

# “Consumer Perception on Digital Payment Mode- A Study in Guwahati City”

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## Abstract

Digital payment is one of the ways of making payment via online modes. This mode of payment became more prominent after the announcement of demonetization by the honourable Prime Minister of India, Narendra Modi on 8<sup>th</sup> November, 2016. Digital payment do not involves hard cash and the entire transaction between the two parties i.e. payer and the payee is possible through digital modes and hence it is also called electronic payment. The present paper tries to highlight consumer perception on digital payment mode- a study in Guwahati city and the researcher has made use of both primary and secondary data. The primary data were collected through a well framed questionnaire given to 50 respondents in the city. The secondary sources were collected from various websites, news articles, magazines etc. The analysis of data has been done on the basis of various criteria's viz awareness of digital payment based on the gender and occupation of the respondents, usage of digital payment mode based on the age of the respondents, most preferred digital mode, satisfaction of the users towards the usage of E-wallet services based on the age of the respondents, money loaded in E-wallet on a monthly basis based on the occupation of the digital payment users, purpose of using E-wallet, preference of E-wallet based on the influencing factors etc. The paper present its various findings and also provides certain suggestions to make the digital payment mode an easier one.

**Keywords:** *Digital payment, Awareness, Preference, Satisfaction, E-wallet etc.*

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## Introduction

Digital payment is one of the ways of making payment via online modes. This mode of payment became more prominent after the announcement of demonetization by the honourable Prime Minister of India, Narendra Modi on 8<sup>th</sup> November, 2016. Digital payment do not involves hard cash and the entire transaction between the two parties i.e. payer and the payee is possible through digital modes and hence it is also called electronic payment. It is considered to be an important tool for encouraging transaction as it reduces the cost of rendering financial services to common people. Moreover it improves the security and availability of using savings, payments and insurance method. It is a secured mode of payment and various payment banks, mobile banking apps are making full efforts to make the payments secure by conducting various researches

on it. The evolution of transaction from barter system to digital mode is a quite interesting one. The main purpose behind the digital mode of transaction is to make our economy a cashless one. Transactions are possible anywhere in the world with the single click.

## Objective of the study

- To study the awareness level of customer regarding digital payment.
- To study the usage pattern of customers. (in respect of their age levels)
- To study the most preferred electronic payment made used by customers.
- To study the satisfaction level of customers.

## Significance of the study

As Digital Payment is surging on an account of growing online payment transactions in India, this study undertakes to give an insight about Digital Payment mode. This study helps in understanding the awareness and preference of the users with regard to digital payment mode. The study also aims to find the factors influencing the perception of the consumer towards Digital Payment mode and the level of satisfaction towards usage of Digital Payment mode. This study helps in understanding the awareness and preference of the users with regard to Digital Payment mode. The study also aims to find the factors influencing the perception of the consumer towards Digital Payment mode and the level of satisfaction towards usage of Digital Payment.

## Methodology

The present study is based on descriptive as well as exploratory research. The data is collected from the primary sources as well as secondary sources. The primary data were collected through a well framed questionnaire which was given to 50 respondents in the Guwahati city. The sample of the study includes both the users (46 respondents) and non users (4 respondents) of the digital payment mode. The secondary data were collected through various news articles, websites, magazines etc

## Review of literature

Biju Roy (2018), made a study on “Consumer Perception towards Selected Digital Payment mode” in Jorhat town of Assam by taking a sample of 120 respondents through descriptive sampling. The focus of the study was to find out the problem which stand in the way of India becoming a cashless society and also to identify which modes have emerged as top most for making payment of their transactions. This study also highlighted many issues of on-going development that happened in the market after demonetization of money on 2016 of all 500 and 1000 bank notes. The study has found that E-wallet payment method is more preferred than any other payment methods.

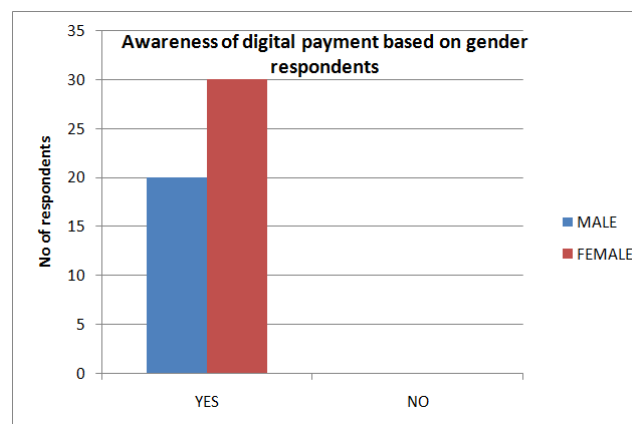
Ashish Bagla (2018), made a study on “A study on the future of Digital Payments in India” by taking a sample of 110 respondents. This paper tries to identify the reasons for adoption of digital payments by people in India and it also tries to find out the problems faced by people in making digital payments. This study has found that the biggest challenge in front of government is the lack of knowledge and awareness among people and fear of loss of money by use of digital payment methods and risk of hacking.

## Data Presentation and Analysis & Interpretation

**Table 1: Awareness of digital payment based on the gender respondents**

Particulars	(Awareness) No. of respondents	
	Male	Female
Yes	20	30
No	0	0

*Source: Field Survey*



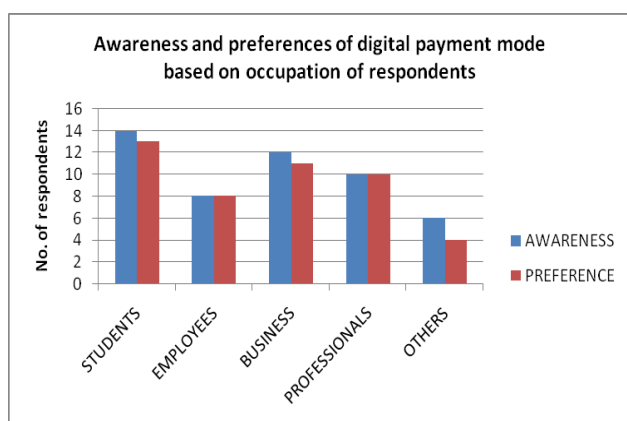
## Interpretation

The above table and chart shows that all the respondents are aware of digital payment mode i. 20 males and 30 females.

**Table 2: Awareness and Preference of digital payment mode based on Occupation of the respondents**

Occupation	Number of respondents	
	Awareness	Preference
Students	14	13
Employees	8	8
Business	12	11
Professionals	10	10
Others	6	4

Source:Field Survey

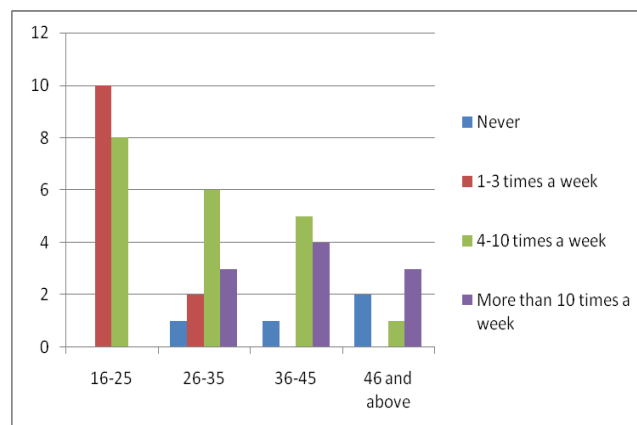
**Interpretation**

The above table and chart shows that students, business and others respondents are more aware but do not necessarily have equal preference for digital payment mode. We can also see that the employees and professional respondent not only are aware but have particular preference for the usage of digital payment mode.

**Table 3: Usage of digital payment mode based on the age of the respondents**

Age	Number of respondent(Usage)			
	Never	1-3 times a week	4-10 times a week	More than 10 times a week
16-25	0	10	8	0
26-35	1	2	6	3
36-45	1	0	5	4
46 and above	2	0	1	3

Source:Field Survey

**Interpretation**

From the above data we can derive that:-

**1. Age group 16-35**

- 2% of total respondent do not use digital payment mode.
- 56% of total respondent use digital payment 1-10 times a week.
- Only 6% of total respondent use digital payment very frequently.

**2. Age group of 36 and above**

- 6% of total respondent do not use digital payment mode.
- 13% of total respondent use digital payment 1-10 times a week.
- 15% of total respondent use digital payment very frequently.,

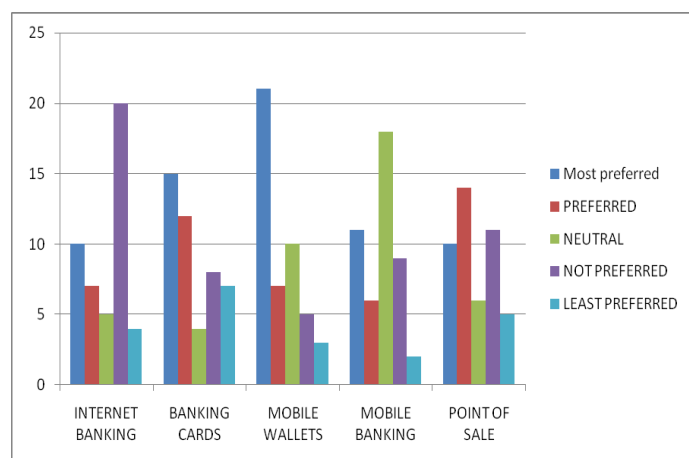
This shows that mobile wallet is most preferred mode of digital payment,

**Table 4:Most preferred digital payment mode**

Modes of digital payment	Most preferred	Preferr ed	Neutr al	Not preferr ed	Least preferr ed
Intern et Banki ng	10	7	5	20	4
Banki ng	15	12	4	8	7

Cards					
Mobil e Wallet s	21	7	10	5	3
Mobil e Banki ng	11	6	18	9	2
Point of Sale	10	14	6	11	5

Source:Field Survey

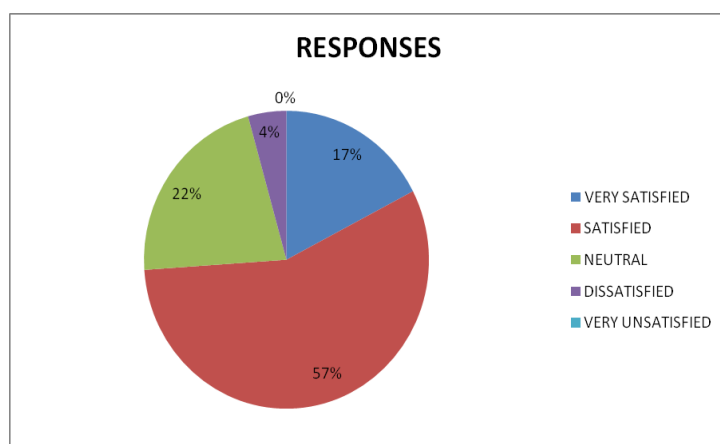


### Interpretation

The above table and chart shows that most of the respondents expressed their opinion as mobile wallet as their first preference of digital payment mode. And Point of Sale (POS) as second and Mobile banking as third followed by Internet banking and Banking Cards as fourth and fifth respectively. The above table and chart shows that most of the respondents expressed their opinion as mobile wallet as their first preference of digital payment mode. And Point of Sale (POS) as second and Mobile banking as third followed by Internet banking and Banking Cards as fourth and fifth respectively.

**Table 5:Satisfaction of the users towards usage of E-wallet services:**

Particulars	Responses
Very satisfied	8
Satisfied	26
Neutral	10
Dissatisfied	2
Very	0



### Interpretation

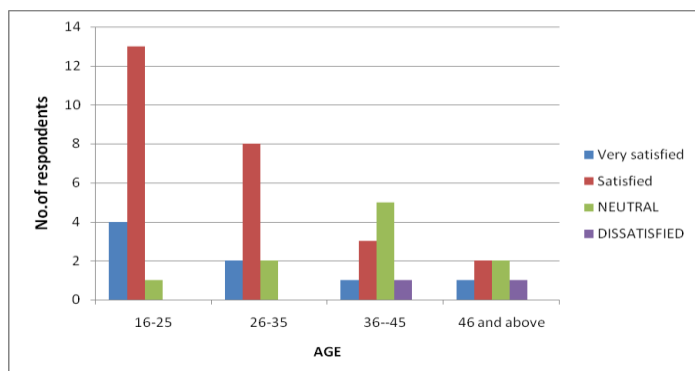
From the above data we can derive that:-

- 17% of the respondents are very satisfied with E-wallet services.
- 56% of the respondents are satisfied with E-wallet services.
- 21% of the respondents are neutral with E-wallet services.
- 4% of the respondents are dissatisfied with E-wallet services.

**Table 6: Satisfaction of the users towards usage of E-wallet services based on the age**

Age	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
16-25	4	13	1	0	0
26-35	2	8	2	0	0
36-45	1	3	5	1	0
46 and above	1	2	2	1	0

Source:Field Survey



### Interpretation:

From the above data we can derive that:

#### 1. Age group 16-35

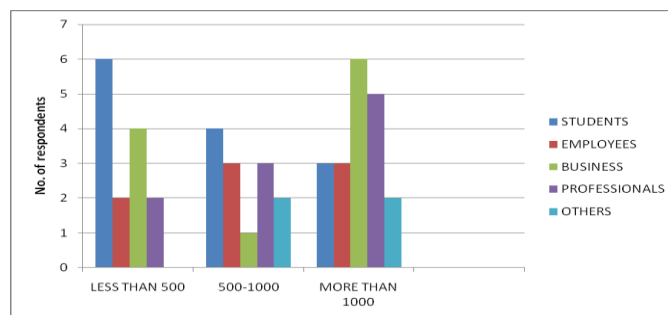
- 13% of total respondents rated E-wallets as very satisfied.
- 46% of total respondents rated E-wallets as satisfied.
- 6% of total respondents rated E-wallets as neutral

#### 2. Age group 36 and above

- 4% of total respondents rated E-wallets as very satisfied.
- 11% of total respondents rated E-wallets as satisfied.
- 15% of total respondents rated E-wallets as neutral.
- 4% of total respondents rated E-wallets as dissatisfied.

**Table 7: Money loaded in E-wallet on a monthly basis based on occupation of the digital payment users**

Mon ey loaded	Stude nts	Employ ees	Busin ess	Professio nals	Othe rs
Less than 500	6	2	4	2	0
500-1000	4	3	1	3	2
More than 1000	3	3	6	5	2



### Interpretation

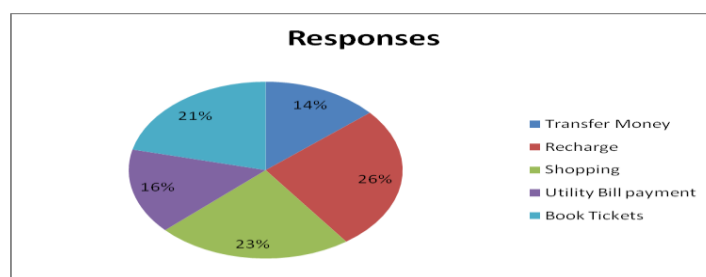
From the about data we can derive that:-

- 46% of total students respondent loads less than 500.
- 75% total employees respondent loads more than 500.
- 54% of the total business respondent loads more than 1000 and 36% of total business respondent loads less than 500.
- 50% of professionals respondent loads more than 1000.
- 100% of other respondent loads more than 500.

**Table 8: Purpose of using E- wallet**

Particulars	Responses
Transfer Money	22
Recharge	42
Shopping	37
Utility Bill Payment	25
Book TICKETS	84

Source: Field Survey



### Interpretation

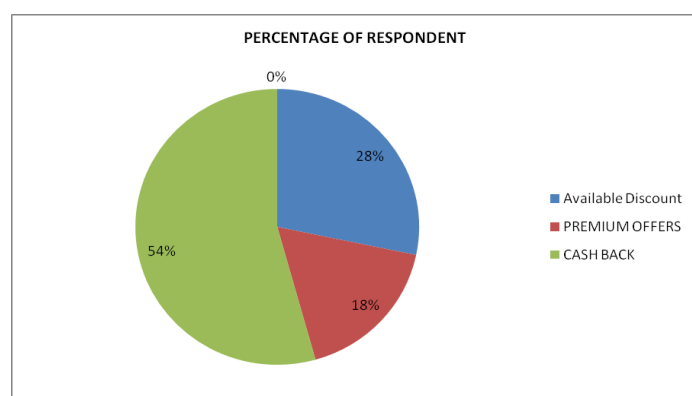
From the above data, we can derive that below mentioned is the usage preference for E-wallet in the order of most preferred to less preferred:

1. Recharge
2. Shopping
3. Book tickets
4. Utility Bill payments
5. Transfer Money

**Table 9: Preference of E-wallet based on the influencing factors**

Particulars	Respondent
Available discount	13
Premium offers	8
Cash back	25

Source: Field Survey



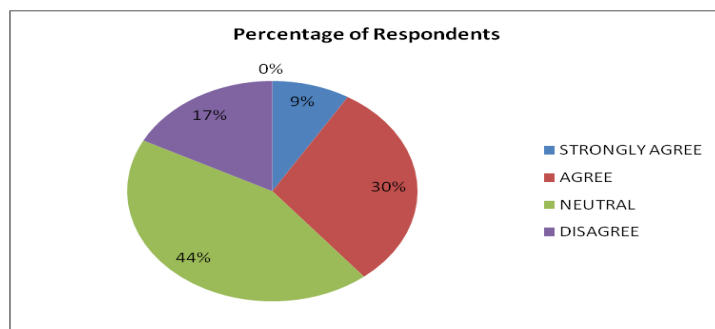
### Interpretation

From the above data, we can derive the following:

- 54% of the respondents are attracted by cash backs.
- 28% of the respondents are attracted by available discounts.
- 17% of the respondents are attracted by premium offers.

**Table 10: Ratings for the secured transactions of Digital payment mode**

Rating	Respondent
Strongly agree	4
Agree	14
Neutral	20
Disagree	8
Strongly Disagree	0
Source: Field Survey	



### Interpretation

From the above data, we can derive the following:

- 9% of total respondent rated digital payment mode as very secure
- 30% of total respondent rated digital payment as secure
- 44% of total respondent rated digital payment as neutral.
- 17% of total respondents rated digital payments as not secured.

### Findings

- All the respondents are aware of Digital payment mode
- 8% of the respondents do not prefer digital payment mode.
- Employees and professional respondents have particular preference for the usage of digital payment mode.
- In the age group 16-35 majority of the respondents prefer using digital payment 1-10 times a week.
- In the age group 36 and above majority of the respondents prefer using digital payment 1-10 times a week.
- In the age group 36 and above, majority of the respondents prefer using digital payment more than 10 times a week.
- Mobile wallet is the most preferred digital payment mode based on all the age and gender of the respondents.
- The sequence of preference of digital payment mode from most preferred to least preferred are Mobile wallet, Point of Sale (POS), Mobile banking, Internet banking and banking cards.

- 56% of the respondents are satisfied with E-wallet services.
- 100% of the other respondent loads money in an E-wallet more than 500.

## Suggestions

There should be an easier and safe way of loading money in a digital payment app. The digital payment should come with voice enabled system like google assistant so that every person can access the system according to their need.

## Conclusion

From the findings of the study, it can be concluded that 92% of the respondents prefer digital payment mode. The gender, age groups, occupation have positive and a significant influence on the rate of adoption of digital payment of consumers. Therefore, digital payment mode should be strengthened to improve safety and security of financial transactions of consumers and it must be simplified so that it can easily become user friendly. In addition, digital payment mode should minimize the various risks associated with transactions of consumers and it must adopt appropriate measures to overcome undue delay in its process.

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3	Journal Article	Shamsher Shingh; Ravish Rana	Journal of Internet Banking and Commerce, Vol22 No.3, 2017	Study of consumer perception of digital payment mode.
4	Journal Article	Rufina Gafeeva; Erik Hoelzl; Holger Roschk	Marketing letters; Vol29, No.1, Mar 2018	What else your payment card Do? Multi-functionality of payment modes can reduce payment transparency

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