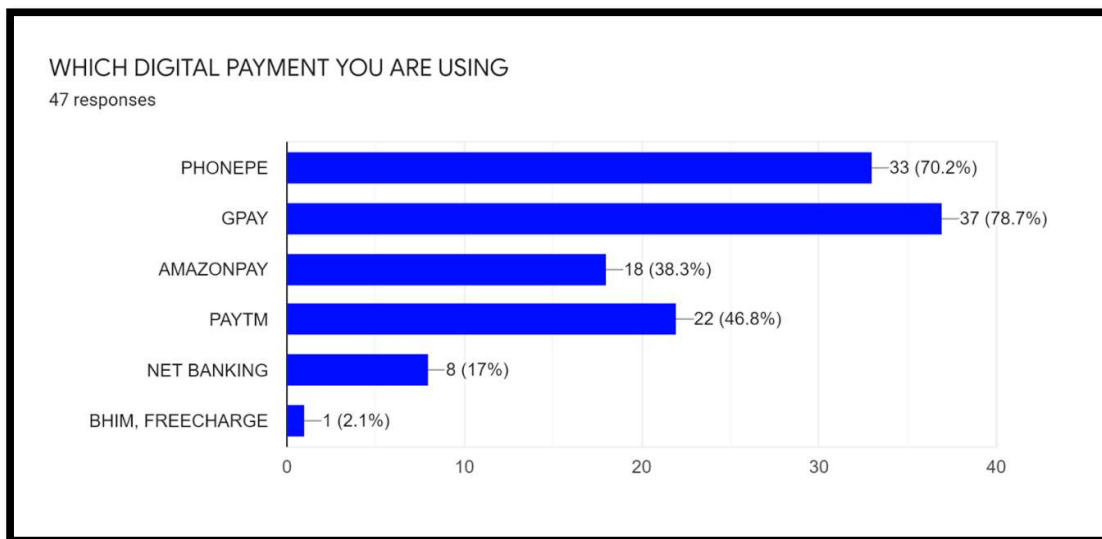


FIGURE -9: FEEDBACK ON THE DIGITAL PAYMENT METHODS

	BAD EXPERIENCE	PERCENTAGE
1	YES	38.3%
2	NO	61.7%
3	TOTAL	100%

TABLE -10: FEEDBACK ON NEGATIVE EXPERIENCE OF ONLINE TRANSACTIONS

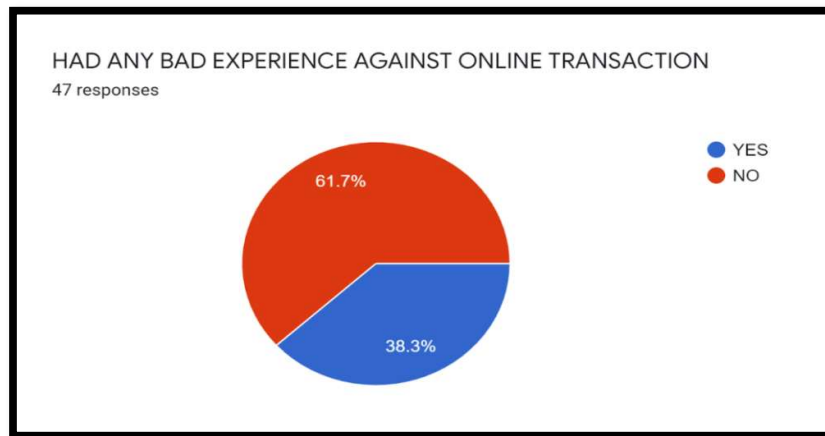


FIGURE -10: FEEDBACK ON NEGATIVE EXPERIENCE OF ONLINE TRANSACTIONS

	SATISFACTION	PERCENTAGE
<u>1</u>	FULLY SATISFIED	55.3%
<u>2</u>	NEUTRAL	44.7%
<u>3</u>	DISSATISFIED	0%
<u>4</u>	TOTAL	100%

TABLE-11: FEEDBACK ON SATISFACTION LEVEL OF USING DIGITAL PAYMENTS

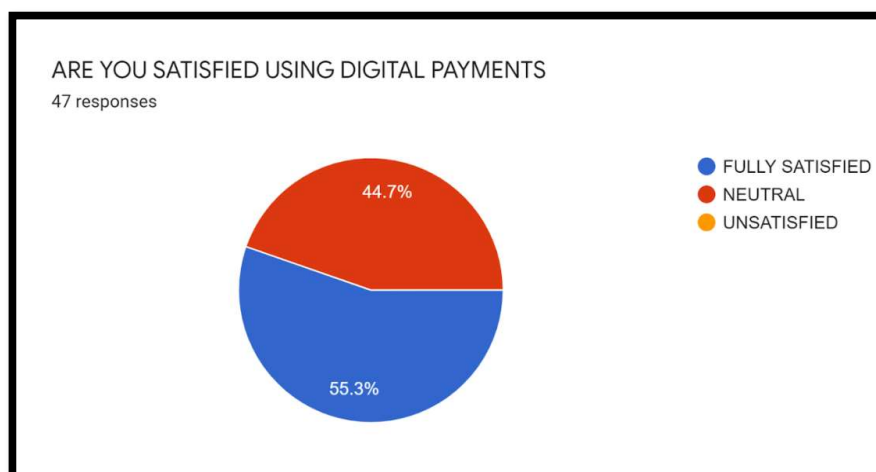


FIGURE-11: FEEDBACK ON SATISFACTION LEVEL OF USING DIGITAL PAYMENTS

	REASON FOR NOT USING	PERCENTAGE
1	CHEATING ISSUES	66.7%
2	FEAR TO DO	0%
3	SECURITY ISSUES	0%
4	TECHNOLOGY PROBLEM	33.3%
5	TOTAL	100%

TABLE -12: FEEDBACK ON REASONS FOR NOT USING DIGITAL PAYMENTS

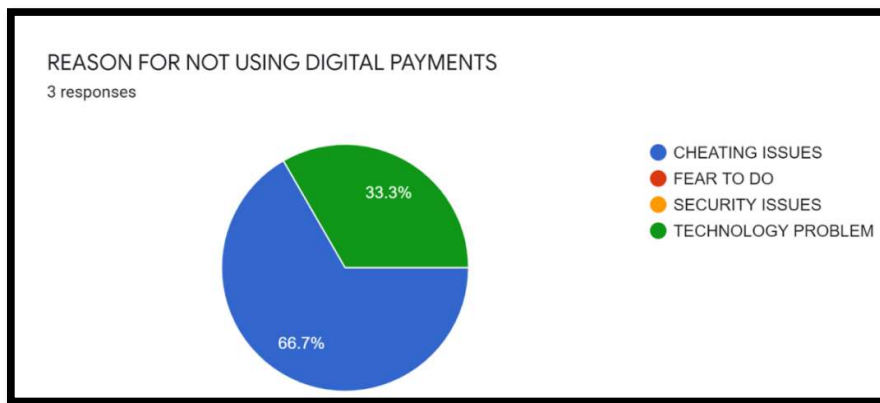


FIGURE-12: FEEDBACK ON REASONS FOR NOT USING DIGITAL PAYMENTS

	WANT TO USE DIGITAL PAYMENTS IN FUTURE	PERCENTAGE
1	YES	66.7%
2	NO	33.3%
3	TOTAL	100%

TABLE -14: RESPONSES ON FUTURE USAGE OF DIGITAL PAYMENTS

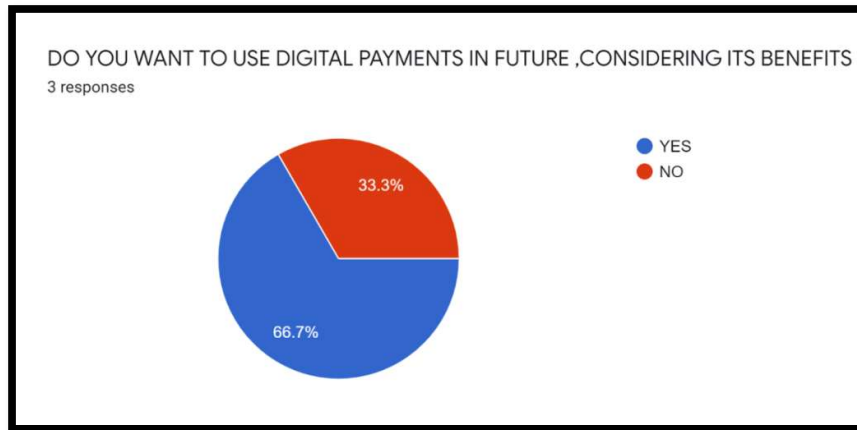


FIGURE-14: RESPONSES ON FUTURE USAGE OF DIGITAL PAYMENTS

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

- Majority of the respondents are Males. (68%).
- Most of the respondents are of the age group 22-25.
- Most of the respondents have an educational background of Graduation (76%).
- 94% of respondents use Digital payment.
- Most of the respondents do Digital payment because of Time saving and secure.
- The most used Digital payment platform is 'Google Pay'.
- Most of them use online payments daily (40.4%).
- Most of the respondent's discrimination about Digital payment is secured.
- Most of the respondents don't have any bad experience with Digital payment (61.7%).
- Majority of the respondents who don't use Digital payment for the issue of cheating, and lack of technology skills.
- Most of the respondents are satisfied with using Digital payments (55.3%).

SUGGESTIONS

The study reveals that respondents found cheating issues and technical problem as the major disadvantages for digital payment. It is suggested that better network services and increase number of availability of servers, can enhance usage of digital payments. Since age and education have been recognized as important factors which influences the use of digital payments, banks and online payment apps can find a way to create awareness among the individuals about the benefits of digital payments. The digital payment mechanisms should be enhanced to make online payments much more convenient and easier for the customers. Since there is an exponential rise in the use of digital payments due to Covid-19 pandemic lockdown, more purposes using digital payments should be added where the public can use it instead of stepping out and risking their health. The online payment apps or servers should be well secured so that customers have a level of trustworthiness while using online payment mechanisms.

CONCLUSION

This study examines the customer's perception towards digital payments. The outcomes of the study provide us vital strategy guidance towards what can empower the students to expand cashless payments. The outcomes demonstrate that innovations have improved the students' cashless exchanges particularly after demonetization'. This is helping to fulfil the objectives of reaching the Nation towards 'Digital India'. The utilization of digital payments is exponentially expanding during the Covid-19 pandemic lockdown. Google Pay is the most repetitively utilized and most favoured method of digital payment from this study, so the respondents are refreshed about the technological headway and changes in the current situation. Online Payments has made our life easier by providing more facilities and it is time saving. Students are more attracted towards the online mode in which they live their way of life through internet. We are fast moving towards the cashless economy with upgrading ourselves to the foremost competing and digital society.

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