A STUDY ON DIGITAL WALLETS AND CONSUMER AWARENESS TOWARDS DIGITAL WALLETS

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ABSTRACT

The major drivers of the exponential development in the use of digital payment are increased mobile and internet usage, as well as government initiatives like "Digital India." Although the idea of digitization was first proposed many years ago, it has recently picked up momentum. This is a result of a lack of understanding and information among the populace, hesitation to use online payment methods, security concerns, etc. Only until knowledge is raised in people's minds will the E-Payment system be strengthened. However, in the current environment, India is gradually transitioning to a cashless economy and has seen a significant increase in the number of digital wallets that are available. Digital wallets have made shopping easier by giving us access to yet another practical platform for money transfers. The adoption of digital wallets is significantly and favourably impacted by customer perception of e-payment. The goal of the current study is to assess how consumers feel about digital wallets and e-payment systems. The questionnaire was employed as a research technique to gather initial data from the study's chosen respondents. To accomplish the goals of the research, the data gathered by the questionnaire were subsequently evaluated.

Key words: Digital India, E- Payment System, Digital Wallets

1. INTRODUCTION

India, which has about 200 million online users, is swiftly becoming a mobile- and internet-dependent country. As the majority of Indians

still do not currently own a credit or debit card, popular e-commerce portals in India have developed to offer the option of "Cash on Delivery" in an effort to attract more customers. This is a result of the rapidly spreading Epayment shopping trend in cities. The procedure of making electronic payments for products and services including bus and movie tickets, DTH recharges, utility bills, and mobile phone recharges has been made simpler as more individuals have begun using mobile wallets or other digital payment systems. The Indian government is working very hard to move towards a cashless society. It has imposed restrictions on cash withdrawals from ATMs and banks. The Play Store also has an excessive of E-payment number payment Additionally, they can quickly replace the traditional wallet and go cashless. These epayment apps can be used to send money or make purchases.

It is astounding to see how quickly several mobile wallets, or m-wallets, are being created and used in India. For startups and young business owners, whether it be Indian mobile wallet firms or mobile wallet apps, mobile payment is a terrific concept. It has been realised that the payment trend for electronic goods and services needs to gradually transition from "Payment On Delivery" (POD) to "Payment On Order," and that this payment must take place utilising a mobile phone. This explains the dramatic paradigm shift in the mobile money industry in recent years.

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The world has undergone a significant transformation as a result of technological growth. Technology supports man's convenience and comfort. One can accomplish everything with a smartphone, including ordering food or groceries, booking a cab or movie tickets. etc. Making cashless transactions at anytime, anywhere has never been so easy thanks to the invention of Mobile Wallet. Even though several businesses have sprung up in India offering products dubbed "mobile wallets," the general public is still unaware of the idea and its benefits.

2.CONCEPT OF DIGITAL WALLETS

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CLASSIFICATION OF DIGITAL WALLET

According to the Reserve Bank of India, there are three kinds of digital wallets currently used in India. These are:

• Open wallet: An open digital wallet can be used to purchase products and services, including financial products like mutual funds and insurance. Additionally, it can be used to transfer funds between points of sale and merchant locations that accept the card, as well as withdraw cash from ATMs.

- Semi-closed: Semi-closed wallets can be used to make online purchases, recharge mobile devices, and handle bill payments. However, making ATM withdrawals is not possible with these wallets. Semi-closed wallets can be used to make purchases from the businesses that are listed and connected to the manufacturer of the wallets. Digital wallets that are partially closed include Paytm, PayUMoney, MobiKwik, and Oxigen.
- Closed wallets: Customers are given wallets that are closed and are only intended for their use. When doing business with the aforementioned companies, these can be used. A set amount is reserved with the company in case you return or cancel the order. When a customer returns an item or cancels a purchase, the merchant business immediately credits your wallet account with the refund amount. Closed digital wallets are available from firms like BigBasket, MakeMyTrip, and others.

3. LITERATURE REVIEW

A user can use an e-wallet programme to pay for things online. E-wallets, or electronic wallets, are mobile applications that let users conduct financial transactions, according to Qasim, Siddiqui, and Rehman (2012).

In order to ascertain customers' intentions towards the use of an e-wallet, this research partially adopts the Technology Acceptance Model (TAM). Perceived risk (PR) and trust (T), in addition to TAM, will also be utilised to determine whether or not customers want to use e-wallets. This is done to make sure that readers can clearly see how all of the independent variables relate to university students' intentions to use e-wallets. Davis created TAM in 1989; it was based on a prior theoretical framework known as Theory of Reasoned Action.

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Everyone has adopted the new market trend known as the e-wallet. Due to the wide range of services it provides, people gain a lot by using it. Therefore, in order for e-wallet platform developers to improve and better serve users, researchers must understand users' motivations for using e-wallets. Zhao et al. (2010) defined intention as the readiness and enthusiasm of a person to attain something good. In addition, Venkatesh et al. (2003) noted that the consumer's interest in and desire to try the new product and services can be described as intention to use. The primary factors of utilising TAM in this situation, according to Tan et al. (2020), are perceived usefulness (PU) and perceived ease of use (PEOU).

Sanaz Zarrin Kafsh (2015) conducted research on "Developing consumer Adoption Model on Mobile Wallet in Canada" using convenience sampling to collect data from 530 respondents. To analyse the data, a partial Least Squares model was employed. Finding the variables that affect consumers' adoption of mobile wallets was the study's main goal. Technology Acceptance Model (TAM) and Innovation Diffusion Theory (IDT) served as the foundation for this investigation. According to their data, perceived utilisation, perceived simplicity of use, and perceived security are all related to predicting the uptake of mobile wallets.

A novel interoperable mobile wallet model with capability-based access control framework was the subject of a study by Neeharika P and V N Sastry (2014). This study significantly advances the creation of a mobile wallet that can operate on different platforms. The study addresses security concerns by providing an access control model that moves towards an interoperable mobile wallet because

security is the primary worry when it comes to information about finances.

In a study on Paytm by Shwetu Kumar, Vijay Yadav, Atiqu-Ur-Rahman, and Aditi Bansal (2014), the authors looked at the company's accomplishments, technical architecture, workings, and technologies. They also looked at supply chain management, web technologies, web-based tools, and the electronic payment system.

4. OBJECTIVES OF THE STUDY

- To find out the awareness and perception of the users towards digital wallets.
- To know whether rural people are getting updated themselves to the updating technology.

5. RESEARCH METHODOLOGY:

Both primary and secondary sources were used to get the data for this investigation. The core information is gathered through the distribution of a Google Forms-created questionnaire to internet and social media users in the Mangalore Region. While secondary data is gathered from publications like newspapers, magazines, and websites, among others. The data were gathered from the respondents using a non-random sampling technique. 120 people comprise the sample. Both digital wallet users (80 respondents) and non-users (40 respondents) make up the study's sample.

6. DATA INTERPRETATION AND ANALYSIS

Table 1: Profile of the respondents

Gender	Respondents	Percentage (%)
Male	75	62.5
Female	45	37.5

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Interpretation: Of all responders, 62.5 percent are men and 37.5 percent are women.

Table 2: Awareness about mobile wallet payment gateways

Particulars	Responses	Percentage (%)
Hearing for		
the	6	5
1st time.		
Heard and	80	66.67
used	80	00.07
Heard but		
never	34	28.33
used it.		

According to the aforementioned table, a high level of awareness of mobile wallet payment services is present among the sampled respondents: 66.67 percent of them have heard of mobile wallet services and have used them, compared to 28.33 percent who have heard of them but have never used them and only 5 percent who have just learned about them.

Table 3: Usage of smart phone for making online Payment

Particulars	Usage of smart phone for		
	making online payment		
	Responses	Percentage (%)	
Yes	80	66.67	
No	40	33.33	

According to the aforementioned table, 66.67 percent of respondents utilise digital wallets to complete financial transactions, compared to 33.33 percent who do not.

Table 4: Awareness and Preferences about mobile wallet service providers

Particulars	Awareness		Pref	erence
	Res	Percent	Resp	Percen
	pons	age (%)	onse	tage
	es		s	(%)
Paytm	74	92.5	63	75
Mobikwik	48	60	11	12.22
Citrus	10	12.5	3	3.33
Freecharge	23	28.75	4	4.44
PhonePe	50	62.5	5	5.55
Any other	16	20	4	4.44

The aforementioned table and chart demonstrate that a large portion of the sample of respondents had heard of digital wallets and that Paytm was the only one of the top 5 providers to offer such a service. 92.5 percent of those surveyed for the study knew about Paytm, and 75 percent of those asked said they preferred using it as their wallet. 60 percent of those surveyed were familiar with Mobikwik. Among the respondents with the lowest usage preferences, 12.5 percent and 28.75 percent of them were aware of Citrus and Freecharge awallet, respectively.

Table 5: Preference for carrying out the transactions using M-wallets

Particulars	Responses	Percentage
		(%)
Recharge	76	95
Paying utility bills	49	61.25
Transportation	35	43.75
Meals and tickets	57	71.25
Online purchasing	59	73.75
Money transfer	32	40
Any other	06	7.5

According to the study's analysis of the various sorts of activities for which customers would wish to use them, the majority of respondents prefer using digital wallets for recharge reasons (85 percent), followed by online purchasing

(73.75 percent). Digital wallets are preferred by 71.25 percent of respondents for purchasing food and movie tickets. A little over 61.25 percent of individuals surveyed said they preferred using digital wallets to pay their utility bills, 43.75 percent to pay for transportation and 40 percent to transfer money. 7.5 percent of respondents said they preferred digital wallets for other activities.

Table 6: Motives for utilising M-wallet payment gateway services

Particul ars	The acces sibili ty of mobi le pay ment optio ns (%)	The benefit of mobile payme nt service s (%)	Satisfie d with the securit y of mobile payme nts (%)	Accept ance of the service s at variou s busine sses (%)	To benefit from discou nt rates and loyalty /rewar d points (%)
Strongly Agree	51.30	66.90	59.70	51.20	55.10
Agree	40.10	26.80	25.60	20.20	25.90
Neutral	8.60	6.30	14.70	24.70	16.80
Disagree	0.00	0.00	0.00	3.90	2.2
Strongly	0.00	0.00	0.00	0.00	0.00
Disagree					

According to the aforementioned data, the respondents listed availability and usability of mobile wallet payment services as the most important considerations in their choice to start using M-wallets, respectively, by 51.3 percent and 66.9 percent of respondents. More over half of the respondents (59.7 percent) think the security of mobile payment channels is satisfactory. 51.2 percent of respondents strongly believe that M-wallet service is accepted at numerous stores, in contrast to the 3.9 percent of respondents who strongly disagree. It is significant that 55.1 percent of respondents strongly agreed that discounts and loyalty/reward points were the main reasons

people used M-Wallets, as opposed to 2.2 percent who strongly disagreed.

Table 7: Frequency of Use of M-wallets on a monthly basis

Particulars	Responses	Percentage (%)
Once	12	15
Twice	15	18.75
Thrice	06	7.5
More than thrice	47	58.75

According to the study, 58.75 percent of respondents use their digital wallet more than three times per month, 7.5 percent use it three times per month, and 18.75 percent use it twice per month.

Table 8: customers' satisfaction with using M-wallet services

Particulars	Respons	Percentage
	es	(%)
Highly	32	40
satisfied		
Satisfied	46	57.5
Neutral	02	2.5
Dissatisfied	00	0.00

According to the study, 57.5 percent of respondents and 2.5 percent of respondents from rural areas are satisfied with the service offered by mobile wallet providers, and 40 percent of respondents are very satisfied with it.

Table 9: Problems encountered when utilising the M-wallet

Particulars	Responses	Percentage (%)
Yes	12	15
No	68	85

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According to the aforementioned table, 85 percent of respondents did not encounter any difficulties using the M-wallet, but 15 percent of respondents did so when using the digital wallet.

Table 10: Preference to keep using a digital wallet

Particulars	Responses	Percentage (%)
Most likely	47	58.75
Likely	28	35
Neutral	4	5
Unlikely	1	1.25
I stopped	0	0.00
using M-		
wallets		

As long as the M-wallet service providers continue to provide good service, 35 percent of respondents are probably willing to use Mwallets while 58. 75 percent of respondents wish to keep using them. In the study, 5 percent of respondents are undecided, and 1.25 percent of respondents think they might not want to keep using M-wallet.

7. FINDINGS OF THE STUDY

- 1. The respondent has a high level of awareness about mobile wallet payment services.
- 2. The majority of respondents are aware of and favour Paytm over PhonePe.
- 3. The respondents say they prefer to use digital wallets for recharge purposes first, then for online shopping, food, and movie tickets.
- 4. The main reasons why the majority of digital wallets respondents utilise availability, convenience, service acceptance, security, and reward points.
- 5. A digital wallet is often used by the majority of responders.

- 6. Just a small percentage of respondents are genuinely pleased with the service they received, compared to the majority who are happy with the service they offered. The majority of respondents have not encountered any difficulties utilising a digital wallet, and the main issue some users are having is a network server problem.
- 7. Since most respondents are satisfied with the service they have received, they want to continue using their digital wallets.
- 8. Since security is a big concern, the majority of respondents worry that a digital wallet provider will share their private information with other businesses, that information will be misused if their phone is stolen, that there will be an increase in cybercrimes, and that a virus will be installed on their phone.
- 9. If the issues are resolved, there is a very high willingness to use the services.
- 10. For additional services, the majority of respondents prefer Paytm over other wallets.
- 11. The respondents' selections are influenced by security, necessity, time, and the services they utilise.

8. CONCLUSION

The goal of the study was to investigate customer views, awareness, and willingness to utilise digital wallets. The study specifically looked at awareness, usage, and likelihood of utilising smartphones to complete financial transactions. Smart phones and internet access are becoming more widely used, which has boosted the number of people using digital wallets. Consumers are becoming more and more accustomed to using digital wallets.

According to the study's findings, digital wallets are becoming more and more common among young people, including employees and students. According to the report, Paytm is the

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best wallet provider overall. Users using digital wallets to make online payments are impacted by a number of different issues. Security concerns are one of the key challenges, which makes people concerned about the potential disclosure of their private information. Therefore, the makers of digital wallets must comprehend and live up to the trust and expectations of their customers. In India, the use of digital wallets is increasing as a result of customers' reliance on the convenience and speed of the digital lifestyle and their enthusiastic acceptance of the technology.

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