

A study of consumer preference for cashless payment methods in Delhi NCR.

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ABSTRACT:

In this research work, the data gathering strategy is in the form of a questionnaire. A questionnaire is a data gathering approach in which the respondent is given a set of questions or written statements to respond to. The report's goal is to demonstrate customer satisfaction with cashless payment in Delhi NCR. All of the information is gathered online, one by one, through the use of questions. The questionnaire was created in such a way that it demonstrates the amount of client satisfaction with cashless payment. The % technique is used throughout the analysis. The responses submitted by the respondents in the questionnaire indicate the questionnaire's outcomes. This study is based on both Primary and Secondary data. Primary data were collected using questionnaire the first part of the questionnaire consist of demographic profile of the consumer. Secondary data were used for collecting information on published sources like magazine, books, journals, annual report etc. about consumer satisfaction for clear understanding of the concept. The sample size is limited to 100 and convenient sampling techniques were adopted for collecting the data.

I. INTRODUCTION:

The announcement of demonetization by Prime Minister Narendra Modi on November 8, 2016, was one such disruption. Demonetization provided a significant development opportunity for digital payments in India, and digital wallet businesses seized it with both hands to increase their market share. For Indian customers, demonetization has provided a unique platform for the acceptance of digital payment as a cash substitute.

Prime Minister Mr. Narender Modi has advocated for the adoption of cashless transactions as part of government reforms following the demonetization of high-value currency of Rs. 500 and 1000. (86 percent of cash circulation). The

demonetization of currency led in an explosion of digital payments. Digital wallet companies had grown by 271 percent to a total value of US\$2.8 billion by February of this year (Rs. 191 crores), the Indian government and private sector companies such as Paytm, Freecharge, and Mobikwik aggressively promoted several digital payment apps, including the Aadhaar Payment app, the UPI app, and the Bharat Interface for Money (BHIM) app developed by the National Payments Corporation of India (NPCI). App-based digital transfers have influenced behaviour and aided in acceptance.

A variety of factors are facilitating the expansion of digital payments and the shift from a cash economy to a cashless economy. Penetration of internet access on smart phones, non-banking financial institutions facilitating digital payment, one-touch payment, rise of financial technology industry, and government push, either through incentives or tax breaks, are examples of these facilitators. All of these factors are fostering the development of digital payment in India.

Digital Payment Modes In India:

Top five mode of digital payment available in India are:

1. Paytm:- Safe to store customer's CVV number while transferring money from a Paytm account to a bank account. Paytm has introduced an app password feature for its Paytm Wallet to ensure that customers' money is safe even if they lose or forget their phone. Paytm can be used by customers who do not have access to a smartphone.

2. Mobikwik:- M-Wallet is a digital wallet that makes it simple to store and transfer money. Without having to sign up, you can get quick recharge. Transactions are encrypted and highly safe. A smartphone application that is easy to use.

3. PayUmoney :- OTP is read automatically. Picking off where the transaction left off. Risk assessment.

4. Citrus :- The quickest of all the digital wallets. Offers and savings for CitrusPay wallet users.
5. Oxigen :- Money can be sent to other mobile phones. The transaction history is displayed.

Objectives:

The objectives of study were based on:

1. To study the current position of Cashless Delhi NCR.
2. To understand the advantages of Cashless Delhi NCR.
3. To understand the disadvantages of Cashless Delhi NCR.
4. To suggest the future prospects of Cashless Delhi NCR.

II. LITERATURE REVIEW:

The literature on the concept of digital payment systems, their growth, importance, factors affecting digital payment systems, consumer challenges, and the role of government is studied and reviewed using reputable databases such as

1. Pardhasaradhi Madasu(2015)

Objective :- to analyse and report on the RBI's progress in moving towards a "cashless" economy.

Research Methodology :-From 2004-05 to 2014-15, data on cashless transactions was gathered from the RBI database.

Finding:-India was not among the top 16 non-cash markets in the world, although China was. Debit card usage at ATMs has increased in compared to credit card usage. Non-cash services such as Immediate Payment Services and M-Wallet had had little impact.

2. OBappaditya Mukhopadhyay Y (2016)

Objective:-To see how a person's demographic profile influences how they use a digital payment system. The extension of various non-cash approaches will also be investigated.

Research Methodology:-The report estimates the number of cashless transactions in India using data from the World Bank's Global Findex from surveys performed in 2011. It also used data from household and business surveys conducted between 2009 and 2010.

Finding:-According to the findings, There is a link between cashless payments and education level, as well as cashless payments and the amount of money received. It also revealed that people who get payments in their bank accounts and those who employ cashless payment methods had a strong positive relationship. Prepaid cards and mobile payments were the fastest-growing areas.

III. RESEARCH METHODOLOGY :-

We'll investigate if customers prefer payment banks over universal banks when it comes to banking services. We've decided to focus our investigation on the Delhi NCR region. We intended to look into the impact of age and gender on the use of payment bank services. We'll use the random sampling method for this. Convenience sampling will be used to select a sample of 100 respondents who have bank accounts. The perception of customers of various backgrounds in terms of gender, age, occupation, and qualification in utilising a service will be associated with technology, convenience, and security. The impact of normative beliefs held by reference groups will also be investigated in order to determine their impact on customers' decisions to use banking services.

This study incorporates both quantitative and qualitative descriptive research methods. Descriptive research is used to describe the information gathered. The information gathered by the survey was examined quantitatively. The Google forms tool was used to create the questionnaire for this investigation.

Two Sources for information gathering are:

Primary Data: To collect information, primary data was used as a survey. The respondents were chosen in a practical manner, and the poll was designed to meet the objectives of my investigation.

Secondary Data: This is information that has been efficiently obtained or that already exists in the association in the form of previous records, sites, and related logs. The data was compiled from books, the organization's website, Google, and other sources.

IV. DATA INTERPRETATION :-

Analysis and Interpretation

Demographic profile of Respondents:

The table above show that 19 percent of respondents are between the ages of 15-20 years, 78% of respondents

	Profile	Frequency	Percentage
Age	15-20yrs	19	19%
	20-30 yrs	78	78%
	30-40 yrs	3	3%
	40& above	0	0%
Occupation	Student	90	90%
	Professional	4	4%
	Business	5	5%
	Other	1	1%
Education	Graduate	70	70%
	PostGraduate	25	25%
	12 passed	5	5%
	Other	0	0%

are between the ages of 20-30 years, and 3% of respondents are between the ages of 30-40 years. 90% of the respondents are student, 4% are doing Professional jobs, 5% of respondents are having business, and 1% respondents are doing other things. Most of the respondents are Graduated (70%), 25% of respondents are doing there Post Graduation, 5% of respondents are only 12 passed out.

Q-1. What is your age ?

Particulars	Respondants	Percentage
15-20	19	19%
20-30	78	78%
30-40	3	3%
40 above	0	0%
Total	100	100%

Analysis

The table and graph above show that 19 percent of respondents are between the ages of 15-20 years, 77.6% of respondents are between the ages of 20-30 years, and 3% of respondents are between the ages of 30-40 years.

Q-2. Do you use UPI to transfer money ?

Particulars	Respondents	Percentage
Yes	95	95%
No	4	4%
Maybe	1	1%
Total	100	100%

Analysis :

The table and graph above show that 95% of respondents use UPI to transfer money, 4% do not use UPI to transfer money, and 1% occasionally use UPI to transfer money.

Q-3. What do you prefer more Cash or UPI payment ?

Particulars	Respondants	Percentage
Cash	12	12%
UPI	88	88%
Other	0	0%
Total	100	100%

Analysis :

According to the table and graph above, 88 percent of respondents desire more UPI payments, while only 12 percent prefer cash payments.

Q-4. Is it Easy or Hard to use UPI ?

Particulars	Respondants	Percentage
Easy	52	52%
Very Easy	48	48%
Difficult	0	0%
Extremely Difficult	0	0%
Other	0	0%
Total	100	100%

Analysis

According to the table and graph above, 52 percent of respondents find UPI easy to use, while 48 percent find it difficult.

Q-5. Which services do you pay using these apps ?

Particulars	Respondents	Percentage
Electricity bill	38	38%
Insurance	17	17%
Postpaid Bills	25	25%
Prepaid Bills	43	43%
Mutual funds	9	9%
Other	1	1%

Analysis :

According to the table and graph above, 38 percent of respondents use UPI to pay energy bills, 17 percent use UPI to pay insurance, 25 percent use

UPI to pay postpaid bills, 25 percent use UPI to pay prepaid bills, 9 percent use UPI to invest in mutual funds, and 1% use UPI for other purposes.

Q-6. Do you only use UPI to get benefits like Cashback, Rewards or Other Offers?

Particulars	Respondents	Percentage
No	50	50%
Yes	22	22%
Maybe	28	28%
Total	100	100%

Analysis :

The table and graph above show that 50% of respondents do not use UPI to gain benefits such as cashback, rewards, or other offers, 22% use UPI to

get benefits such as cashback, rewards, or other offers, and 28% might use UPI to get benefits such as cashback, rewards, or other offers on occasion.

Particulars	Respondents	Percentage
Yes	90	90%
No	9	9%
Maybe	1	1%
Total	100	100%

Q-7. Do your family members also use online platforms to pay or transferring money ?

Analysis :

According to the table and graph above, 90% of respondents' family members also use online platforms to pay or transfer money, while

9% of respondents' family members do not use online platforms to pay or transfer money and 1% of respondents' family members occasionally use online platforms to pay or transfer money.

Q-8. What is your biggest concern around Cashless Payments ?

Particulars	Respondents	Percentage
Security	33	33%
Poor Internet	48	48%
Merchant Acceptance	10	10%
Cost	4	4%
Lack of tech known how	5	5%
Total	100	100%

Analysis :

The table and graph above show that poor internet connectivity is the top concern for 48 percent of respondents, security is the top concern for 33

percent, merchant acceptance is the top concern for 10% of respondents, cost is the top concern for 4% of respondents, and lack of tech know-how is the top concern for the remaining 5%.

Q-9. Would you use Cashless Payments if notes come back into circulation ?

Particulars	Respondents	Percentage
For more Transaction	53	53%
For some Transactions	28	28%
For rare Transactions	17	17%
Never	2	2%
Total	100	100%

Analysis :

According to the table and chart above, 53 percent of respondents will use cashless payments for more transactions even if notes return to circulation, 28 percent will use cashless payments

for some transactions if notes return to circulation, 17% will use cashless payments for rare transactions if notes return to circulation, and 2% will never use cashless payments if notes return to circulation.

Q-10. What is your preferred payment app for bills and utilities ?

Particulars	Respondents	Percentage
Google Pay	14	14%
Phone pe	28	28%
Paytm	52	52%
BHIM	3	3%

Amazon pay	3	3%
Total	100	100%

Analysis :

The table and graph above show that 14 percent of respondents choose Google Pay for bills and utilities, 28 percent prefer Phone Pe for bills and utilities, 52 percent prefer Paytm for bills and utilities, 3% prefer BHIM for bills and utilities, and 3% prefer Amazon Pay for bills and utilities.

V. CONCLUSION:

The goal of this study is to find out what customers think about digital payments in Delhi NCR. With the exception of education, demographic demographics have little impact on digital payment adoption. Only when it came to their educational degree did the respondents see a difference in relevance. The customer's level of education appears to have an impact on digital payment adoption. People who have finished secondary school and are computer educated are more likely to employ digital payment methods. It was also seen in areas/regions with lower educational levels.

The majority of our respondents (more than 90%) acknowledged that they have been adopting cashless transactions for the previous years and that they have been impacted by a variety of variables. The majority of individuals prefer E-wallets and UPI over ATM/Debit Cards but still there is 9% of population who still go for cash payments, indicating that there is still a lot of room for e-wallet and e-commerce enterprises to acquire the trust and allegiance of many potential customers in the country. Our audience gave all of the criteria a score of at least 4 on a 5-point scale, indicating the importance of the emphasised factors to the audience of this research report. Almost all things have an impact on people, with the exception of a couple of factors.

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