

An Exploratory Study on User’s Perception towards Digital Financial Transaction in Coimbatore

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Abstract— The explosive growth of the internet lead to the exponential growth of electronic payments and digital transactions in India. Electronic consumer transactions made at point of sales for services and products either through internet banking or mobile banking using smart phones or card payment are called as digital payment. -The level of satisfaction of the users which are leading to the growth of digital payment and transition from cash economy to less cash economy is becoming much wider in the country.

Keywords: Digital transactions, Growth, Satisfaction, Adoption

I. INTRODUCTION

India is moving on the path of a major digital revolution. Digitalization of the payment mechanism will be considered as milestone in the era of cashless future economy. The growth of the Indian digital payments space is expected to be driven by four trends that are also likely to impact how this industry looks in the future. India going digital, favourable regulatory environment, emergence of next generation payment service providers and enhanced customer experience are the four drivers contributed to the growth of Indian digital payment systems.

A. Method:

The study was descriptive cross sectional conducted at PSG College of Arts and Science, Coimbatore. Simple random sampling was done to identify the usage of digital payment system. Standard questionnaire was used to analyse the basic awareness of the respondents. Obtained results were recorded in files and analyzed in SPSS 20.

B. Result:

Among 200 respondents, 109 (54.5%) were males while 91 (45.5%) were females. 37.5% of the respondents were using digital payments less than 2 years.

II. OBJECTIVES OF THE STUDY

- To study the overall growth of Digital Transaction in India.
- To analyse the factors influencing the transaction of the Digital Payment System in Coimbatore.
- To find out the satisfaction level of the respondents towards Digital Payments and its usage in Coimbatore.

III. OBSERVATION AND RESULTS

A. Demographic Details of the respondents

Study Variables	Frequency (N=200)	%
Gender		
Male	109	54.5
Female	91	45.5

Area Of Residence		
Urban	132	66
Semi-Urban	31	15.5
Rural	37	18.5
Age Group		
Below 20	71	35.5
20-40	106	53
40-60	15	7.5
Above 60	8	4
Education		
No Formal Education	8	4
School Level	23	11.5
Under Graduate	135	67.5
Post Graduate	27	13.5
Profession	7	3.5
Marital Status		
Married	33	16.5
Unmarried	167	83.5

Occupational Status		
Government Employee	7	3.5
Private Employee	132	66
Business	22	11
Students	39	19.5
Monthly Income		
Up To Rs.15000	58	29
Rs. 15000- Rs. 30000	45	22.5
Rs. 30000- Rs. 45000	28	14
Rs. 45000- Rs. 60000	28	14
Above Rs. 60000	41	20.5
Status Of Digital Payment Usage		
Less Than 2 Year	75	37.5
2-4 Year	73	36.5
4-6 Year	36	18
6-8 Year	8	4
More Than 8 Years	8	4
Payment Mode		
Debit And Credit Cards	45	22.5
Net Banking	70	35
Other Digital Platform	44	22

IV. REVIEW OF LITERATURE

A. National Review

Vally and Divya (2018)¹, demonstrated a “A study on digital payments in India with perspective of consumer adoption”. The objective of the study is to examine the age of respondent’s impact on digital payments, to analyse the impact of customers education on usage of digital payments. The study was conducted in Hyderabad region, primary data was collected from a sample size of 200 out of which 183

were respond. The result put together gives us an important policy direction towards what can enable the country to increase cashless payments.

Khan and Jain (2018)², Conducted a Study on "Usage of E-payments for Sustainable Growth of Online Business". The main objective of the study is to understand the frequency of usage and the problems faced while using E-payments and to examine the effect of Epayments contribution towards the sustainability of the business growth. The tool used in this study is the research methodology where the primary data is been collected through survey. This survey consists of 12 questions collected from 100 respondents. According to this study, this has been concluded that, the organisations should consider on working on how to further build more trust in respect of security and privacy concerns rather than only focusing on discounts or cashback offers.

Karthika and Haresh (2018)³, conducted a study on, "Cashless economy in India". The main objective of the study is to analyze the growth of Digital Payment System in India, to study the recent developments in Digital Payment Systems in India and to understand the regulatory environment governing the Digital Payment System. The main tool used in this study was the descriptive methodology through collecting secondary data. This study has been concluded that the adoption of mobile payment is most convenient for small payments and purchasing digital content and services. But for mobile payments, there are many disadvantages such as the complicated procedure for registration, need for maintenance of separate financial accounts, increased the cost of the transaction, and high premium pricing and various security risks are frauds, data theft, privacy concerns, and user and device authentication.

Rajanna (2018)⁴, conducted a study on the, "Growth of Cash-Less Transactions In India: Challenges And Prospects". The main objective of this study is to analyse the growth of cash less Transaction in India and to find out the challenges of cash less Transaction and to suggest the possible measures to overcome them. The main tool used here is the research methodology. This study has been concluded that India cannot completely become a cashless economy considering its high proportion of digital illiteracy and cash transaction but Indian government is working towards increasing the share of cashless transitions which is a good thing for any economy.

B. International Review

Bamasak O (2011)⁵, constructed "An empirical study on exploring consumers acceptance of mobile payments". The paper looks into the status of mobile payment in Saudi Arabia in term of consumers acceptance and concerns towards mobile payments. It was a survey methodology where she surveyed more than 180 mobile phone users. The distributed survey was around 200 respondents who are mobile phone users. This study showed that there is a bright future for m-payment in Saudi Arabia as majority of respondents showed their willingness to participate in such an activity.

Zokaee, Ebrahim, Ghazizadeh (2012)⁶, conducted a case study on "Electronic payment system evaluation: A case study in Iran". The main aim is to examine and evaluate the current e-payment system. The data for this study is gathered

via a combination of interviews and questionnaires. This research examined major criteria and current situation of e-payments systems in Iran.

Doan N (2014)⁷, Projected "A Consumer adoption in mobile wallet in Finland". The objective of the research is to understand the consumer adoption status of mobile wallet with the research area in Finland and also examines the market situation of mobile consumers. The research methodology adopted for the study is quantitative type which included 18 questionnaire which had around 91 respondents around Finland. The respondents were divided into three categories.

V. FINDINGS, SUGGESTIONS AND CONCLUSIONS

This result is based on primary data collected from 200 respondents from the different parts of Coimbatore. In which,

- Majority of the respondents 109 (54.5%) are male.
- Majority of the respondents 132 (66%) are living in the urban area
- Majority of the respondents 106 (53%) are between the age group 20-40 years
- Majority of the respondents 135 (67.5%) are under graduates
- Majority of the respondents 167 (83.5%) are unmarried
- Majority of the respondents 132 (66%) are working as private employees
- Majority of the respondents 58 (29%) earn up to Rs.15000 and above as their monthly income.

A. Customer Perception towards Digital Transaction:

- Majority of the respondents 75 (37.5%) of them used digital payment less than two years.
- Majority of the respondents 70 (35%) of them think that cash won't be used for payment because of the usage of net banking.
- Majority of the respondents 70 (35%) adopts cashless payment system for saving time.
- Majority of the respondents 58 (29%) prefer using Paytm Application.
- Majority of the respondents 105 (52.5%) prefer cashless payment for some transaction.
- Majority of the respondents 74 (37%) do not use protection for their phone and laptop.
- Majority of the respondents 93 (46.5%) opted fortnightly for using online payments.
- Majority of the respondents 80 (40%) moderately agreed with the statement of using EPayments.
- Majority of the respondents 77 (38.5%) neutrally agree about the usage of debit/credit cards.
- Majority of the respondents 124 (62%) do not store their card details in the phone.
- Majority of the respondents 84 (42%) prefer card swipe as their system of transaction.
- Majority of the respondents 79 (39.5%) use Paytm sometimes in petrol bunks.
- Majority of the respondents ranked "Online Shopping" as FIRST RANK for the purpose of using digital payment.

- Majority of the respondents 53 (26.5%) are neutral on the statement that they hardly use cash to make purchase.
- It is found that 72 (36%) prefer net banking as their mode of transaction.
- Majority of the respondents 40 (20%) prefer using Aadhaar card for safety purpose.
- Most 78 (39%) of the respondents suggested poor internet connection as their biggest concerns
- Majority of the respondents 80 (40%) chose once in 6 months to change their device passwords.
- Majority of the respondents 83 (41.5%) think that they face problems using digital transaction sometimes.
- Most 73 (36.5%) of the respondents are highly aware of the contribution of new technology to the success of digital transaction.
- Majority of the respondents 66 (33%) are neutral on the basis of the satisfaction level.
- Majority of the respondents 96 (42.5%) are satisfied with internet banking being helpful in product offering.
- Most 72 (36%) think card data security is the main challenge using digital transaction system.
- It is found that majority of the respondents have high level of agreeability towards EWallet and cash as compared to the other modes of payment in the classification.

B. Suggestions

Respondents have suggested their valuable comments in questionnaire. The following are the some of the concrete recommendations that are grouped in the Subsection:

C. To The Society

- Digital payment system are good way to get rid of that extra cash in your physical wallet.
- Many digital payment applications are being brought up in the country.
- Awareness level of various modes of the digital payment must be campaigned.

D. To The User's

- Suggestions given to the user's is that they must protect their phones and laptops with security pins or locks.
- The users must ensure that the card details are always protected and are safe.
- While using an online payment method the user must always check for HTTPS before performing a payment.
- Add only a required amount of money in the mobile wallet for various reasons.

E. To The Financial Institutions

- Financial institutions must start offering some of the mobile banking services like remote deposit, apps for smart phones for the rapid common expectations of the consumers.
- Investments, loans, deposits and exchanging currencies are some of the services which the consumers want to be done through the internet.

VI. CONCLUSION

This study discusses about the fundamentals of digital transaction and its various aspects with respect to the overall growth of the digital transaction in India. Digital transaction is improving and developing very fast in the world. The usage of the digital transaction and comfortability of digital transaction is being wider and wider day by day. Development of any confidential transaction and dynamic nature of digital payment system is highly supported by the government. Safety measures have been taken for improving the digital payment system. Thus, this study comprises of the growth, awareness level, challenges and satisfaction level of digital payment system

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