

**Awareness of Consumers on Usage of E – Wallet with
Reference to Coimbatore District, Tamil Nadu**

Mr.P. Jagatheesh,

Ph.D. Research Scholar,

Department of Commerce,

Sri Nehru MahaVidyalaya College of Arts and Science,

Malumichampatti, Coimbatore

Dr.T. Santhiya Rani,

Associate Professor,

Department of Commerce,

Sri Nehru MahaVidyalaya College of Arts and Science,

Malumichampatti, Coimbatore

Abstract

There has been a significant move away from what is known as "conventional banking" and toward "easy banking" in Indian financial institutions. They are now prepared for a more rapid "digital appeal" today. As a result of the demonetization, electronic wallets, credit cards, and betting cards have quickly gained popularity as methods of payment. These types of digital payments are significantly more suitable for the payment of the minimum wage in urban areas. The technique for making digital payments is sustainable for the economy and has the potential to reach rural populations. E-wallets are a relatively new innovation in the realm of digital payment applications. In comparison to other digital forms of conducting banking transactions, using an e-wallet makes the payment process significantly simpler. A smartphone is the most important piece of equipment required to have an electronic wallet. The electronic wallet presents its users with a number of advantages, but at the same time, it has a number of shortcomings that need to be addressed. This is the first study of its sort, and it investigates the challenges that respondents in the city of Coimbatore in the state of Tamilnadu encountered when trying to access their electronic wallets.

Key words: Demonetization, Digital Payments, E-Wallet.

Introduction

The adoption of demonetization in India in 2016 has given a boost to digital payments and has spurred consumers to go cashless and utilize more digital payment alternatives. In other words, demonetization has helped accelerate the growth of digital payment options. The development of financial technology (Fin-Tech) has provided customers with a wide variety of options for making payments through various digital channels. These include debit cards, credit cards, mobile banking, internet or online banking, and digital banking. The process of making payments for purchases and other types of transactions may now be made more easily available thanks to all of these different channels. Because of the growing prevalence of the use of smart phones among Indian consumers, mobile payment methods such as digital wallets and others are becoming increasingly significant in the country of India. These days, people not only use their smartphones to access the internet, but also to store things like business cards, invoices, and bills on their devices. At the moment, smart phones may perform the same functions as leather wallets and are therefore widely referred to as "Digital Wallets," "Mobile Wallets," or "E-Wallets." Users of smart phones can move money from their bank accounts into their mobile wallets with the assistance of the e-wallet services, and then use that money to pay for goods and services such as shopping, purchasing tickets, recharging their devices, paying bills, and so on. In comparison to other forms of digital payment, using an electronic wallet is not only more convenient and secure, but also more cost-effective; this is especially true when money is being transferred. In this light, it is important to keep in mind that India is experiencing a rise in the number of companies offering services related to digital wallets, such as Paytm, Rupee Wallet, Citrus Pay, and others.

There has been a significant move away from what is known as "conventional banking" and toward "easy banking" in Indian financial institutions. They are now prepared for a more rapid "digital appeal" today. As a result of the demonetization, electronic wallets, credit cards, and betting cards have quickly gained popularity as methods of payment. These types of digital payments are significantly more suitable for the payment of the minimum wage in urban areas. A significant number of economists and sociological scholars are of the opinion that the problem of captioning in the country has been solved, and that the timetable for reaching a cashless society has been pushed back. Banks first began utilizing computers several decades ago in order to develop centralized banking systems, which have been quite successful in fulfilling their primary function inside the conventional framework of bank branches and ATMs. However, banks may suddenly find themselves bound to a large number of programmes, some of which may no longer be able to process complaints or fulfil requirements for access to digital channels in the appropriate manner. A consistent technological strategy is lacking in the banking industry, which results in an excessive amount of instances in which multiple systems

and technology stacks are adapted by banks to satisfy general business purposes. It is not unusual to discover that a number of distinct software operations may return a straightforward inquiry such as a customer's rating. As a result, the initial step in the process of digital adoption is to take a look at a group of applications that were not developed with the intention of creating a digital technology system that is compatible with one another. Instead, these applications were designed to satisfy some of the previous requirements that were designed independently. Not only will the integration of these applications cut down on the amount of time needed to bring new products to market, but it will also lower the cost of launching the necessary applications for day-to-day operations.

Literature Samples

Borkar and Avinash (2020) came to the conclusion that the development of technology and acceptance infrastructure in various parts of the country will determine the future of digital payment. At the present time, it has been observed that there is a high cost of infrastructure, as well as a lack of financial literacy among the general population, which is regarded to be the backdrop in the continued development of digital payment mechanisms. The findings of Suma and Hema (2018) led to a significant increase in the use of digital payment methods thanks to initiatives taken by the government such as Digital India. This shift toward digital payment methods have the benefit of increased transparency in transactions, which in turn helps to strengthen the economy of the country. Ravish Rana (2017) found that the education level of the client was a significant factor in determining whether or not they adopted digital payment methods.

Problem Statement

The use of the internet in today's society has developed into an integral component of most daily activities. The term "electronic banking," abbreviated "e-banking," is synonymous with "electronic fund transfer," or "EFT," and refers to the practice of transferring money from one bank account to another through the use of electronic methods in a relatively short amount of time. Both computer banking and mobile banking are included under the umbrella term "e-banking." E-commerce, which encompasses e-finance, e-money, e-banking, and various other electronic financial services and products, includes banking online as one of its components. Internet banking, automated teller machines, debit cards, credit cards, and other types are all examples of e-banking. The year 1990 marked the beginning of a new industrial policy in India, which coincided with the introduction of the idea of electronic banking in that country. E-banking was introduced in India with the intention of digitally supplanting the more conventional forms of banking there. The smooth operation of any firm requires sufficient financial resources, which can be obtained from financial institutions in the form of loans. The customers of banks have access to a variety of investment opportunities.

E-banking makes the process of securing loans easier for its customers, and customers may check the profits on their investments on their personal computers by using e-banking, or even on their mobile phones by utilizing mobile banking. E-banking does not entail the actual movement of money between accounts. People do not need to wait for banks to open, nor should they feel any sense of urgency when doing transactions related to bank hours. Since online banking can be done at any time and from any location, it is extremely convenient. E-banking offers a wider range of services than conventional banking does. It has made life simpler and more convenient for dealing with banking transactions on a day-to-day basis. Internet banking makes it possible to easily execute tasks such as viewing bank account details and statements, transferring money, and making other financial transactions. E-banking has evolved into the more contemporary form of e-wallets. People are less likely to prefer using cash now that there are electronic wallets available on the market. They choose to make payments through online systems or by using their apps instead, such as PAYTM, BHIMUPI, ICICI MONEY, SBI BUDDY, GOOGLE PAY, PAYPAL, and others. E-wallets have completely reshaped the way people live their lives and give people a sense of being current at the same time. 1997 saw the introduction of the very first digital wallet.

Money has always played a significant role in the Indian economy, which has been consistently ranked as having one of the highest levels of net currency in circulation relative to GDP among emerging nations. To this day, a significant portion of India's population does not get wages and has restricted access to the financial services that can be facilitated by technology. The increasing prevalence of the use of smart phones among members of the population has made new forms of payment possible. Together with recent advancements in payment access and safety technology, this has completely revolutionized digital payment methods. This resulted in the development of electronic wallets, which became one of the most significant forms of digital payment options. As a result of this, many businesses, whether they are "small" or "large," "national" or "international," have been influenced to make it easier for their customers to make payments. With this background, this research is conducted to find the answer for the following research objective;

1. To analyze the awareness of consumers in usage of e-wallets.

Research Methodology

The study is both analytical and descriptive in nature. Primary data has been used in this study and is collected using questionnaire technique from the respondents. The population targeted for this study consisted of respondents who are the users of e-wallet applications namely; Googlepay, Phonepe, Paytm, Mobikwik, Paytm, Dhani, YonoSBI, Bhim Axispay, ICICI Pockets and Amazon Pay in the Coimbatore city. Among the various e-wallet applications in use, the above said e-wallet applications are being chosen based on the ratings given by consumers in the play store. A total of 100 samples from the city is being chosen using simple random sampling technique. Secondary data for the study and the other information has been collected from books, websites and few journals and newspaper, magazines, internet and company reports and business journals.

Analysis and Discussion

Table 1: Demographic Profile

| Demographic Variables | Classification | Percentage |
|------------------------------|--------------------|------------|
| Gender | Male | 62 |
| | Female | 37 |
| | Transgender | 01 |
| Age (In years) | Less than 30 | 34 |
| | Between 30 & 40 | 36 |
| | Between 40 & 50 | 23 |
| | More than 50 | 07 |
| Area of Residence | Rural | 14 |
| | Urban | 86 |
| Education | School level | 08 |
| | Under Graduation | 45 |
| | Post-Graduation | 31 |
| | Professional level | 16 |
| Annual Income (INR Lakhs) | Less than 5 | 52 |
| | Between 5 and 8 | 38 |

| Demographic Variables | Classification | Percentage |
|-----------------------|------------------|------------|
| | Between 8 and 10 | 08 |
| | Above 10 | 02 |

Source: Primary data

The above table denotes the demographic profile of the respondents who are the users of e-wallets for various purposes in the district of Coimbatore. It is clear from the table that;

- Most of the respondents are male comprising at 62, followed by female respondents at 37 and transgender at 01.
- A total of 36 respondents are aged between 30 & 40, followed by 34 respondents at the age less than 30, 23 respondents at the age group between 40 & 50 and finally 07 respondents are in age group above 50.
- Majority of the respondents have their residence in urban region comprising of 86 in numbers and rural region comprises of 14 respondents.
- 45 respondents are under graduates, followed by 31 respondents are post graduates, 16 respondents are professionals, and finally 08 respondents have completed their school level education.
- 52 respondents have their annual income of less than 5 lakhs of rupees, followed by 38 respondents have their annual income between 5 and 8 per cent, 08 respondents have their annual income between 8 and 10 lakhs and finally 02 respondents have their annual income of more than 10 lakhs per annum.

Table 2: Descriptive Statistics: Awareness Level about E-wallets

| | N | Mean | Std. Deviation |
|--|-----|------|----------------|
| E-wallets involves the usage of technology | 100 | 3.07 | .988 |
| It safeguards the consumers' funds | 100 | 2.83 | .914 |
| It prevents the cash carrying practice | 100 | 2.99 | .954 |
| It involves reasonable costs and risks | 100 | 2.85 | .900 |
| It is only for those who are literate | 100 | 2.91 | .921 |
| It helps in making the payments easier | 100 | 3.07 | .900 |

Source: Primary Data

The table 2 presents the descriptive statistics of awareness level about e-wallets. It is clear from the table that the constructs E-wallets involves the usage of technology and It helps in making the payments easier have the better mean value and the construct E-wallets involves the usage of technology has the better standard deviation.

Analysis of impact of personal profile and e-wallet usage profile on the awareness of respondents

H₀: There is no significant impact of personal profile on the awareness of respondents

Table 3: Multiple Regression

| | |
|----------|-------------|
| R | .452 |
| R Square | .051 |

| | |
|-------------------|---------------|
| Adjusted R Square | .046 |
| Durbin-Watson | 1.024 |
| F | 6.662 |
| Sig. | .001** |

Source: Primary Data

The multiple regression analysis to check the impact of personal profile on the awareness of respondents is presented in the table 3. The table shows that the R² value is .051, that denotes the fact that 51 per cent of changes in awareness is caused by the elements of personal profile. This proves that there is an impact of personal profile on the awareness. The Durbin Watson value 1.024 shows that the variables are not suffering from multi collinearity. Further the F value 6.662(p=0.001) is significant at 1 per cent level. Hence the null hypothesis rejected and concluded that there is a significant impact of personal profile on the awareness of respondents.

Conclusion

Technology and digitalization are continuously improving the life of mankind. The impact of this can be observed in the payment industry also. Smart phones have become an important part of the payment especially after the demonetization in India. A customized application(app) provided by a mobile wallet company is needed to be installed in the mobile phone and just after providing a minimum credential, a person is ready to do all banking transactions in a click of a mobile button. With the mobile wallets applications, it is also possible to save receipts, to make budget and so many advanced features that have made the life of a common man more conducive than earlier. With the presence of more pros, there are also the cons in par. This study found and ranked various problems while accessing the e-wallets that are found varied significantly with the demographic classifications.

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