



Review Article

Discernment and approach of consumer towards digital wallet Gateways with Special Reference to Paytm

Dr. Anil Saxena

Chartered Accountant Associate Professor, Deptt. of A/c & Law
Faculty of Commerce , K.R (P.G.) College, Mathura

Abstract

India has seen a tremendous increase in the use of the internet and mobile phones in the past decade. Globalization, an increase in the use of the internet, mobiles, and technology, has caused a huge growth not only in E-commerce but also in E-payment. The increasing amount of devices that have the potential to be used for electronic payment and the decreasing use of cash creates a demand for new payment methods. E-payment can be defined as a payment system that uses electronic devices rather than cash. Consumers all around the world are more willing to use the mobile phone for financial purposes than ever before. The purpose of this research is to study the perception and attitude of users of M-wallet towards Paytm services and know different desirable and problematic areas of Paytm services; for this purpose, a sample of 77 respondents was chosen based on convenience sampling, and data were collected through a structured questionnaire. The findings can help us understand the attitude of users towards Paytm services.

Keywords: - E-commerce, E-payment, M-wallet, Perception, Attitude.

Copyright©2020 Dr. Anil Saxena This is an open access article for the issue release and distributed under the NRJP Journals License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

INTRODUCTION

The payment methods are currently developing in several different fields. Internet payment is a method that has been growing quickly and is frequently used, and new technologies of paying in stores are being introduced on the market. A major new technology is mobile payment.

Mobile financial services embrace mobile payment and mobile banking. It is now possible to use the mobile phone for everyday purchases such as vending, ticketing, parking and to buy bus tickets, gas electricity bills and so on.

In this study, we are focusing on the perception and attitude of the respondents. We can describe Perception as the way an

individual receives information from the environment, how he understands it, and the interpretation of the same to give meaning to them. In the continuous evolution age of humans, it would be difficult to find a person who has not heard of the term M-wallet or Mobile payment. Here we want to understand the beliefs of the people and their point of view about the M-wallet concept. Attitude can be defined as the way the respondent feels about the M-wallet apps, in particular Paytm. This inclination or feeling might be in favor of the concept or against it. Considering a few factors in this study to make it clear, what are the major favorable concepts that they like about the M-wallets and the major drawbacks that they feel should be resolved. We will try to understand how people have perceived a

certain mindset about the M-wallets, and how this mindset has shown itself in the behavior of the respondents.

Paytm is one of the largest mobile commerce platforms in India, offering its customers a digital wallet to store money and make quick payments. Launched in 2010, Paytm works on a semi-closed model and has a mobile market, where a customer can load money and make payments to merchants who have operational tie-ups with the company. Apart from making e-commerce transactions, Paytm wallet can also be used to make bill payments, transfer money, and avail services from merchants from the travel, entertainment, and retail industry.

The objective of this study focuses on the analysis of the adoption level of digital payment systems by customers, with special reference to the Paytm app. Primary data was collected from 77 respondents of a college. The collected data through the questionnaire were analyzed statistically.

Statement of Problem

Paytm is an e-wallet that is helping in money transactions without having solid money and also offering safety to customer's transactions. At present, especially in India, there is a growing opportunity for the mobile wallet business. The main attractions of these mobile wallets are making fast and quick transactions, time-saving, less costly, easy to access etc. Besides these advantages, there are some limitations on Paytm, such as insecurity, limitations on fund transfer, non-availability of auction facility etc. Due to these facts, a comprehensive study is

required to study the user satisfaction of mobile wallet services provided by Paytm.

The purpose of this research is to study the satisfaction level of users towards Paytm services and know the positive and negative points of services.

Significance of Study

Electronic payment has become a game-changer in the lives of the Indian people. With the increase in the use of internet and the convenient services that E-payment offers, still there are gaps to be found in the attitude and perception of the users regarding different factors that influence their adoption of E-payment. It is important to study the perception and attitude of the customers and their experience towards E-payment using mobile, in order to find the most important factors that influence the user experience, and try to improve the services provided and make more user-friendly products and services in the future.

Objectives of the Study

1. To study the acceptance level of Paytm in India as an alternative to cash transactions among users.
2. To analyze the various opportunities and threats in mobile banking according to the user's experience.
3. To examine the importance of Paytm in day-to-day life among the students.
4. To analyze the impact of demographic factors on the usage of digital payments.

Scope of the Study

M-wallet services offer a lot of advantages to the common people that they can pay bills and can take and give cash at any

time anywhere without visiting a bank. These services help to save their money and also can be done with a good form of security. This will helps customers to engage in their own works and avoids additional expenses like travelling cost etc. Paytm is an application are which can be used for the purpose of paying mobile bills, Electricity bills, and insurance and also for e-business and also pre-booking of bus, car and bike, hotel, movies etc. It also deals with exclusive discount deals to satisfy and attract its customers. This project is important to study the satisfaction level of customers towards the services of Paytm.

Limitations of the Study

- Due to proximity limitations, most of the participants in the study were business students.
- The main age focus of the study was people between 20-25.

REVIEW OF LITERATURE

Brawn et al. (1999) stated that the ads do support a typical experience. The promotion through Paytm guarantees that it is a cordial and fast-well-ordered process that is secured toward the finish of buyers and advertisers. The utilization of the Paytm application conveyed the guarantee in this manner Paytm increased better selection in contrast with other portable wallets.

Karnuskos & Fokus (2004) on the topic "Factors affecting M-wallet," concludes that successful deployment of mobile payment system is result of co-operation between different players. The main players include consumers, mobile network operators, bank, other

stakeholders include merchants, mobile device manufacturers, financial institutions, software and technology providers and the government.

Rajesh Krishna Balan, Narayan Ramasubbu, Giri Kumar Tayi studied in their paper "Digital Wallet: Requirements and Challenges" (2006) that the prerequisites and difficulties of sending money across the country using computerized wallet arrangement in Singapore. Advance, they examined why Singapore is prepared for a computerized wallet and recognize the key difficulties in building and sending a computerized wallet and at that point the exchange was on the difficulties confronted when utilized with International Journal of Pure and Applied Mathematics Special Issue 265 Digital Wallet framework in real money exchange and more detail and end the paper with their proposed arrangement.

Jupiter research (2008) on the topic growth of M-wallet in India concludes that M wallet services are a growing part of the digital economy. With the rapid evolution of mobile technology and an expanding base of mobile phone users, the mobile wallet has been recognizing as having growth potential in the mobile commerce industry. It provides an environment for secure, convenient and efficient business transactions.

Vyas(2009) on the topic mobile wallet reveals that the number of users using mobile phones are increasing in comparison to the number of users having the desktop and laptop internet, thus creating possibilities for players like telecom providers, financial players, merchants and banks to introduce many

new mobile-based services such as mobile banking.

Uppal R. K (2010) in his study on the topic "extent of mobile banking in Indian Banking Industry". Concludes that among all e-channels, ATM is the most effective while mobile banking does not hold a strong position in the public and old private sector.

Prof. Eduardo Henrique Diniz (2011), in his study on the topic "Mobile Money and Payment," reveals that the use of mobile technology has become widespread with astonishing speed all over the world, particularly among the poor.

Basudeo & Jasmine (2012) made a comparative study on various types and methods of the mobile payment system. The paper further discusses the challenges that are to be overcome for wide acceptance of SMS-based payment transaction addressed few features like a simple, convenient, cost-efficient and fast exchange of messages.

Singh & Bamoriya (2012), in their research, focused on the barriers in the adaptation of mobile payment in India. Factors such as network problems, insufficient operating guidance and safety were a few of the main barriers. They also found many consumers primarily use M-banking for information reading, such as checking the account balances also.

Zilvinas Bareisis, (2012) study revealed on Banks should think twice before going down the path of launching their own branded independent wallets. For some, it might make sense, but many others will likely be better off focusing on making their payment credentials available and top

of wallet in the wallets already out in the market, as well as enhancing and extending their mobile banking platforms with value-added services, including payments.

Comscore's (2013) Digital Wallet Roadmap survey on the topic "The Fast Lane to Driving Consumer Adoption" found that 47% of survey respondents rated security, safety, theft and loss of phone as the leading drawbacks to wallet use. 62% believed digital wallet technology seemed useful, with 29% having no concerns about the product.

Shwetu Kumar, Vijay Yadav, Atiqu-Ur-Rahman, Aditi Bansal (2014), did a study on "Paytm." They examined Paytm achievements, particularly in designing, working and developments of Paytm, which consolidated an examination on organizing a store, web progression, online gadget and also depicted about electronic portion system.

Ninna Mallat & Anssi Oorni (2014) study revealed on The value of different customer satisfaction and loyalty metrics in predicting customer retention, recommendation and share of wallet (2007). The results indicate that recommend intention alone will not suffice as a single predictor model performs better in predicting customer recommendations and retention.

TECH SCI (2015), a research-based global management consulting firm, has done a study on the topic "India mobile wallet market opportunities & forecast, 2020", the report concludes that mobile wallet companies operating in India are now offering attractive deals to consumers and are using increased incentives to bring in

new users & by partnering with service providers and financial institutions to enhance the offerings of mobile wallets. They have contributed to the market in recent years. According to a study by research firm Rncos (2016), they point out that in a very short time, the size of the mobile wallet market in India grew significantly. The current Indian market size for the mobile wallet (M-wallet) stands at about Rs 350 crore and is estimated to rise to Rs 1,210 crore by 2019.

Dr. Poonam Painuly, Shalu Rathi, in their paper “Mobile Wallet: An upcoming mode of business transactions” (May 2016), clearly explains the mobile wallet, its types and latest trends. They examined about Role of portable wallet in different divisions like Banks, Retail and Hospitality, versatile wallets turning into a trend of advertising channel in not so distant future and exceedingly in a consistent shopping knowledge for the clients that expansion their inclination for regular and more repurchases with delightful encounters.

Prof Trilok Nath Shukla, in his paper “Mobile Wallet: Present and the Future” (June 2016), has discussed the impression of customers and retailers about portable wallets. He reasoned that portable wallets would be utilized to draw in with the client by the advertisers and advanced organizations. Independent of the market

status of these versatile wallets, advertisers should exploit the developing openings.

FE Bureau (2017) states that According to the RBI: Demonetization has increased the growth of Paytm & Mobikwik, which is known as the Digital payment companies. “A Newspaper Article in Financial Express.”

Dr. T. Venkatesan (2018), in the article titled “usage of Paytm,” Concludes that the usage of Paytm is only at a satisfactory level. The customers face problems in ease of use, security issues and slow Paytm server in the usage of Paytm.

RESEARCH METHODOLOGY

This study is a descriptive work done on the topic. A sample of 77 respondents who were students to understand their perception and experience they had with mobile payment. The data have been collected from primary and secondary sources. The primary data have been collected through a structured questionnaire using the convenience sampling technique. It includes information about the perception and attitude of students using the Paytm app. Secondary data were collected from the Company records, magazines, journals, websites, and the Internet, which includes information on industry, companies, apps, etc. The tool and technique of Analysis which have been used in this study is Descriptive Statistics.

ANALYSIS AND INTERPRETATION

Table no.1 Table Presenting the Socio-Demographic Analysis of Respondents

Variables	Category	Number of respondents	percentage
Gender	Male	36	46.7%
	female	41	53.2%
Age	Below 20	4	5.19%
	20-40	73	94.8%
Qualification	Plus two	2	2.5%
	Diploma	4	5.19%
	Degree	23	29.8%
	B-tech	1	1.29%
	PG	47	61%
Annual Income	Below 100000	19	24.67%
	1, 00,001 -3, 00,000	40	51.94%
	3, 00,001- 500000	11	14.28%
	Above 5 lakh	7	9.09%
Occupation	Student	41	53.24%
	Salaried	29	37.66%
	Self employed	3	3.8%
	Unemployed	4	5.2%

Interpretation

From table 1, we can interpret that majority of the respondents are young, and they are well educated, majority of

respondents have an annual income of less than 3 lakhs, and they are majorly students and employees.

Table No.2 Presenting the Factors that influence the use of M-wallet, and Paytm App

Particulars	Factors	Number of respondents	Percentage
Factors influencing use of M-wallet services	Convenience	35	45.45%
	Reduced time	6	7.8%
	Safe mode of payment	2	2.6%
	Cost efficiency	2	2.6%
	24 x 7 services	31	40.25%
	Other	1	1.2%
Factors influencing use of Paytm services	Convenience	27	35.07%
	Cash back	14	18.18%
	Multiple payment method	8	10.38%

	Better user experience	19	24.67%
	24x7 services	9	11.68%

Interpretation

From the above table, we can interpret that convenience (45.45%) and availability of M-wallet 24x7 (40.25%) are the major factors that encourage people to use M-wallet. And among factors that induce users to use Paytm, convenience (35.07%), a good user experience (24.67%) and cashback (18.18%) and have a major role.

Table No. 3 Presenting the Major Factors of Dissatisfaction, regarding the M-wallet and Paytm App

Particulars	Factors	Number of respondents	Percentage
Difficulties in using M-wallet	login /sign off not easy	4	5.2%
	lack of clear guidelines	10	13%
	lack of security	2	2.6%
	delay of time	24	31.16%
	too many steps in processing	10	13%
	no difficulties	27	35%
Factors of Dissatisfaction using Paytm	Security	2	2.59%
	Offers	14	18.18%
	Lag in payment	12	15.58%
	Cash back	6	7.79%
	Difficult to use	15	19.48%
	Others	28	36.3%

Interpretation

From the above table, it can be interpreted that, among the presented factors, delay of time (31.16%), lack of clear guidelines (13%) and too many steps in the process (13%) are the major difficulties respondents face while using M-wallet apps.

While using Paytm, (18.18%) users faced problems with offers provided by Paytm, (15.58%), faced lag in payment, (19.48%)

said it was difficult to use the app, and other difficulties were (36.3%).

FINDINGS AND DISCUSSIONS

M-Wallets were very much successful in the customer satisfaction level. The majority of the respondents are satisfactory & above satisfactory after using M-wallet services; only a few have a neutral opinion due to some of the difficulties they face after using M-wallet.

The findings indicate that a good percentage of the respondents agree to the

fact that this mode of payment is convenient for them. It is because it reduces the time of transaction & gives them a 24/7 service.

The most important factor influencing the respondents to use M-wallet is the convenience and 24x7 services which it provides. It helps reduce the time consuming of the respondents - 7.8% of the respondents think that M-wallet reduces the time of their transactions.

The findings report that the major factors for choosing Paytm are its convenience (35.07%) and better user experience provided by Paytm (24.67%). This is because the respondents felt Paytm more accessible at any time with more convenient processes, while the least factor is the multiple payment methods.

The most important problem that respondents face is a delay in time. The second most important problem includes the lack of clear guidelines and too many steps in processing followed by login & sign off difficulties and lack of security in transactions.

The findings report that on the difficulties of Paytm, where the most dissatisfaction was shown to others (36.3%), its difficulty in the process (19.48%), problem with offers (18.18%) and (15.58%) faced lag in payment.

CONCLUSION

This research was aimed at finding the perception and attitude of the user towards M-wallet services provided by Paytm. According to the research conducted, we can conclude that the concept of M-wallet is well placed in the minds of mobile users.

Different factors such as “Reduced time of the transaction, Convenience, Mode of payment, Cost Efficiency, 24x7 Service” have considerable influence on respondents for using M-Wallet Services provided by Paytm. Though the majority of customers are satisfied with M-wallet services, they face some difficulties like login/sign off are not easy, lack of security in transactions, lack of clear guidelines, delay of time, too many steps in processing transactions” while availing M wallets services.

REFERENCES

1. Karnouskos & Fokus (2004) on the topic "Mobile payment: a journey through existing procedures and standardization initiatives".DOI: 10.1109/COMST.2004.5342298
2. Uppalr.k (2010) on the topic "extent of mobile banking in indian banking industry".
3. Prof. Eduardo Henrique Diniz (2011) on the topic “.Mobile payments: a scoping study of the literature and issues for future research”. DOI: 10.1177/0266666914557338
4. Comscore's (2013), digital wallet roadmap survey on the topic “ The Fast Lane Poonam Painuly&Shalu Rathi. (2016). Mobile wallet: An upcoming mode of business transactions. International Journal in Management and Social Science
5. Growing share of wallet. (2015 Oct). Business Standard. Available at: https://www.business-standard.com/article/management/growing-share-of-wallet-115101100713_1.html.
6. Jayashree Bose. (2006). E-banking in India: The paradigm shift. ICFAI.

- Available at:
<https://catalogue.nla.gov.au/Record/4314140>,
7. Sanaz Zarrin Kafsh (2015), "Developing Consumer Adoption Model on Mobile Wallet in Canada", Ottawa, Canada.
 8. Neeharika P et al, (2014), "A Novel Interoperable Mobile Wallet Model with Capability Based Access Control Framework", International Journal of Computer Science and Mobile Computing, Vol.3 Issue 7, pg. 888.904
 9. Shwet Kumar, Vijay Yadav, Atiqu-Ur-Rahman, Aditi Bansal (2014), "A study on Paytm" Guru Gobind Singh Indraprastha University, Delhi.
 10. Ngoc Doan (2014) "CONSUMER ADOPTION IN MOBILE WALLET – A Study of Consumers in Finland", TURKU UNIVERSITY OF APPLIED SCIENCES
 11. Nikita Rai, Anurag Ashok, Janhvi Chakraborty, Prajakta Arolker, Saumeel Gajera (2012), "M-wallet: An SMS based payment system", International Journal of Engineering Research and Applications, ISSN: 2248-9622