



A STUDY ON DIGITAL MOBILE PAYMENT SYSTEMS ADOPTION AMONG YOUTH IN CALICUT DISTRICT

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Abstract:

In an era marked by rapid technological advancements and digitalization, the way we make payments has seen significant improvements, especially in India. Mobile phones, once solely communication devices, have transformed into multifunctional tools that enable entertainment, socializing, internet access, and crucially, digital payments. With the rise of financial technology (Fin-Tech), consumers in India now have excessive options for digital payments, including debit cards, credit cards, mobile banking, and online banking, making transactions more convenient and accessible.

However, challenges such as inadequate internet connectivity and cybersecurity risks pose potential hurdles to this growth. Despite these challenges, mobile payment apps are gaining popularity due to their convenience, low infrastructure requirements, and transaction fees.

This research focuses on the adoption of mobile payment applications among youth in the Calicut district and aims to address questions related to usage preferences, challenges, and factors driving adoption. Mobile payment apps serve a multitude of purposes, including money transfers, bill payments, hotel reservations, book movie tickets, and even flight bookings. To conduct this study, primary data was gathered from a sample of 150 users and subsequently analyzed using the Statistical Package for the Social Sciences (SPSS). The study employs a descriptive research design and data was collected through a questionnaire distributed electronically. The collected data were analyzed by using various statistical tools such as Percentage Analysis, Mean, Standard Deviation, Independent Sample 't' test, and One-way ANOVA. In addition to this, data were presented by using bar diagrams and tables to provide systematic and easy-to-analyze results. The research contributes to understanding the factors influencing adoption and potential areas for improvement, recognizing that digital payments are shaping the future of financial transactions in India.

***Index Terms* - Component, formatting, style, styling, insert.**

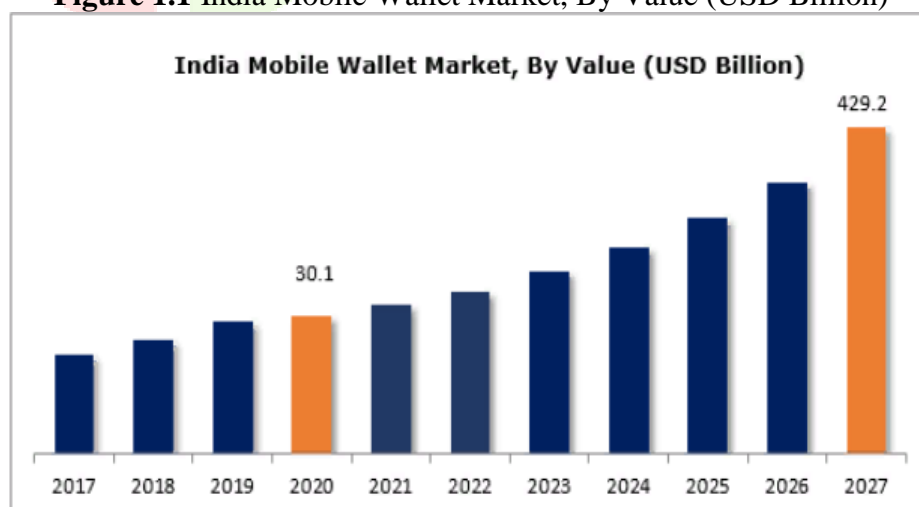
1.1 Introduction

The continuous advancement of technology and digitalization is leading to a noticeable enhancement in the human quality of life. This positive impact is also evident in the realm of payments. Mobile phones are not just used for communication; they may also be used for entertainment, socializing, as an internet-connected device, and, most importantly, as a means of payment. India has a competitive telecommunication market and well-developed financial markets. In addition, it is a lead exporter of technology services. With the introduction of financial technology (Fin-Tech), consumers have huge options for making payments through digital channels such as debit cards, credit cards, mobile banking, the Internet, or online or digital banking. All these channels enable the payment for the purchase and transactions to become more convenient and accessible. Thus, these factors support the growth of cashless payments.

Digital transactions are continuously rising due to improvements in smartphone penetration, good internet connectivity, and integrated support from the Government of India and the Reserve Bank of India towards digitalization. Moreover, they are going to change the payment landscape in the country. The use of Near Field Communication (NFC) and QR code technology makes digital payments more convenient.

Recently, India is facing incredible growth in the area of mobile wallets, with a high level of penetration of mobile phones. A study conducted by Blue Weave Consulting, a strategic consulting and market research firm, found that the mobile wallet market in India was valued at \$30.1 billion in 2020. The market is expected to grow at a Compound Annual Growth Rate (CAGR) of 46.3% and generate revenue of \$429.2 billion by the end of 2027. The government has offered digital wallet options such as UPI, BHIM, Aadhaar Pay, and Payment Banks, which have revolutionized payment systems. Growing awareness among consumers regarding convenient payment options, the increasing number of smartphone users, and the adoption of mobile wallets by merchants because of low set-up infrastructure and transaction fees all contribute to the growth of the mobile wallet market. However, poor internet connectivity, limited internet accessibility, and the risks associated with cybersecurity may impede the market's progress significantly.¹

Figure 1.1 India Mobile Wallet Market, By Value (USD Billion)



Source: BlueWeave Consulting

¹ India Mobile Wallet Market Witnessing Growth Spurts: Forecast to Grow at a CAGR of 46.3% by 2027 | BlueWeave. GlobeNewswire News Room. <https://www.globenewswire.com/en/news-release/2022/01/25/2372817/0/en/India-Mobile-Wallet-Market-Witnessing-Growth-Spurts-Forecast-to-Grow-at-a-CAGR-of-46-3-by-2027-BlueWeave.html>

1.2 Digital Payment

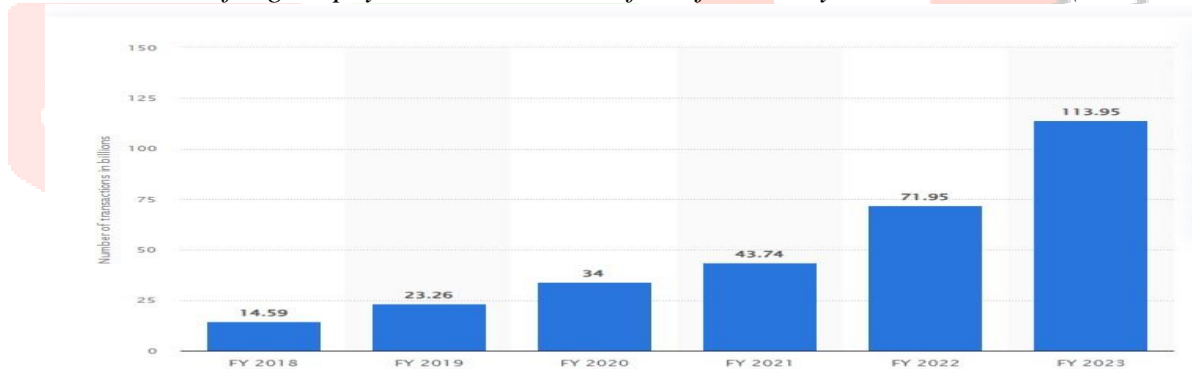
Digital payment is paid through digital or electronic platforms. Both the payer and the payee utilize digital channels to send and receive money in digital payments. It is also known as electronic payment. Digital payments do not use cash (currency notes). All transactions in digital payment systems are carried out online. It is a quick and easy way to make payments.

Presently, the available digital payments are, Banking cards, Digital wallets, Unified Payment Interface (UPI), Unstructured Supplementary Service Data (USSD), Immediate Payment Service (IMPS), Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Aadhar Enabled Payment System (AEPS) and Mobile banking. With recent advanced technology, payments are having an impact on our daily lives and beginning to offer interesting and advantageous new services.

According to the RBI Bulletin, cashless transactions in India are expanding daily. The statistics show that E-Wallet payments are the most preferred payment method options among customers. The number of smartphone users has risen at random, paving the way for digital transactions. By 2025, the share of volume by instant payments and other electronic payments, however, is expected to rise to 37.1% and 34.6% respectively. Leaving the volume of paper-based transactions at 28.3%. Furthermore, by 2024 the share of real-time payments volume in overall electronic transactions will exceed 50%. (Samaya Dharmaraj 2021) Thus in this research, focus will be on the adoption of mobile wallet payment among youth.

Figure 1.2

Total number of digital payments across India from financial year 2018 to 2023 (in billions)



Source: <https://www.statista.com/statistics/india-total-volume-of-digital-payments/>

1.4 Research Gap

The study of the literature reveals that numerous studies have been carried out to explore people's perceptions of digital wallets. However, only a limited number of these studies have examined the extensive array of services accessible to users through digital mobile payments. This study aims to investigate the challenges and difficulties faced by users when utilizing digital mobile payment methods.

1.5 Statement of the Problem

An extensive literature analysis on the subject found that India is one of the first countries to rapidly adopt the mobile wallet system as a form of payment. While numerous studies have investigated user perceptions of mobile wallets, only a limited number have explored the diverse services offered by these digital platforms. Consequently, this research aims to assess the different types of digital wallets utilized by young individuals,

assess their level of understanding of mobile wallets, and examine their preferences in the Calicut district.

1.6 Objectives of the Study

The following objectives have been established by the research questions:

1. To understand the most commonly used Digital Payment Methods and check the cross-tabulation with the frequency of usage.
2. To identify the challenges faced by youth regards digital payment methods and to check the cross-tabulation according to the period of usage.
3. To check the current status of the usage of Mobile Payment Applications among youth and to study the cross-tabulation with the amount spent for making transactions (per week)
4. To analyze the services used by the respondents concerning Mobile Payment Applications and to understand the factors which prompt them to use the Applications.
5. To measure the usage preferences of Mobile Payment Applications.

1.7 Hypotheses of Study

H0₁: There is no significant difference in the usage preference of Mobile Payment Applications according to gender.

H0₂: There is no significant difference in the usage preference of Mobile Payment Applications according to age.

H0₃: There is no significant difference in the usage preference of Mobile Payment Applications according to occupation.

H0₄: There is no significant difference in the usage preference of Mobile Payment Applications according to income level.

1.8 Scope of Study

The scope of this study involves investigating the impact of perceived usefulness, perceived ease, perceived risk, and security on digital mobile payments. It also aims to analyze the various factors that influence users' perceptions of digital mobile payments. Additionally, the research seeks to examine the challenges faced by individuals when using digital payment methods and identify the different types of services availed by users through these platforms.

1.9 Research Methodology

Research Methodology is a way to systematically solve research problems. It includes the following statements:

1.9.1 Research Design:

For this study, a descriptive research design was adopted to examine the adoption of digital mobile payment systems among youth in Calicut. Primary data was collected to support the research design.

Sources of Data:

Primary and secondary data were collected to support the research.

- Primary data was collected through a questionnaire that was systematically prepared and distributed via Google Forms.

➤ The secondary data was compiled from various sources such as websites, articles, and journals.

1.9.2 Sample Size:

The sample size of this study is 150 digital payment system users in the Calicut district. These users were chosen based on a convenience sampling method, and the questionnaire was distributed through email and WhatsApp.

1.9.3 Sampling Techniques:

Convenience sampling method was used in this study. The participants were selected from the Calicut district, and the questionnaire was distributed electronically through email and WhatsApp.

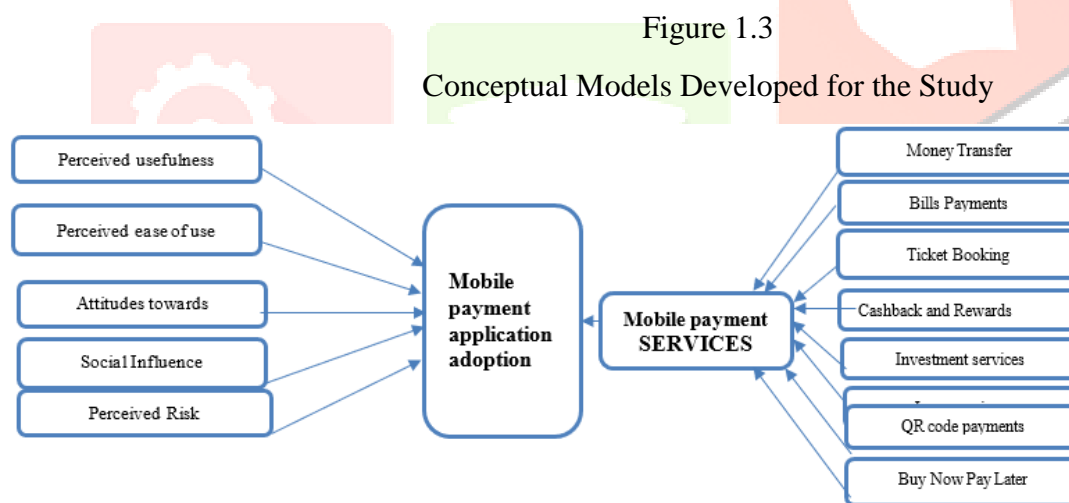
1.9.4 Tools for Analysis:

The collected data were analyzed by using various statistical tools such as Percentage Analysis, Mean, Standard Deviation, Independent Sample 't' test, and One-way ANOVA. In addition to this, data were presented by using bar diagrams and tables to provide systematic and easy-to-analyze results.

This methodology aims to provide a comprehensive understanding of the adoption of digital mobile payment systems among young people in Calicut. By collecting both primary and secondary data through a convenience sampling method, the study will provide valuable insights into the factors that influence the adoption of digital payment systems and potential areas for improvement.

1.12 Conceptual Model Developed for the Study

The conceptual framework of the present study is given below:



1.13 Limitations of the Study

This research has several limitations:

- The accuracy and honesty of the data collected from the participants may not be guaranteed since it is based on self-reporting, which may have been influenced by social desirability bias or other factors.
- The time constraints of the research may have prevented a more thorough investigation of the research topic, including larger sample size and more diverse demographic representation, which could have given more accurate and reliable results.
- This research was conducted only in a limited area, which may limit the generalizability of the findings.

Therefore, the conclusions drawn from this study may not necessarily apply to other regions or populations with different cultural backgrounds or social structures.



CHAPTER-2 REVIEW OF LITERATURE

2.1 Introduction

A literature review involves examining existing information related to a particular subject area, which can be obtained through reading and analyzing available data. This process helps to enhance one's understanding and comprehension of the topic in question. Literature reviews typically encompass academic works such as scholarly articles, dissertations, and project reports. Researchers conduct literature reviews to identify areas that have not been explored in-depth and subsequently conduct their research to contribute to the body of knowledge on the subject matter. This approach helps to address gaps in existing literature and inform the development of future research in the field.

2.2 Research Articles

The research papers were categorized by nationality during the literature review process. Both foreign and Indian literatures were used in this research.

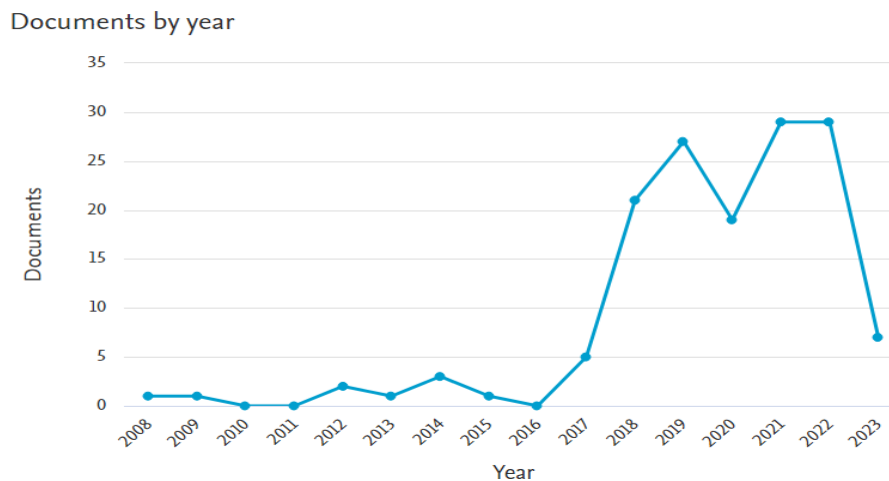
Table 2.1
Number of Viewed Research

Number of Viewed Research	30
Indian Research Articles	12
Foreign Research Articles	18

Source: Created by Author

There has been a rise in the number of studies related to digital payment systems in India following demonetization. The following chart illustrates that the adoption of digital payment systems in India increased following demonetization, and rose again after the outbreak of Covid-2019.

Figure 2.1 Adoption of digital payment system in India by Years



Source: <https://www.scopus.com/term/analyzer>

The studied articles are represented chronologically:

Rajesh Krishna Balan et al (2006) - *“Digital Wallet: Requirements and Challenges”*.

This research explored the obstacles and hindrances involved in introducing a nationwide digital wallet solution in Singapore. The main obstacles for digital wallet service providers were identified as Mass Market Appeal, Stake Holder Dynamics, and Compelling User Experience. The researchers suggested a mobile phone-based solution that uses two key emerging technologies to support the digital wallet system - NFC chips and Secure Programmable Chips. The NFC chips, already present in new mobile phone models, allow for easy and secure communication with payment machines. The Secure Programmable Chips enable users to safely store both virtual currency and personal identification information on their mobile phones. Further changes in the sector were predicted, such as retailers potentially adopting a single NFC-enabled point-of-sale device to replace their current separate systems.

Tomi Dahlberg et al., (2007) – *“Past, Present, and Future of mobile Payment’s research: A Literature review”*.

This article examined various literatures on the Mobile Payment service market and identified several factors that affect it. The authors propose a four-contingency and

five-competitive-factor model based on their analysis of 73 publications. They found that among these publications, Technology was the most studied factor (with 29 articles), followed by Consumers (20 articles). Few studies focused on the Mobile Payment service provider, market, regulations, and new e-payments, with only one research work considering commercial environmental changes in their study. The authors suggest that cultural and socio factors play a significant role in mobile payments and that there is a need for future research to compare mobile and traditional payment services, focus on Business-to-Consumer and Customer-to-Consumer, and improve the quality of mobile payment research. Past research works did not examine the impact of cultural and social constructs on Mobile payment.

Shuiqing Yang (2012) - “Mobile Payment Services Adoption across Time: An empirical study of the Effects of Behavioral Beliefs and Personal traits””.

This study examined social influences, over time and identified key factors that influence adoption in both pre-and post-adoption stages. They developed a research model that accounted for usage context and characteristics and collected data from over 600 participants. They analyzed the data using LISREL and found that for potential adopters, behavioral beliefs, social influences, and personal traits had a positive and direct impact on adoption intention. For current users, perceived fee & perceived risk did not significantly affect their intention to continue using mobile payment services. The study concluded that social influences, behavioral beliefs, and personal traits were particularly important in driving initial adoption, whereas relative advantage and perceived risk mattered more for current users' continued use of the service. Also, potential adopters were more influenced by compatibility & perceived fee.

Aminu Hamza and Asadullah Shah (2014) – *“Gender and Mobile Payment System Adoption among Students of Tertiary Institutions in Nigeria”*.

This research aimed to investigate how gender relates to the adoption of mobile payment systems among Nigerian students. A sample of 214 students was selected for the study and the Technology Acceptance Model, with two additional constructs, was used as the conceptual model. The model included four exogenous factors - Perceived Usefulness, Perceived Ease of Use, Perceived Compatibility, and Social Norms - and one endogenous one - Behavioral Intention. The results demonstrated that Perceived Ease of Use, Perceived Usefulness, and Social Norms had an impact on Behavioral Intention. T-test results demonstrated that there were differences between genders. Women were more influenced by Social Norms, while men were more affected by Perceived Ease of Use. Consequently, it was suggested that the banking and telecommunications industries must consider factors such as Perceived Ease of Use, Perceived Usefulness, and Social Norms when developing and improving mobile payment systems.

Vidya Shree DV et al (2015) – *“A Study on New Dynamics in Digital Payment System – with special reference to PayTM and Pay U Money”*.

Digital payment applications offer customers a valuable service by allowing them to conduct transactions at any time and from anywhere, regardless of geographic location or business hours. The objectives of this study were to identify the necessary features of digital payment services, evaluate public awareness of such services, assess whether PayU money and PayTM have replaced net banking, and determine the challenges encountered by PayU money and PayTM users. Primary data was gathered from 30 PayU money and PayTM users. The research found that both PayU money and PayTM were widely recognized and experienced substantial growth. Moreover, these applications have replaced net banking due to their ease of use and functionality. They offer double authentication security to protect users' financial transactions and personal information, and their user interface is straightforward and user-friendly. Overall, PayU Money and PayTM provide a convenient and straightforward digital payment experience compared to other providers.

Kunal Taheam et al., (2016) – *“Drivers of Digital Wallet Usage: Implications for*

Leveraging Digital Marketing”.

The objective of this study was to pinpoint the factors that drive the usage of digital wallets in Punjab. The researchers collected primary data through a survey that utilized a structured questionnaire and included 386 young digital wallet users in the sample size. To condense the number of variables used in the study, Exploratory Factor Analysis was employed. Out of the seven variables that were initially considered, four were eliminated and three were deemed critical in motivating digital wallet usage. Firstly, Controllability and Security were identified as the most important, followed by Social Influence and Usefulness, and lastly Ease of Use. Controllability refers to the ability to control the amount spent daily, while Security represents the safety of money and the privacy of payment information. Social Influence pertains to the influence of peers on digital wallet usage, while Usefulness reflects the convenience of easy transactions. The study highlights that mobile wallet service providers should take into account the factors that increase performance and profit.

Nidhi Singh et al., (2016) - *“Consumer Preference and Satisfaction of M-Wallets: a study on North Indian Consumers.”*

This study aimed to investigate how users' perceptions, preferences, and satisfaction are related to their mobile wallet usage habits. The authors used seven factors from the UTAUT model, including Ease of use, Usefulness, Social, Self-efficacy, Attitude, Security, and trust, and added Hedonism as an antecedent to gauge consumers' perception. 204 North Indian mobile wallet users were surveyed using web-based data collection methods. Statistical analysis using ANOVA was conducted to examine gender and usage frequency differences in perception, satisfaction, and preference. The correlation analysis showed a positive correlation between perception, preference, and satisfaction. The study revealed that all eight factors had a positive impact on consumers' satisfaction, particularly concerning preference level, Ease of Use, Trust, Social Norms, Attitude, and Security. The most significant predictors of satisfaction were found to be Usefulness, Self-Efficacy, Social Norms, and Hedonism.

Ramesh Sardar (2016) – *“Preference towards Mobile Wallets among Urban Population of Jalgaon City”.*

This study examined the preferences of urban residents in Jalgaon City regarding mobile wallets. Data was collected from a sample of 60 respondents, and statistical tools such as Chi-square and t-tests were used to analyze the impact of demographic variables on mobile wallet usage. The respondents primarily used mobile wallets for money transfers and mobile/DTH recharges. The majority believed that instant payment services were a crucial factor in the use of mobile wallets. The study concluded that mobile wallets are crucial to the growth of the cashless economy and are among the leading electronic payment methods available.

Roopali Batra and Neha Kalra (2016) - *“Are Digital Wallets the New Currency?”*

The study aimed to identify adoption patterns of digital wallets by examining the perception, usage, preferences, and satisfaction of users. The study comprised 52 respondents and also assessed barriers and challenges to adoption. Time-saving and ease of use were found to be the main influencing factors, while security concerns and lack of international transactions were noted as major barriers.

G Aydin and Sebnem Burnaz (2017) - *“Adoption of Mobile Payment Systems: A study on mobile wallets”*.

The purpose of this research was to examine the factors contributing to the development of consumers' attitudes and intentions to utilize mobile payment systems. The mobile wallet application of one of the leading mobile network operators in Turkey served as a representative of mobile payment systems. Two distinct groups, including users and non-users, were surveyed through stratified random sampling. The data from 1395 questionnaires were analyzed using partial least squares structural equation modeling. The study found that ease of use and usefulness significantly impact attitude development, whereas security concerns have a comparatively low effect on attitudes and usage intentions. The social influence effect among users was insignificant. The study also discovered significant variations in perceptions and beliefs between users and non-users with significant differences in several of the constructs employed in the study.

Anup Kumar et al.'s (2017) - *“The effect of perceived security and grievance redressal on continuance intention to use M-wallets in a developing country”*.

This research focused on the impact of perceived security and grievance redressal on young users' intention to use mobile wallets in India. The study showed that

grievance redressal, trust, and satisfaction positively affect mobile wallet continuance intention, with trust having the highest impact. The model used had better predictive power than previous studies due to the inclusion of grievance redressal and perceived security.

Manikandan and Mary Jayakodi (2017) – *“An Empirical Study on Consumers Adoption of Mobile Wallet with Special Reference to Chennai City”*.

The study aimed to determine users' perception and adoption of mobile wallets, as well as the challenges faced by consumers during usage. The primary data of 150 respondents from Chennai showed that mobile wallets would be a predominant mode of payment in the future. Convenience and brand loyalty were major factors influencing adoption, while security and safety of funds were major challenges. The study suggested that mobile wallet service providers have high scope in the Indian market.

Brijesh Sivathanu, (2018) - *“Adoption of digital payment systems in the Era of Demonetization in India: An empirical study”*.

The purpose of this study was to investigate how often consumers in India used digital payment systems during the period of demonetization (from November 9, 2016, to December 30, 2016). The study was based on the unified theory of acceptance and use of technology (UTAUT 2) and innovation resistance theory, and involved surveying 766 respondents using a pre-tested questionnaire. The results of the study suggested that a consumer's intention to use digital payment systems and their resistance to innovation can affect the frequency of their usage. The stickiness to cash payments also has a moderating influence on the relationship between the intention to use digital payment systems and their actual usage of them. The study has practical implications for economists, policymakers, and digital payment service providers, as it provides valuable insights into consumer behavior during demonetization. This study is unique in that it empirically examines the influence of intention and innovation resistance on the actual usage of digital payment systems during the demonetization period in India and validates the moderating influence of stickiness on cash payments.

Bansal (2019) - The focus of this research was on the challenges encountered by individuals when using mobile payment applications. The sample size comprised

115 participants, consisting of individuals who use smartphones and non-smartphone users. The research methodology adopted was Exploratory. The data was analyzed through factor analysis. The variables investigated were technology security, attitude towards use, trust in applications, awareness of users, etc. Results indicated that individuals generally view mobile payment applications as advantageous rather than problematic experiences. It is important to note that this research was limited to the Punjab region and, therefore, may not be entirely representative. Further investigation could include additional variables.

Ravikumar T et al., (2019) *“Impact of Digital Payments on Economic Growth: Evidence from India”*.

This topic discusses a study that identifies and analyzes the contribution of digital payments to economic growth in India between 2011 and 2019. The study examines the relationship between digital payments and economic growth in India using real GDP as a proxy for economic growth and various proxies for digital payments such as RTGS, Clearing Corporation of India Ltd (CCIL) operated systems, paper clearing, retail electronic clearing, Card payments, and Prepaid Payment Instruments (PPIs). Data was collected from the Reserved Bank of India (RBI) Bulletin and the correlation between digital payments and economic growth in India was analyzed through the Regression model. The study found that retail electronic payment is the only variable that significantly impacts the real GDP in the short run, while the other variables do not significantly impact the real GDP in the short or long run. The study concludes that digital payments, at large, and retail electronic payments, do not contribute to the economic growth in India directly in the long run.

Vastav Mandava et al. (2019) *“Mobile wallet payments in the time of COVID-19”*. The researchers used an interrupted time-series approach to analyze the impact of social distancing measures on mobile wallet payments. Initially, the value and volume of mobile wallet payments decreased, but eventually, the rate of increase exceeded pre-pandemic levels due to factors like convenience and the avoidance of cash transactions. The paper argues that policymakers must provide incentives, regulation, and infrastructure to encourage the sustained use of mobile wallets and benefit from the work carried out by banks and financial technology companies to simplify the process of sending and receiving payments.

Sivathanu B (2019) – *“Adoption of digital payment systems in the era of demonetization in India: An empirical study”*.

The purpose of this research was to investigate how consumers used digital payment systems during the period of demonetization in India from November 9, 2016, to December 30, 2016. The study is based on the Unified Theory of Acceptance and Use of Technology (UTAUT 2) and Innovation Resistance theories, and surveyed 766 sample respondents using a pre-tested questionnaire. The findings suggest that the intention to use digital payment systems and innovation resistance affect their usage and that the stickiness to cash payments moderates the relationship between intention and usage. Although the study is limited by its geographic scope and cross-sectional design, it provides insight for economists, policymakers, and digital payment service providers about consumer behavior during demonetization. This study is original in its empirical examination of factors influencing digital payment system usage and validation of the moderating role of cash payments.

Sharma Deepti, Aggarwal D, and Gupta Amisha, et al., (2019) - *"A Study of Consumer Perception towards M-Wallets."*

This paper examined customer perceptions of the usage of mobile wallets in India. By using statistical tools such as correlation and regression analysis, the authors aimed to determine and comprehend the perspective of customers toward the acceptance and adoption of mobile wallets. To gather data, they collected information through in-depth interviews and questionnaires, ultimately collecting data from 72 participants out of the 100 respondents to their survey. This research took different factors such as privacy and anonymity, mobility, convenience, trust, usage cost, speed of transaction, and ease of use into consideration. The analysis of the data indicated that these factors play a primary role in determining the willingness of users to use mobile wallets for their financial transactions.

Sweta Lakhaiyar and Mukta Mani (2020) *“Factors Influencing the Adoption of Digital Payment Systems during COVID-19”*.

The aimed was to identify the factors that influence the adoption of digital payments over cash transactions in India during the COVID-19 pandemic. The study used exploratory factor analysis to analyze data from 409 respondents and identified significant influencing factors such as efficiency parameters, perceived utility, social

influence, and facilitating conditions, as well as barriers to adoption such as technological, value, risk, usage, and image barriers. The study suggests that the findings can be used to improve the performance of payment applications and provide better technology while increasing awareness about digital fraud.

Reddy. T and Rao. B (2020) - *“Determinants of continuance intention to use mobile wallet services: Light users vs heavy users 2020”*.

With the widespread usage of mobile technologies, mobile payment systems have become a popular means of conducting transactions. However, understanding the factors that contribute to customer loyalty has become a challenge due to diverse customer segments and their unique needs. The study aimed to identify the factors that influence mobile wallet users' intention to continue using a particular service provider, and how this behavior differs between customer groups based on their usage. The researchers developed a theoretical research framework and validated it with empirical data using multivariate data analysis techniques, such as exploratory factor analysis, t-test, and MANOVA. The results indicated that perceived usefulness, perceived ease of use, perceived enjoyment, and satisfaction are significant factors that determine users' intention to continue using mobile wallet applications. Additionally, the study found that light users and heavy users differ significantly in terms of their overall post-adoption behavior on mobile wallet applications.

Nidhi Singha and Neena Sinhab (2020) - *“Determining factors in the adoption and recommendation of mobile wallet services in India: Analysis of the effect of innovativeness, stress to use and social influence”*.

The purpose of the study was to determine the influence of users' adoption and recommendation of mobile wallet services in India, with a focus on the Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT2) models. Mobile wallets have the potential to become an alternative mode of payment worldwide, and this study aimed to provide important insights into the factors that contribute to user intention, perceived satisfaction, and recommendation to use mobile wallets. The researchers developed a conceptual model for the study and conducted an empirical investigation, using both online and manual surveys, in the Delhi National Capital Region of India, known for its

technological advancements. The study found that ease of use, usefulness, perceived risk, and attitude significantly influenced users' intention to use mobile wallet services, which further influenced their perceived satisfaction and recommendation to use the services. Additionally, the study revealed the significant moderating effect of stress to use and social influence on user satisfaction and recommendation to use mobile wallet services. This study provides an integrated framework for measuring the moderating effect of psychological, social, and risk factors on technology acceptance and can aid practitioners in identifying important factors that affect users' decisions and perceived satisfaction.

Jain K and Chowdhary. R (2021) - *“A Study on Intention to Adopt Digital Payment Systems in India: Impact of COVID-19 Pandemic”*.

It explained that the purpose of the study is to empirically analyze the users' intention to adopt digital payment systems during the COVID-19 pandemic in India using the Unified Theory of Acceptance and Use of Technology (UTAUT) adoption model with added operationalized constructs of Perceived Risk and Stickiness to use Cash. The study used data from 326 respondents surveyed during the Nationwide Lockdown 3.0 in India and analyzes the responses using the Partial Least Squares – Structural Equation Modelling (PLS-SEM) technique. The study reveals that performance expectancy and facilitating conditions directly affect the intention of individuals to use digital payment systems, while the effect of perceived ease of use on digital payment systems is mediated through the attitude towards the digital payment systems during the COVID-19 pandemic situation.

Lohana. S and Roy. D (2021) - *“Impact of Demographic Factors on Consumer's Usage of Digital Payments”*.

This study investigated the impact of demographic factors on the usage of digital payment services during the post-demonetization period in India. The study analyzed the changing customer dynamics and improves customer experience based on the outcome. The study explored the impact of demographic factors such as gender, age, education, marital status, and income on 599 respondents' usage and satisfaction with various digital payment methods in tier I and tier II cities of India. The results showed a significant impact of age, education, occupation, and income of respondents and no significant impact of gender and marital status on consumers'

usage.

Uprety, M and Panga M (2021) - *“Youngster's perception towards m-wallet service quality: An empirical study”*.

The popularity of smartphones and internet usage in India has enabled a flourishing digital economy driven by cashless transactions and mobile wallets. Specifically, young people are frequently using mobile wallet apps, which prompted a study to identify the factors of wallet service quality that influence their perceptions. A total of 242 respondents from central India participated in the study, and a self-structured questionnaire was used to collect data. The study identified eight factors that influence the perception of youngsters regarding M wallet service quality: user-friendliness, security and privacy, rewards, customization, convenience, grievance handling, service assistance, and data synchronization. The study also found that Paytm exhibits better service quality in four dimensions than Phonepe: user-friendliness, customization, service assistance, and data synchronization. The study intends to help companies design their M-wallet and banks improve their e-service quality.

Chawla, Deepak; Joshi, Himanshu (2021). *“Degree of Awareness and the Antecedents of the Digital Media Platform: The Case of Mobile Wallets -2021”*.

Digitalization is transforming the economy and society, particularly the digital payment industry, with mobile wallets playing a crucial role. This article aim was to determine the degree of awareness associated with mobile wallets and their relationship with demographic variables and to build a logistic model to predict the attitudes toward mobile wallets. The study collected 744 responses using convenience and purposive sampling. Results revealed that 69% of respondents had high awareness levels of mobile wallets, and gender, occupation, and income significantly impact awareness levels. Further, the study found that awareness levels, perceived usefulness, trust, security, and lifestyle compatibility were strong and significant predictors of attitude towards mobile wallets. The predictive ability of the model stands at 89.11%, which provides a framework for academics to understand awareness, user behaviors, and attitudes related to mobile wallets. This study also guided mobile service providers to focus on essential factors impacting the adoption decision.

Banerjee A.K and Pradhan H.K (2022) - *“Influence of demographic profiles in the adoption of digital payment system in India: a multigroup invariance analysis 2022”*.

It discussed a study that targets 386 respondents to identify motivational factors that influence the adoption of digital payments among Indian consumers. The study examined how consumers perceive digital payment services based on demographic profiles of gender, age, education, and income levels. The study found that trust, subjective norm, perceived risk, ease of use, and usefulness are key predictors of digital payment adoption. Invariance analysis shows that there is scale non-invariance when consumers are segregated by gender and education. The study provided insights that can help policymakers and service providers design future strategies for wider acceptance of digital payments.

Rana Nripendra, et al., (2022) *“Assessing challenges to mobile wallet usage in India: an interpretive structural modeling approach”*.

The aim was to explore the important challenges facing the implementation of mobile wallets in India. Despite the increasing popularity of mobile-based payments, consumers in developing countries like India still prefer cash transactions. This study aimed to identify and examine the obstacles that hinder mobile wallet implementation in India. Due to the COVID-19 pandemic, mobile wallet payments have become necessary to prevent the spread of the virus through coins and paper money. The authors conducted surveys with 14 experts from private and public corporations that have experience implementing mobile payments. They also used Interpretive Structural Modelling (ISM) methodology to develop a hierarchical model of the identified challenges and employed Cross-Impact Matrix Multiplication Applied to Classification (MICMAC) analysis to classify them. They found that the lack of strong regulatory compliance was the most significant obstacle, and customer perception of the value of mobile wallets was the most dependent critical challenge.

Gupta and Ravi Kumar (2022) *“Adoption of mobile wallet services: an empirical analysis (2022)”*.

They have investigated the determinants of mobile wallet usage in India. Although the usage of mobile wallets is rapidly increasing worldwide, developing countries

like India face several challenges. Using data collected from 500 respondents in the Gorakhpur District of Uttar Pradesh, the paper applied regression, factor analysis, and structural equation modeling to examine the objectives of the study. The results showed that risk is a significant concern for users of mobile wallets in India, negatively influencing their usefulness, reasons, and purposes for usage. Simplification of mobile wallets and social influence positively affect users, highlighting the need for policymakers to address the challenges faced by mobile wallet users in developing economies like India.

Gupta Shelly et al., (2022) - *“What Explains the Adoption of Mobile Wallets? A Study from Merchants’ Perspectives 2022”*.

Their study aimed to understand the factors that impact merchants' intention to adopt mobile wallets since previous research on the subject is limited. They used a comprehensive model that combined several factors empirically tested using the PLS-SEM approach, including UTAUT, TTF, perceived trust, and price value. Data collected from 236 merchants in New Delhi, India, revealed that task-technology fit is the most important factor affecting the adoption of mobile wallets, followed by price value, perceived trust, performance expectancy, social influence, and facilitating conditions. Additionally, positive relationships were found between technology characteristics and task-technology fit and task characteristics and task-technology fit.

Rana, Nripendra P., Luthra, Sunil, and Rao, H.R. et al., (2022) - *“Assessing challenges to the mobile wallet usage in India: an interpretive structural modeling approach”*.

India is transitioning towards a cashless society, with traditional physical wallets being replaced by digital or mobile wallets. While mobile wallets are gaining popularity as a form of payment, consumers in developing countries, such as India, still rely heavily on cash for their daily transactions. This paper identified and evaluated the primary challenges associated with using mobile wallets in India. Eleven possible challenges are identified using an extensive review of existing literature and validated based on inputs from experts. The Interpretive Structural Modeling (ISM) technique is used to develop a structural framework that categorizes the identified challenges. The identified challenges are further classified using MICMAC analysis. This study reveals that "Lack of adequate infrastructure"

"Poor Internet penetration," "Highly fragmented economy," and "Lack of goal-oriented and clearly defined mobile wallet strategy" are the four main challenges impeding the widespread use of mobile wallets in India. This paper may assist policymakers, regulatory bodies, and banking executives in achieving greater usage of mobile wallets in India.

2.3 Conclusion

The study of literature emphasizes the growing relevance of digital payment systems in India, the important factors driving their adoption, and the problems that must be addressed to encourage their wider use. It provides significant insights for policymakers, researchers, and digital payment service providers.



CHPATER-3 CONCEPTUAL FRAMEWORK

3.1 Introduction

The widespread use of smartphones and advancements in Near Field Communication (NFC) technology is rapidly transforming global digital payment systems. This technology enables consumers to pay for their purchases through various modes of payment systems with their smartphones, thereby making it more convenient. Digital wallets have been designed to eliminate the need for carrying multiple debit and credit cards, thus making shopping more manageable. Notably, digital wallets represent a significant improvement in digital marketing, providing another approach for marketers to reach and serve customers with a more personalized experience. However, the full benefits of digital wallets for both businesses and consumers depend on how quickly they are adopted.

In India, demonetization has significantly boosted digital payments, allowing the government to implement various strategies to encourage a shift toward a cashless economy. The introduction of digital payments aims to control the flow of black money and counterfeit currency. With increasing smartphone usage, mobile payments are gaining importance in India. Digital wallets provide faster and easier payment modes than traditional payment methods, enabling traders to provide a better shopping experience, leading to improved business performance.

3.2 Evolution of Digital Payment in India

The evolution of digital payments in India has been rapid and transformative over the past decade. It is a result of several factors, including the government's push for a cashless economy and the rising popularity of smartphones, which has led to an exponential increase in internet penetration.

One of the most significant milestones in the evolution of digital payments in India was the introduction of the Unified Payments Interface (UPI) in 2016. The UPI is a real-time payment system that allows users to transfer money between bank accounts instantly. It has been a game-changer in the digital payments space, enabling seamless transactions through a simple virtual address.

Another significant evolution in digital payments in India has been the growing adoption of mobile wallets. Mobile wallets such as Paytm, Mobikwik, and PhonePe

have become increasingly popular among consumers, allowing them to make quick and secure payments for a range of goods and services. These wallets have also expanded their services to include digital lending, insurance, and wealth management, making them more appealing and useful for consumers.

The Indian government's demonetization move in 2016 further accelerated the shift toward digital payments. The move led to a shortage of cash, forcing consumers to adopt digital payments as a more convenient and reliable option. Additionally, the government's efforts to promote digital payments by offering incentives and subsidies to merchants who accept digital payments have been instrumental in driving the adoption of digital payments.

As a result of these developments, digital payments in India have become more accessible, convenient, and secure than ever before. The evolution of digital payments in India has revolutionized the way people transact and communicate and has paved the way for a more connected and cashless future.

3.3 Types of Digital Payments:

In the initial chapter, the definition and underlying concept of Digital Payment was explored. As previously mentioned, digital payments encompass various types. In this section, a concise and lucid overview of these different types was provided:

1. Banking Cards

This type of payment has been popular for decades. Banking cards come in the form of debit or credit cards, which are issued by banks or financial institutions. Customers can store their card information in their mobile wallets, which makes the use of purchases of goods and services convenient and fast. With the help of Banking Cards, you can make different digital transactions like Point of Sale (PoS)-Terminals, online transactions, and payment methods in mobile apps.

2. Unified Payment Interface (UPI)

UPI is a payment system established by the National Payments Corporation of India (NPCI) that enables real-time fund transfers between bank accounts using mobile devices. It was introduced on April 11, 2016, and regulated by the Reserve Bank of India. For using UPI services, users should have an active bank account and a mobile phone number linked to that account. UPI is a revolutionary system that has streamlined the payments environment in India by providing a single platform for all

types of transactions, including person-to-person (P2P), person-to-merchant (P2M), and bill payments.

3. Unstructured Supplementary Service Data (USSD)

USSD is a protocol that enables users to access mobile services using shortcodes. With USSD-based mobile banking, customers can use their mobile devices to access banking services by simply dialing a short code. This service is particularly useful for those who do not have a smartphone or access to the internet.

4. Immediate Payment Service (IMPS)

IMPS is a real-time interbank electronic funds transfer service introduced by the NPCI. IMPS users can transfer money instantly using their mobile devices or Internet banking. The service is available 24/7, and funds are transferred immediately from the sender's account to the receiver's account.

5. Real-Time Gross Settlement (RTGS)

RTGS is a system used for large-amount interbank funds transfers in India. RTGS enables banks to transfer funds in real-time on a gross basis, which means that each transaction is settled individually. The system is used for high-value transactions and is generally used by corporates and financial organizations.

6. National Electronic Funds Transfer (NEFT)

NEFT is a system used for electronic funds transfers between bank accounts in India. NEFT allows its users to transfer funds from any bank account to any other bank account in India, using Internet banking or mobile banking. The service is available at all bank branches in India and is typically used for low-value transactions.

7. Aadhaar Enabled Payment System (AEPS)

AEPS is a payment system that allows users to conduct banking transactions using their Aadhaar number and biometric authentication. AEPS enables its users to withdraw cash, deposit cash, and check their account balance using their Aadhaar number and fingerprint.

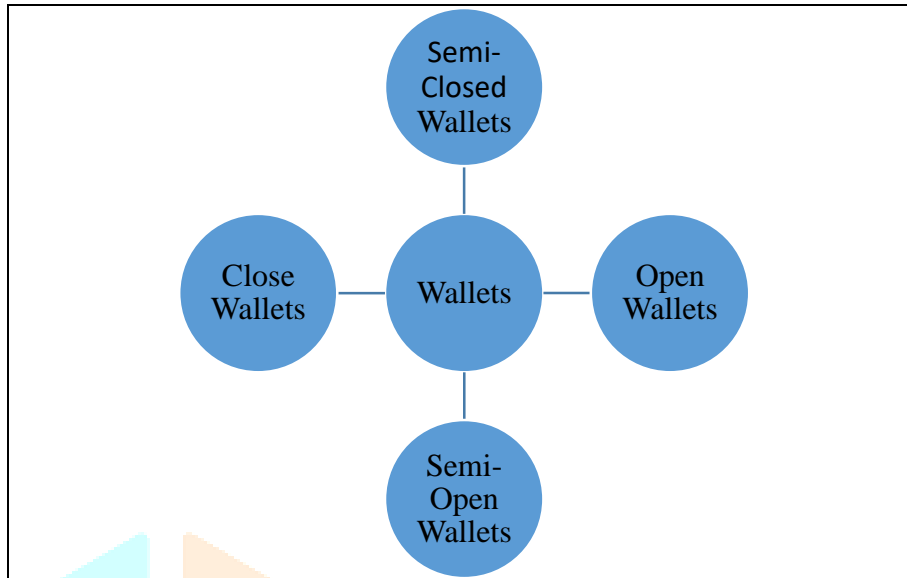
8. Mobile Banking

Mobile banking is a service that allows users to perform banking transactions using their mobile devices. Mobile banking services can be accessed using a mobile app or through a mobile browser. The service allows users to check their account balances, transfer money, pay bills, and complete other banking transactions using their mobile devices. Overall, these payment systems have transformed the payments landscape in India by enhancing user accessibility, security, and convenience.

3.4 Kinds of Mobile Wallets

The Reserve Bank of India used to issue prepaid instruments only to banks, but after the Payment and Settlement Act, of 2007, all non-banking operators that plan to issue prepaid payment services must approach the Reserve Bank of India. To ensure the smooth operation of wallets, the bank issued guidelines that clearly outline eligibility criteria and required conditions for the issuance of prepaid payment instruments. The Reserve Bank of India has classified digital wallets into three classes depending on their operating and usage capabilities: open, closed, semi-open, and semi-closed wallets.

Figure 3.1 Reserve Bank of India Classification of M-Wallets:



Source: Created by Author

1. Open Wallets: An open wallet is a digital e-wallet that enables peer-to-peer transactions and allows users to make purchases without any restrictions on the merchant or the type of transaction. For example, a credit card can be used to make purchases at any store that accepts credit cards. These wallets are also known as full-KYC (Know Your Customer) wallets and need verification of user identity. The maximum amount that can be kept in these wallets is Rs. 1 Lakh, and they can be used to pay for various utilities such as mobile recharge, restaurant bills, travel tickets, and more. In addition, these wallets allow their customers cash withdrawals at ATMs.

Examples: Google Pay, ICIC Pocket, M-pesa by Vodafone, etc.

2. Semi-Open Wallets: Semi-open wallets are wallets that allow users to purchase goods and services but do not allow the withdrawal of funds. To use a semi-open wallet, users must first add funds, which can be used for any transaction made through the mobile wallet.

3. Semi-Closed Wallets: A semi-closed payment system is a combination of both closed and open payment systems. It can be used for transactions with specific merchants or brands, but can also be used for transactions with other merchants who have agreements with the payment system provided. Semi-closed wallets have restrictive functionalities compared to open wallets. These wallets are issued by banks and authorized non-bank entities to enable transactions of goods and services, but they cannot be used to withdraw cash. Users can only use them within the

network of merchants that are affiliated with the wallet provider. They also require KYC verification, but the maximum amount that can be kept in these wallets is Rs. 20,000. For example, a mobile wallet service can be used to make payments at a certain chain of stores, but can also be used at other stores that have agreements with the mobile wallet provider.

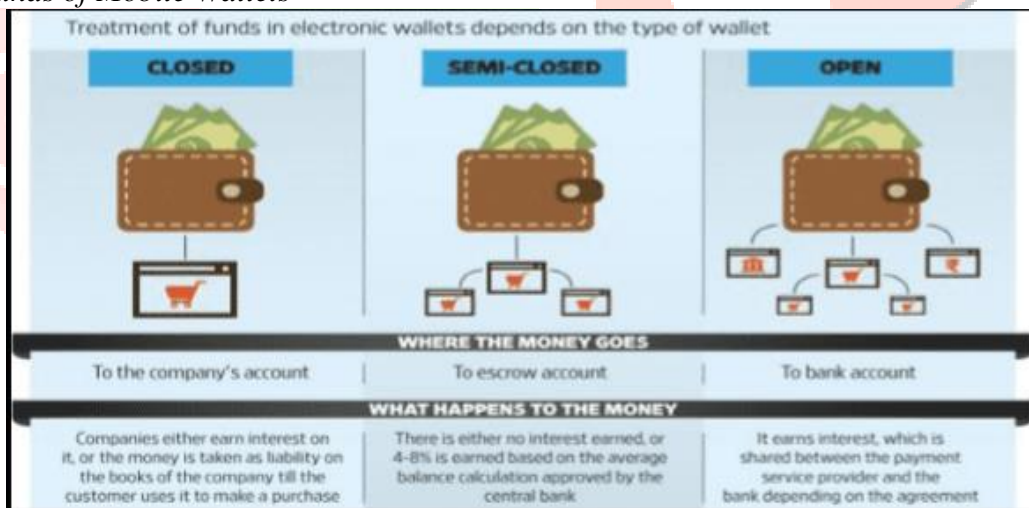
Examples: Paytm, Freecharge, Mobikwik, PhonePe

4. Closed Wallets: A closed payment system is one in which the payment can be used only for transactions with a specific merchant or brand. For example, a gift card for a particular store can only be used for purchases in that store or online shops. These wallets can only be used to buy specific goods and services sold by the entity that issues them. For example, some closed wallets are used for making online purchases on e-commerce websites, buying movie tickets, or booking hotels. The maximum amount that can be kept in these wallets is Rs. 10,000. Like semi-closed wallets, you cannot withdraw cash through these wallets.

Examples: Flipkart.com, Jabong.com, MakeMyTrip.com, Amazon Pay

Figure 3.2

Kinds of Mobile Wallets



Source: Mint Research

3.5 Commonly Used Mobile Wallets

3.5.1 PhonePe

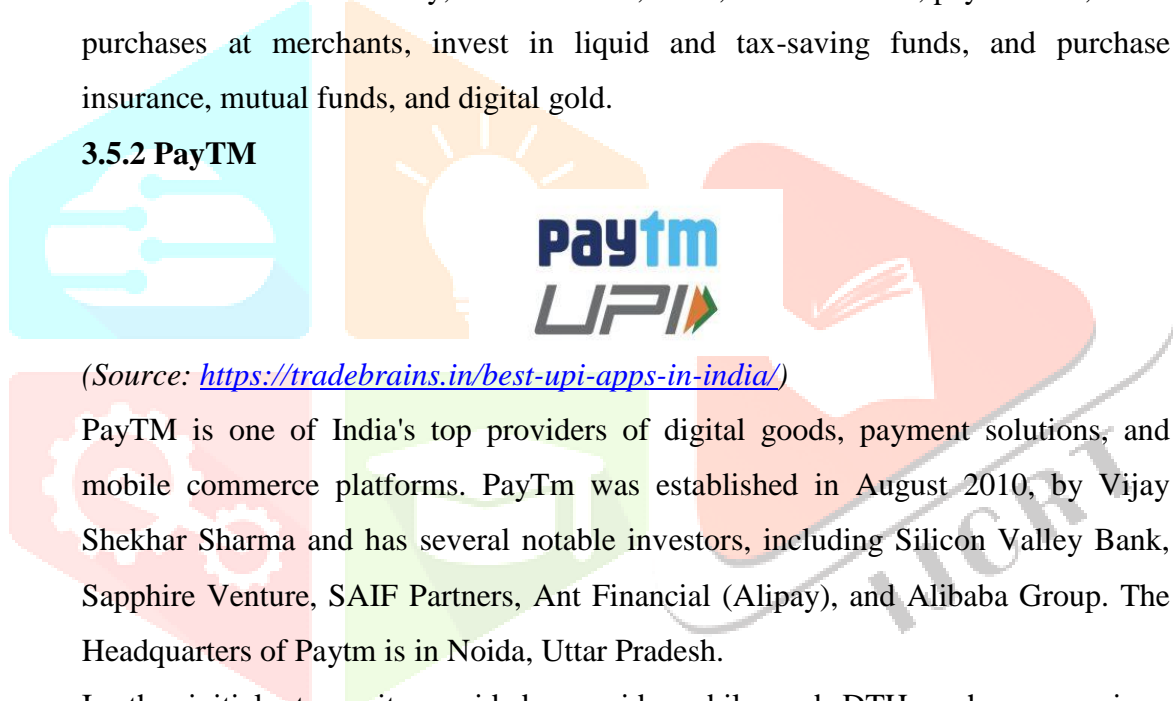


(Source: <https://tradebrains.in/best-upi-apps-in-india/>)

PhonePe is known as the first Unified Payment Interface. Sameer Nigam, Rahul Chari, and Burzin Engineer launched PhonePe in December 2015. Its Headquarters is in Bangalore, India. In the year 2016, it had 10 million users and currently, it has over 44 crore registered users, out of which 20 crores are monthly active users. By handling the most UPI transactions during the month, PhonePe maintained its top spot. In February 2023, it completed 46.71% of all UPI transactions, or 351.9 Cr, for a total of INR 6.2 Lakh Cr throughout the time under consideration.

There are 11 Indian languages represented in the PhonePe app. Users of PhonePe can send and receive money, reload mobile, DTH, and data cards, pay utilities, make purchases at merchants, invest in liquid and tax-saving funds, and purchase insurance, mutual funds, and digital gold.

3.5.2 PayTM



(Source: <https://tradebrains.in/best-upi-apps-in-india/>)

PayTM is one of India's top providers of digital goods, payment solutions, and mobile commerce platforms. PayTm was established in August 2010, by Vijay Shekhar Sharma and has several notable investors, including Silicon Valley Bank, Sapphire Venture, SAIF Partners, Ant Financial (Alipay), and Alibaba Group. The Headquarters of Paytm is in Noida, Uttar Pradesh.

In the initial stage, it provided prepaid mobile and DTH recharge services. Currently, it is available in 11 Indian languages. Paytm can be used to pay for mobile recharges, utility bills, movie and event tickets, travel, parking tolls, gasoline stations, and pharmacies, among other things, using a QR code or an OTP generated within the app itself without an internet connection.

The platform for payments lets you fund your virtual wallet and use it to make cashless purchases of a variety of goods and services.

3.5.3 Google Pay



(Source: <https://tradebrains.in/best-upi-apps-in-india/>)

On 2 August 2018, Google rebranded its Tez payment application as Gpay. Within two years of its launch in India, Google Pay increased to 67 million active users monthly. The main benefit of this Google Play application is that, unlike other mobile wallet payment apps, it does not request users' usernames or telephone numbers. Google Pay instead utilizes audio QR codes. Users are not required to keep money in the app to make payments. It merely functions as an addition to the user's bank account with the use of a UPI pin, enabling users to send money and complete transactions. The number of transactions on Google Pay has dramatically increased, going from 3 billion in August 2016 to 4127 billion in August 2017. The total annual transaction volume for Google Pay is \$81 billion. In India, 1.2 million enterprises and 25 million users use GPay now.

3.5.4 Amazon Pay



(Source: <https://tradebrains.in/best-upi-apps-in-india/>)

In 2016, Amazon began its operations in India as a prepaid wallet service, and soon 2016, it launched its Amazon Pay UPI in India. The director of Amazon Pay in India is Vikas Basal.

Users may simply pay for their daily transactions using Amazon Pay UPI, including recharge and bill payments, without having to enter their bank or debit card information each time.

On April 2020, Amazon Pay India launched a credit service and enable its customers a monthly installment payment. According to MINT reports, Amazon Pay increased the number of its users up to 50 million.

3.5.5 YONO SBI



(Source: <https://seekhofinance.live/digital-wallets-upi-apps-india/>)

YONO is a mobile application offered by the State Bank of India. It was launched on 24 November 2017. The abbreviation of YONO stands for “You Only Need One”.

State Bank of India's YONO is an integrated digital banking platform that offers customers access to a range of financial and non-financial activities like online shopping, paying medical bills, and booking flights, trains, buses, and taxis. In addition, through YONO, you can manage your ATM card, manage your account request for loans, withdraw from ATM, etc. By 2022, the monthly active users of YONO, increased to 54 million.

3.6 Common Services Provided by Mobile Wallets

Money transfer: Users of mobile wallets can send money to other users, merchants, or banks. This service is convenient because the process may be done in a matter of seconds.

Bill payments: Users can use mobile wallets to pay their energy bills, mobile recharge, DTH recharge, internet bills, and other bills. This solution eliminates the need to contact billing agencies or banks.

Ticket booking: Mobile wallets allow you to book train tickets, movie tickets, flight tickets, and other types of tickets. Users may order tickets instantaneously without having to wait in large lines.

QR code payments: QR codes are used to complete transactions in mobile wallets. Users can pay for goods and services by scanning the QR codes of businesses or sellers. This service is safe because each payment creates a unique code.

Cashback and rewards: Mobile wallet providers are offering their users cashback and reward points. Users can redeem these points for discounts or other services.

Investment services: Some mobile wallets offer investment services to users. Users can invest in mutual funds, stocks, and other financial instruments using their mobile

wallets.

Loan services: A few mobile wallets provide users with lending services. Users can apply for loans through their mobile wallets and receive fast approval.

Balance Checking: This services will help the users to be aware of their account balance and based on that users can track their budget.

Buy Now Pay Later: This service allows users to purchase items and pay for them later instead of at the moment of purchase. Various mobile wallets, including Amazon Pay, PayTm, and PhonePe provide this feature. Users can choose this option at the checkout to pay for their products in installments over time. It is a widely used service in the country, particularly for major purchases such as electronics and household appliances.

3.7 Factors Lead to Mobile Payment Apps Preferences

3.7.1 Perceived usefulness:

This variable assists in determining how a person sees the usefulness of a digital wallet in their daily life. People may utilize digital wallets differently depending on how simple they perceive them to be to use. This variable is highly useful for learning more about how users interact with a system. It may be influenced by factors such as convenience, security, and transaction speed.

3.7.2 Perceived ease of use:

This variable describes how simple people believe it is to utilize digital wallets. This study uses certain related questions to investigate how comfortable consumers are using a digital wallet. This variable aids in determining the users' pleasure, positivism, and expectations for mobile wallets while the survey has conducted. Factors such as the user interface, user experience, and familiarity with mobile technology could all have an impact.

3.7.3 Attitude towards technology:

This variable helps to understand the attitude and perception of people toward new technology adoption. In addition, it measures the level of awareness of technology usage. It helps to understand the digital literacy of youth. Factors influencing this variable are education level, socioeconomic situation, innovativeness, or technology exposure.

3.7.4 Social influence:

This variable relates to the influence of peers, family, or other social groupings on digital wallet adoption. It discusses whether someone influences individuals or not while choosing a digital payment. Social norms, peer pressure, or family pressures may influence this variable.

3.7.5 Perceived Risk:

Security is vital for everyone, especially while using any online system. This variable aids in the investigation of user security when using a digital wallet to make a purchase. Information misuse and leakage are also possibilities. This study involves obtaining information on security concerns when using mobile wallets for payment. It may be influenced by factors such as the possibility of fraud, privacy issues, or security problems.

3.8 Challenges Faced by Users of Mobile Wallets

Limited Acceptance: As mobile wallets are increasing very fast, some merchants may not accept all types of mobile wallets. This may limit their usefulness for users who need to pay for goods and services at these locations.

Security Concerns: Mobile wallets store sensitive financial data, such as credit card or bank account details. Financial information may be compromised if a user's phone is lost or stolen. Furthermore, there is always the risk of data breaches or hacking attacks.

Technical Issues: Mobile wallets rely on technology, which may not function properly sometimes. For example, if a user's phone battery dies or they are in an area with poor internet connectivity, they may be unable to use their mobile wallet to make a payment.

Fund and Transaction Limit: While mobile wallets can be useful for making payments, they may not offer the same features as physical wallets. For example, some mobile wallets have a certain limit that you can use in a month.

Lack of Digital Literacy: Even though mobile wallets increasing in popularity, still some users may be hesitant to utilize mobile wallets due to unfamiliarity or security concerns. This may limit their usefulness and reach.

CHAPTER-4

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter deals with the analysis and discussions related to the usage of Digital Payment Methods among youth in Calicut Districts. To achieve the study's objectives, specific hypotheses have been formulated based on the selected variables in the methodological design. Furthermore, Percentage Analysis, Mean, Standard Deviation, Independent Sample 't' test, One-way ANOVA were used to analyze the data appropriately. The results are presented in upcoming sections.

Objective No.1

To understand the most commonly used Digital Payment Method and to check the cross-tabulation with the frequency of usage.

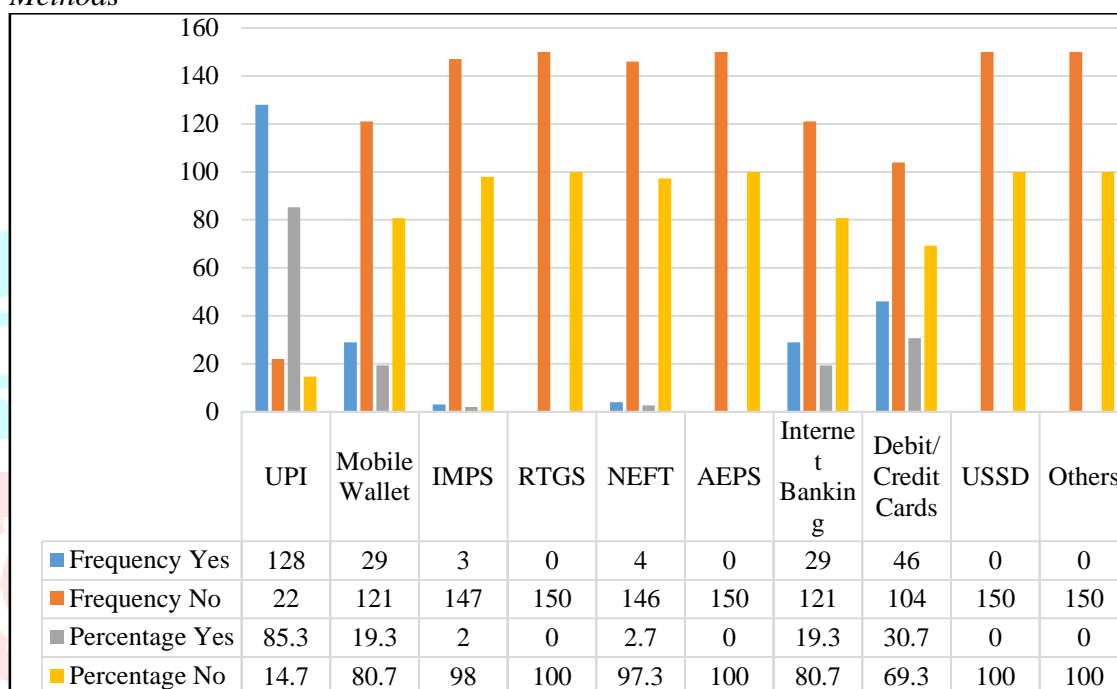
In the below table cross-tabulation is used, to determine the relationship between utilizing Digital Payments and their frequency of usage.

Table 4.1 Most Commonly Used Digital Payment Methods

Digital Payment Method	Frequency		Percent	
	Yes	No	Yes	No
UPI	128	22	85.3	14.7
Mobile Wallet	29	121	19.3	80.7
IMPS	3	147	2	98
RTGS	0	150	0	100
NEFT	4	146	2.7	97.3
AEPS	0	150	0	100
Internet Banking	29	121	19.3	80.7
Debit/Credit Cards	46	104	30.7	69.3
USSD	0	150	0	100
Others	0	150	0	100

Source: Primary Data

Figure 4.1 Graphical Representations of Most Commonly Used Digital Payment Methods



Source: Primary Data

Interpretation:

Table 4.1 presents the findings related to the prevalence of Digital Payment Methods commonly used. The data indicates that UPI (Unified Payments Interface) is the most frequently employed method, with 85.3% (128) of the respondents utilizing it. Following UPI are Debit and Credit Cards, used by 30.7% (46) of the respondents. On the other hand, payment methods such as AEPS (Aadhaar Enabled Payment System), RTGS (Real-Time Gross Settlement), USSD (Unstructured Supplementary Service Data), etc., showed no usage among the selected sample respondents for this study.

Table 4.2 represents the frequency of commonly used Digital Payment Methods, categorized into daily, weekly, monthly, and rarely:

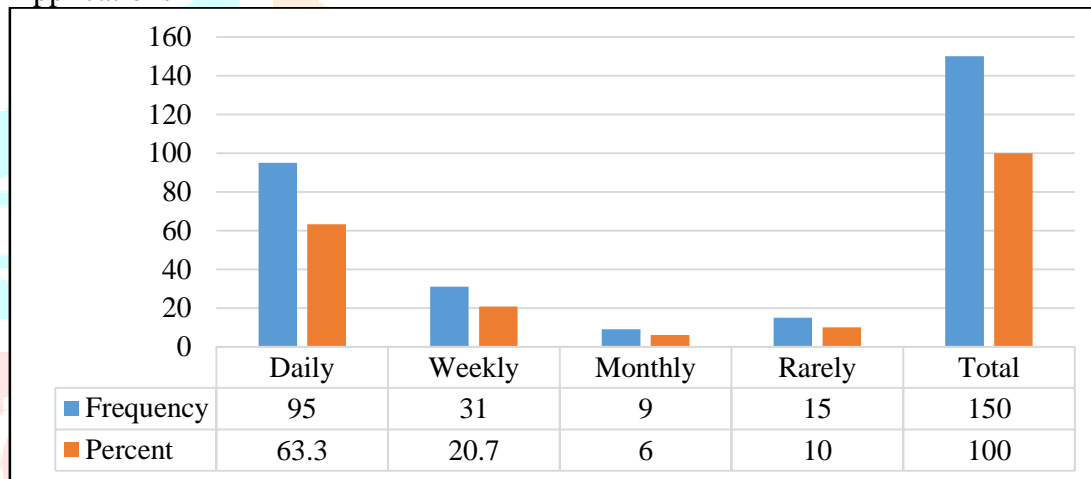


Table 4.2 Frequency of Usage of Mobile Payment Applications

Frequency of Usage	Frequency	Percent
Daily	95	63.3
Weekly	31	20.7
Monthly	9	6.0
Rarely	15	10.0
Total	150	100.0

Source: Primary Data

Figure 4.2 Graphical Representation of Frequency of Usage of Mobile Payment Applications



Source: Primary Data

Interpretation:

Table 4.2 shows that 63.3% of the respondents use the Digital Payment System daily, 20.7 % weekly, 6% monthly, and 10% of the respondents use digital payments rarely. It means most of the respondents used digital payment methods on a daily basis.

Cross-tabulation between Most Commonly used Digital Payment Methods and Frequency of Usage

In the table below, cross-tabulation is utilized to find out the relationship between the most frequently used digital payment methods and the frequency of their usage.

Table 4.3 Cross-tabulation between Most Commonly used Digital Payment Methods and Frequency of Usage

Most Commonly used Digital Payment Methods	Frequency of Usage							
	Daily		Weekly		Monthly		Rarely	
	Yes	No	Yes	No	Yes	No	Yes	No
UPI	84%	11%	27%	4%	7%	2%	10%	5%
Mobile Wallet	18%	77%	5%	26%	3%	6%	3%	12%
IMPS	3%	92%	0%	31%	0%	9%	0%	15%
NEFT	3%	92%	1%	30%	0%	9%	0%	15%
Internet Banking	20%	75%	7%	24%	1%	8%	1%	14%
Debit/Credit Cards	32%	63%	9%	22%	3%	6%	2%	13%

Source: Primary Data

Interpretation:

According to the above data presented in the table, UPI stands out as the most frequently utilized digital payment method on a daily basis. Following closely are mobile wallets, Internet Banking, and Debit/Credit cards. Additionally, IMPS and NEFT are employed by customers on a weekly, rather than daily, basis.

Objective No.2

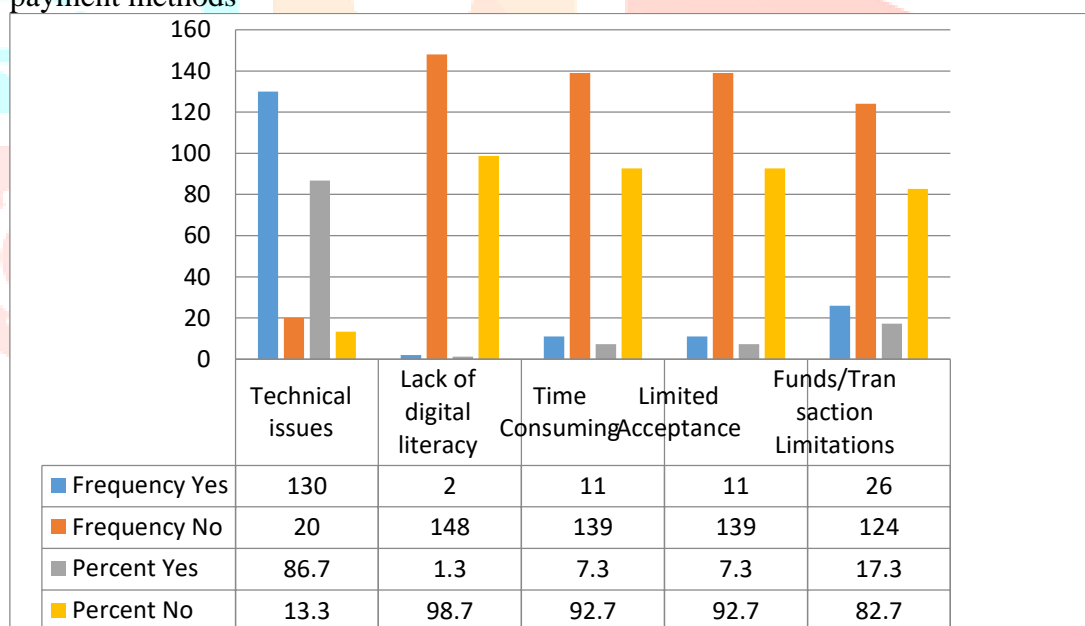
To identify the challenges faced by youth regarding digital payment methods and to check the cross-tabulation with period of usage.

Table 4.4 Challenges Faced by youth regarding digital payment methods

Challenges	Frequency	Percent	Frequency	Percent
	Yes	Yes	No	No
Technical issues	130	86.7	20	13.3
Lack of digital literacy	2	1.3	148	98.7
Time-Consuming	11	7.3	139	92.7
Limited Acceptance	11	7.3	139	92.7
Funds/Transaction Limitations	26	17.3	124	82.7

Source: Primary Data

Figure 4.3 Graphical Representation of Challenges Faced by youth regarding digital payment methods



Source: Primary Data

Interpretation:

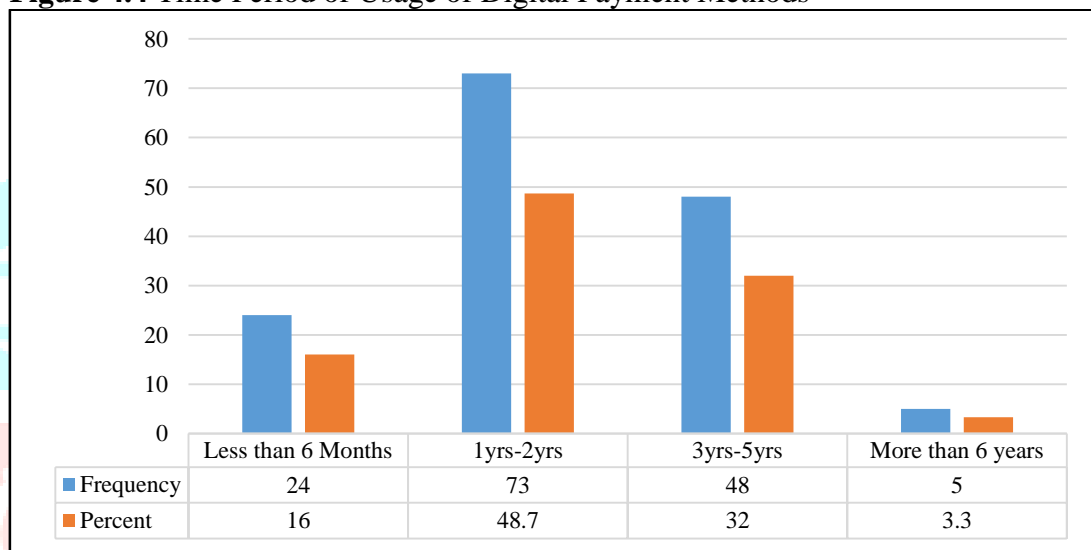
According to the table 4.1, 86.7% of the respondents faced technical issues, 1.3% lacked digital literacy, 7.3% experienced challenges related to time-consuming and limited acceptance, and 17.3% encountered issues with funds or transaction limitations while using digital payment methods. The result also presents in the below specified graphical presentation.

Table 4.5 Time Period of Usage of Digital Payment Methods

Period of Usage of Digital Payment Method	Frequency	Percent
Less than 6 Months	24	16.0
1yrs-2yrs	73	48.7
3yrs-5yrs	48	32.0
More than 6 years	5	3.3
Total	150	100.0

Source: Primary Data

Figure 4.4 Time Period of Usage of Digital Payment Methods



Source: Primary Data

Interpretation:

Table 4.5 denotes the result of a period of usage of Digital Payment Methods. Most of the respondents have been using the same services from 1 year to 2 years (48.7%). The rest of them have been using the same methods from 3 years to 5 years (32%). A few of them have been using these services for more than 6 years (3.3%). The result is also presented the in graph specified below.

Cross-tabulation between challenges faced while using digital payment methods and the time period of usage of this method.

In the table below, cross-tabulation was employed to ascertain the relationship between the utilization of digital payment methods and the duration for which these methods have been used.

Table 4.6 Cross-tabulation between challenges faced while using digital payment methods and the period of using this methods:

Challenges	Period of Usage							
	Less than 6 months		1yrs-2 years		3yrs-5yrs		More than 6 yrs.	
	Yes	No	Yes	No	Yes	No	Yes	No
Technical issues	18	6	63	10	45	3	4	1
Lack of digital literacy	0	24	1	72	1	47	0	5
Time-Consuming	3	21	7	66	1	47	0	5
Limited Acceptance	0	24	7	66	2	46	2	3
Funds/Transaction Limitations	5	19	12	61	9	39	0	5

Source: Primary Data

Interpretation:

Table 4.6 displays the Cross-tabulation results, illustrating the relationship between challenges faced when using digital payment methods and the duration of method usage. Among customers with 1-2 years of experience using Digital Payment Methods, technical problems emerge as the primary challenges. Conversely, challenges such as insufficient digital literacy, time consuming process, limited acceptance, and fund transfer limitations appear to be less challenged when evaluated based on the duration of Digital Payment Method usage.

Objective No.3

To check the status of the usage of Mobile Payment Applications among youth and to study the cross-tabulations with the amount spent for making transactions (per week)

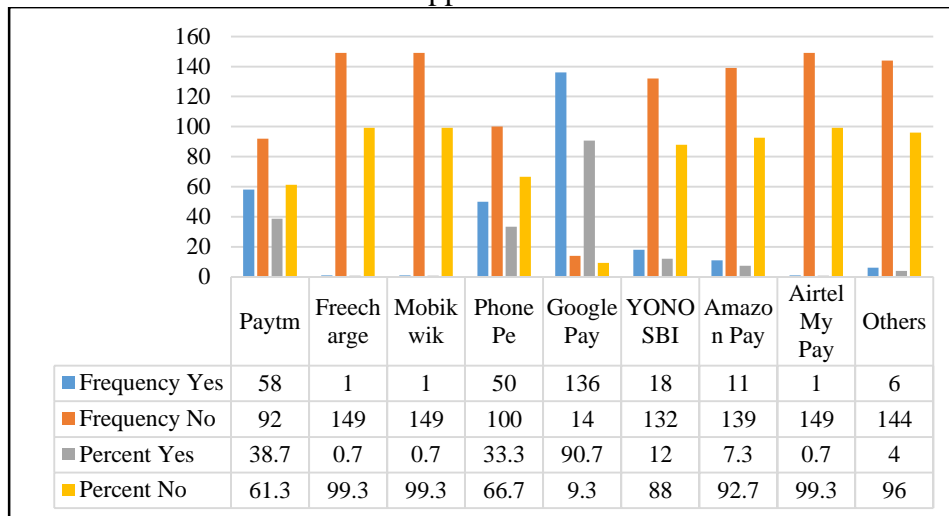
Here, cross-tabulation is utilized to explore the relationship between the statuses of usage of Mobile Payment Applications and the amount spent on transactions per week

Table 4.7 Current Status of Usage Mobile Payment Applications

Mobile Payment Applications	Frequency	Percent	Frequency	Percent
	Yes	Yes	No	No
PayTM	58	38.7	92	61.3
FreeCharge	1	0.7	149	99.3
Mobikwik	1	0.7	149	99.3
PhonePe	50	33.3	100	66.7
Google Pay	136	90.7	14	9.3
YONO SBI	18	12.0	132	88.0
Amazon Pay	11	7.3	139	92.7
Airtel My Pay	1	0.7	149	99.3
Others	6	4.0	144	96.0

Source: Primary Data

Figure 4.5 Graphical Representation of Current Status of Usage of Mobile Payment Applications



Source: Primary Data

Interpretation:

Based on the results, Google Pay emerges as the most commonly used Mobile Payment Application, with a remarkable 99.3% of respondents using it regularly or frequently. Following closely, PayTM is the second most frequently used Mobile Payment Application, with a usage index of 38.7%. On the other hand, FreeCharge, Mobikwik, and Airtel My Pay are observed to be rarely used Mobile Payment Applications. These results are visually presented in the graph below.

Table 4.8 Amount Spent for making the transactions (per week) through Mobile Payment Applications

Amount spent (per week)	Frequency	Percent
Less than Rs.500	69	46.0
Rs.500-Rs.1000	58	38.7
Rs.1,000-Rs.5,000	20	13.3
Rs.6,000-Rs.10,000	1	0.7
More than Rs.10,000	2	1.3
Total	150	100.0

Source: Primary Data

Interpretation:

In Table 4.8, the data regarding payment per week through Mobile Payment Applications is presented. Since a majority of the respondents are students, most of them are spending less than Rs. 500 per week for their payments through mobile

payment applications. Additionally, 38.7% of the respondents are spending between Rs. 500 and Rs. 1000, while 13.3% are spending between Rs. 1000 and Rs. 5000. Only a small percentage of respondents, 0.7%, are spending between Rs. 6000 and Rs. 10,000, and 1.3% is spending more than Rs. 10,000 per week.

Cross-tabulation between Current status on usage of Mobile Payment Applications and amount spend for making transactions (per week).

In the below table the cross-tabulation is used to determine the relationship between current status of utilizing Mobile Payment Applications and amount spend on making transactions.

Table 4.9 Cross-tabulation between the Current status of usage of Mobile Payment Applications and the amount spend for making transactions (per week)

Current Status of Usage of MPA	Amount spend for making transactions									
	Less than 500		Rs. 500 to Rs. 1000		Rs. 1000 to Rs. 5000		Rs. 6000 to Rs. 10000		More than 10000	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
PayTM	24	45	27	31	6	14	1	0	0	2
Freecharge	0	69	0	58	1	19	0	1	0	2
MobiKwik	0	69	0	58	1	19	0	1	0	2
PhonePe	15	54	25	33	7	13	1	0	2	0
Google Pay	64	5	52	6	18	2	1	0	1	1
YONO SBI	6	63	7	51	4	16	1	0	0	2
Amazon Pay	4	65	4	54	2	18	1	0	0	2
Airtel My Pay	1	68	0	58	0	20	0	1	0	2
Others	3	66	2	56	1	19	0	1	0	2

Source: Primary Data

Interpretation:

Table 4.9 presents the findings of a cross-tabulation analysis concerning the current usage status of Mobile Payment Applications and the corresponding weekly transaction expenditure. The data indicates that a majority of the respondents allocate their funds for transactions through platforms like Google Pay, Paytm, and PhonePe. On the other hand, lesser transaction amounts are associated with the usage of Freecharge, MobiKwik, Amazon Pay, Airtel Money, and YONO SBI.

Objective No.4

To analyze the services used by the respondents with regard to payment Applications and to understand the factors which prompt them to use the Applications.

Table 4.10 Services Used by the Respondents with Regard to mobile payment Applications

Services	N	Mean	Std. Deviation
Online shopping	150	2.10	1.360
Retail shopping	150	2.37	1.363
Booking ticket (plane, train, bus, cinema)	150	2.53	1.496
Bill payment (recharge, electricity, DTH, etc.)	150	2.19	1.469
Transfer to bank/friends	150	1.94	1.307
QR code payments	150	1.95	1.289
Cashback and Rewards	150	2.49	1.389
Investment services	150	3.30	1.583
Loan services	150	3.42	1.594
Buy Now Pay Later	150	3.34	1.638

Source: Primary Data

Interpretation:

The table above provides insights into the services utilized by the respondents concerning Mobile Payment Applications. The descriptive statistics, including mean and standard deviation, reveal that online shopping, retail shopping, booking tickets, bill payment, transfer to bank/friends, QR code payment, and cashback are considered fairly important services used by the respondents. On the other hand, investment services, loan services, and Buy Now Pay Later fall under the category of "Important" services, indicating a lower level of importance compared to the previously mentioned services.

In this context, descriptive statistics such as the Mean and Standard Deviation are employed to measure the factors leading to the usage of Mobile Payment Applications.

Table 4.11 Factors that Prompt to Use Mobile Payment Applications

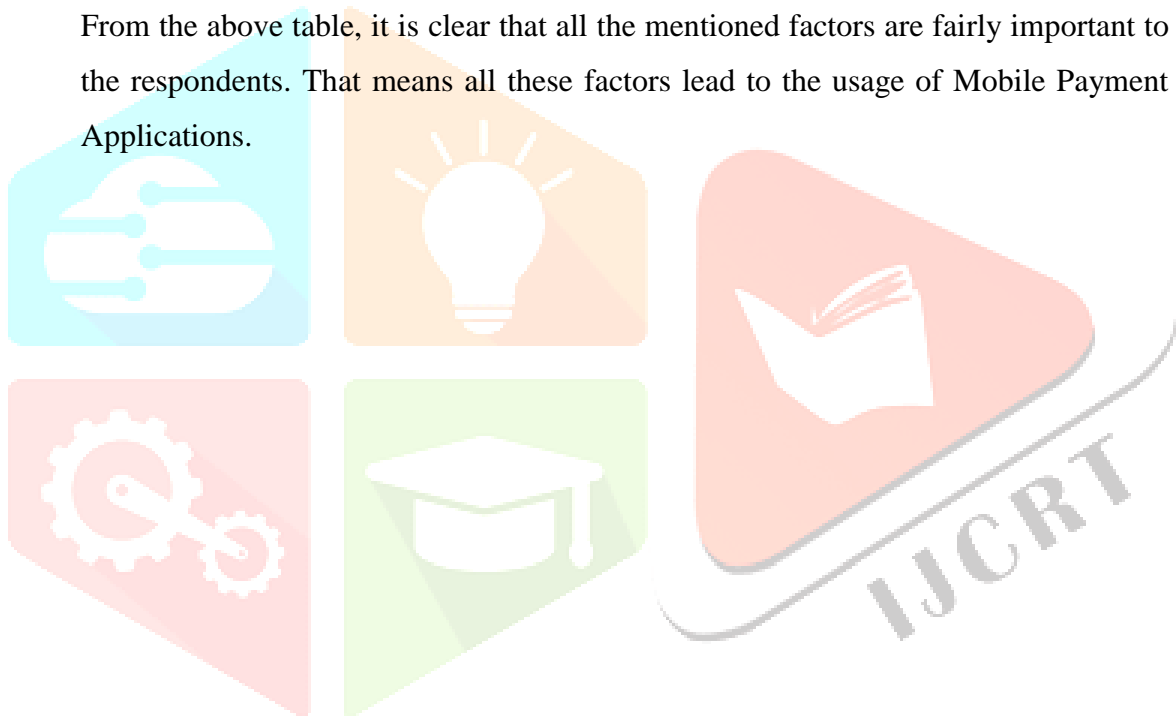
Factors:	N	Mean	Std. Deviation
Security and Safety	150	2.00	1.147
Convenience	150	1.91	1.172

Time-Saving	150	1.87	1.180
Rewards and Discounts	150	2.45	1.261
Easy and Trustable	150	2.23	1.255
User interface	150	1.98	1.020
Security measures	150	2.04	0.947
Availability of payment options	150	1.89	1.114
Loyalty points	150	2.43	1.217

Source: Primary Data

Interpretation:

From the above table, it is clear that all the mentioned factors are fairly important to the respondents. That means all these factors lead to the usage of Mobile Payment Applications.



Objective No.5

To measure the usage preferences of Mobile Payment Applications.

Here descriptive statistics such as the Mean and Standard Deviation are used to measure the usage preference of Mobile Payment Applications.

Table 4.12 Usage Preference of Mobile Payment Applications

Variables	N	Mean	Std. Deviation
Mobile payment systems help me to make my payments faster	150	4.39	.882
Mobile payment systems are simple to learn	150	4.29	.830
Friends/family suggestions will affect my decision to use MW	150	3.67	1.021
My doubts regarding the use of digital payment systems are solved with the help of a support line	150	3.63	1.065
Using MW services is exciting and enjoyable	150	3.82	.963
MW meets my need & expectation regarding quality & performance	150	3.84	.949
I will recommend MW to my friends, relatives & colleague	150	3.93	.997
I feel I overspend a lot while using mobile payments.	150	3.84	1.130
It is too time-consuming to sign up for the first time	150	3.33	1.167
I am fearful while using digital payment systems, as the third party might get access to my account information	150	3.47	1.091
I can transfer money to anyone, anytime, which makes me satisfied with MW	150	4.11	.942
I will keep on using MW	150	4.05	.954
I would use the cash payment system for a longer time than any other payment system	150	3.63	1.162

Source: Primary Data

Interpretation:

The most prioritized usage preferences, with the highest mean score above 4, include faster features, simple characteristics, speedy transfer, and the overall

intention of using Mobile Payment Applications. Variables like recommendations, support line, and satisfaction receive an intermediate preference, indicated by a mean score between 3.5 and 4. However, time-consuming processes and security-related concerns are the least preferred variables, with a mean score below 3.5.

Comparison of Usage Preference according to the demographic profile of the respondents

To measure the usage preference of the Mobile Payment Application, 13 statements are considered, along with the demographic profiles of the respondents, including age, gender, occupation, and income level. To compare the significant mean difference in usage preference based on demographic profiles, the statistical techniques of Independent Sample 't' test and One-way ANOVA are employed. The following hypothesis is formulated and tested based on the specified variables.

H0: There is no significant difference in the usage preference of Mobile Payment Applications according to gender, age, occupation, and income level.

H1: There is a significant difference in the usage preference of Mobile Payment Applications according to gender, age, occupation, and income level.

Comparison of Usage Preference According to the Gender of the Respondents

Here the factor variable is the gender and the continuous variable is the usage preference. Gender is categorized into two groups: male and female. Since we have two categories, the Independent Sample 't'-test is applied to compare the mean difference of the Usage Preference between these two gender groups.

The Hypotheses is formulated and it is given below:

H0: There is no significant difference in the usage preference of Mobile Payment Application according to gender.

H1: There is significant difference in the usage preference of Mobile Payment Application according to gender.

Table 4.13 Comparison of Preference of Usage according to the Gender of the Respondents

Gender	Preference for Usage of Mobile Payment Applications				
	Frequency	Mean	Std. Deviation	't' value	'p' value
Female	90	3.8162	.72185	.634	.527
Male	60	3.8872	.58608		

Source: Primary Data

Interpretation:

The Independent Sample 't'-test was used to compare the usage preference of Mobile Payment Applications based on the gender of the respondents. The calculated p-value is 0.527, which is greater than the significance level of 0.05. Therefore, we fail to reject the null hypothesis at the 5% level of significance, with a test value of 0.634. Consequently, there is no significant difference in user preference between male and female respondents. This suggests that both males and females exhibit the same level of user preference for Mobile Payment Applications.

Comparison of Preference of usage according to the Age of the respondents

In this scenario, the factor variable is age, and the continuous variable is user preference. The respondents' age groups are categorized into three: 18-21, 22-25, and 26-29. With three categories, we utilize a One-way ANOVA to compare the mean difference of the Usage Preference across these age groups.

The Hypotheses is formulated and it is given below:

H0: There is no significant difference in the usage preference of Mobile Payment Application according to age groups.

H1: There is significant difference in the usage preference of Mobile Payment Application according to age groups.

Table 4.14 Comparison of preference of usage according to the Age groups of the respondents

Preference of Usage of Mobile Application (Dependent Variable)					
Age groups	Frequency	Mean	Std. Deviation	'f' value	'p' value
18-21	33	3.7902	.79413	.212	.809
22-25	93	3.8478	.63867		
26-29	24	3.9071	.62286		
Total	150	3.8446	.66968		

Source: Primary Data

Interpretation:

In the table provided, One-way ANOVA was employed to compare the level of user preference for Mobile Payment Applications based on the age of the respondents. The calculated p-value is 0.809, which exceeds the significance level of 0.05. As a result, we fail to reject the null hypothesis at the 5% level of significance, with a test

value of 0.212. Hence, there is no significant difference in user preference among the different age groups of the respondents. This indicates that the level of preference for Mobile Payment Applications remains the same across all categories of age groups.

Comparison of Preference of usage according to the Occupation level of the respondents.

In this scenario, the factor variable is the Occupation level, and the continuous variable is the user preference. The Occupation level is categorized into five groups: Students, Unemployed, Employed, Self-Employed, and Others. With multiple categories in the Occupation level, the appropriate statistical test used to measure the mean differences of the Usage Preference is One-way ANOVA.

The Hypotheses is formulated and it is given below:

H0: There is no significant difference in the usage preference of Mobile Payment Application according to Occupation level.

H1: There is significant difference in the usage preference of Mobile Payment Application according to Occupation level.

Table 4.15 Comparison of Preference of usage according to the Occupation level of the respondents

Preference of Usage of Mobile Application (Dependent Variable)					
Occupation level	N	Mean	Std. Deviation	'f' value	'p' value
Student	130	3.8065	.67701	1.317	.271
Unemployed	3	3.8462	.60079		
Employed	12	4.1923	.58537		
Self Employed	5	4.0000	.60079		
Total	150	3.8446	.66968		

Source: Primary Data

Interpretation:

Table 4.15 exhibits the result of One-way ANOVA used to compare the significant difference in the mean score of usage preference of Mobile Payment Applications based on different occupation statuses. The table indicates that there is no significant difference in the mean scores of usage preference among respondents with different occupation statuses, with a 'p-value' of 0.271 and an 'f' value of 1.317. This implies

that all respondents, regardless of their occupation statuses, exhibit the same level of user preference for Mobile Applications.

Comparison of Preference of usage according to the Income level of the respondents.

To assess the usage preference among respondents under different income levels, a One-way ANOVA test is applied. This factor variable comprises six option-based questions representing income brackets: below 25,000, 25,000-50,000, 51,000-75,000, 76,000-100,000, above 100,000, and no income. The results are presented below.

The Hypotheses is formulated and it is given below:

H0: There is no significant difference in the usage preference of Mobile Payment Application according to Income level.

H1: There is significant difference in the usage preference of Mobile Payment Application according to Income level.

Table 4.16 Comparison of Preference of usage according to the Income level of the respondents

Preference of Usage of Mobile Application (Dependent Variable)					
Income Level	N	Mean	Std. Deviation	'f' value	'p' value
No Income	28	3.9038	.76168	.330	.894
Below 25,000	83	3.7905	.64887		
25,000-50,000	27	3.9430	.61597		
51,000-75,000	5	3.8000	1.14948		
76,000-1,00,000	5	3.9846	.41210		
Above 1,00,000	2	3.6923	.21757		
Total	150	3.8446	.66968		

Source: Primary Data

Interpretation:

Table 4.16 exhibits the outcome of One-way ANOVA used to compare the mean scores of usage preference for Mobile Payment Applications based on different income levels. The table reveals that there is no significant difference in the mean scores of usage preference among the respondents under various income levels, with a 'p-value' of 0.894 and an 'f' value of 0.894. This indicates that all respondents,

regardless of their income levels, demonstrate the same level of user preference for Mobile Applications.

4.2 Conclusion

The current chapter focuses on the analysis and interpretation of the Digital Payment System and Mobile Payment Application, taking into account user services, factors, and preferences. Various statistical methods, such as Frequency, Percent, Descriptive Statistics, Independent Sample 't' test, and One-way ANOVA test, are employed to analyze the primary data.

The findings indicate that Google Pay is perceived as the most preferred Mobile Payment Application. Additionally, the results reveal that there is no significant difference in the usage preference of these services based on the demographic profiles of the respondents.

CHAPTER-5

SUMMARY, FINDINGS, CONCLUSIONS, AND SEUGGESTONS

5.1 Introduction

The present chapter exhibits the concluding part of the research work along with the terminal sections the summary of the previous chapter, findings, and conclusions of the study based on the research problem, objectives, hypotheses, and methodological design.

5.2 Summary of Chapters

After the analysis, the research report has been documented in five chapters were detailed as follows: the first chapter deals with the introductory part of the research work, the second chapter consists of a review of past studies in the respective area of research, the third chapter presents the theoretical framework of the topic of the research, the fourth chapter exhibit the body of the report with analysis and discussions and the fifth chapter is the concluding part of the work regarding the summary, findings, conclusions, and suggestions of the study. The summary of each chapter is presented in the following paragraphs.

Chapter I – Introduction

This is the introductory part of the research report along with the significance of the study, statement of the research problem, scope of the study, research questions,

objectives and hypothesis, operational definition of concepts, research methodology, variables used for the analysis, statistical tools and techniques, conceptual model, limitations of the study and chapter scheme.

Chapter II – Review of Literature

The second chapter of the research report exhibits a review of earlier studies regarding general studies on Digital Payment Applications especially mobile wallets and Mobile Banking Applications.

Chapter III – Theoretical Framework

It is the summary of concepts and theories related to the research area. It covers the evolution of digital payment in India, types of digital payments, kinds of mobile wallets, factors leading to mobile payment applications, and their challenges.

Chapter IV – Analysis and Discussion

This chapter deals with the analysis and discussion of the work according to the objectives and hypotheses. Descriptive Statistics, Independent Sample 't' test, Chi-square test, and One-way ANOVA are used as statistical tools and techniques to measure the objectives and hypotheses of the study.

Chapter V – Summary, Findings, Conclusions, and Suggestions

This is the concluding part of the research report. In this chapter, the nutshell of the research work has presented in the headings of summary, findings of the analysis, conclusions of the study, and suggestions according to the findings of the study.



5.3 Findings of the Study

The major findings derived from the study are listed below.

- UPI is the regularly/commonly used Digital Payment Method (128 respondents are using the same) followed by Debit and Credit Cards (46 respondents used the same). Further, AEPS, RTGS, USSD, etc. by the sample respondents selected for the study, are not at all used.
- 63.3% of the respondents use Digital Payment Systems daily, 20.7 % weekly, 6% monthly, and 10% of the respondents use digital payments rarely. It means, most of the respondents used digital payment methods daily.
- There is no significant association between the most commonly used Digital Payment Methods and Frequency of Usage.
- 86.7% of the respondents facing technical issues, 1.3% lack digital literacy, 7.3% go for both time-consuming and limited acceptance, and 17.3% are facing funds/transaction limitations while using digital payment methods.
- Most of the respondents have been using the same services for 1 year to 2 years (48.7%). The rest of them have been using the same methods from 3 years to 5 years (32%). A few of them have been using these services for more than 6 years (3.3%).
- There exists significant association, in the case of challenges faced in the limited acceptance, according to the time of usage of Digital Payment Methods.
- Google Pay is considered the regularly/frequently used Mobile Payment Application (99.3% of respondents are using it). The next most frequently used Mobile Payment Application is Paytm with 38.7% of the usage index. Freecharge, Mobikwik, and Airtel My App are the rarely used Mobile Payment Applications.
- As most of the respondents were students, the amount that they spent for their payments through mobile payment applications per week is less than 500 Rs. Besides it, 38.7% are spending between Rs.500-Rs.1000 and 13.3% are spending Rs.1, 000-Rs.5, 000. Furthermore, only 0.7% of the respondents are spending Rs.6, 000-Rs.10, 000, and 1.3% More than Rs.10, 000.
- There exists a significant difference in the Current Status of Usage of Mobile Payment Applications according to the amount spent for making transactions with special reference to the usage of PhonePE, YONO SBI, and Amazon Pay.
- Online shopping, retail shopping, booking tickets, bill payment, transfer to bank/ friends, QR code payment, and cashback are the fairly important services used by the respondents.
- All the factors which prompt to use the Mobile Payment Applications are fairly important to the respondents. That means all these factors lead to the usage of Mobile Payment Applications.
- Faster features, simple characteristics, speedy transfer, and intention of Mobile Payment Applications are considered as the main usage preferences with the highest mean score above 4.
- The average preference is given to variables such as recommendations, support line, satisfaction, etc.; with a medium mean score between 3.5 and 4.
- There is no significant difference in user preference between male and female respondents. It means both

males and females have the same level of user preference for Mobile Payment Applications.

- There is no significant difference in user preference between the age groups of the respondents. It means, at all categories of age groups, are the same level of preferences.
- There is no significant difference in the mean scores of usage preference among respondents with different occupation statuses. The 'p-value' of 0.271 and 'f' value of 1.317 indicates that the user preference for Mobile Applications remains consistent across all levels of occupation status. In other words, respondents from various occupation statuses show similar levels of preference for using Mobile Applications.
- There is no significant difference in the mean scores of usage preference among the respondents under various income levels with a 'p-value of 0.894 and an 'f' value of 0,894. It means all the respondents under different levels of income have similar levels of preference for using Mobile Applications.

5.4 Conclusion of the Study

In conclusion, the findings of the study indicate that digital mobile payment systems, particularly UPI and mobile wallets, are widely adopted among the youth in Calicut District, India. UPI is the most commonly used digital payment method, followed by debit and credit cards. The majority of respondents use digital payment systems on a daily basis, demonstrating the convenience and accessibility of these payment methods. However, various challenges such as technical issues, limited acceptance, and transaction limitations need to be addressed to ensure a seamless user experience.

It is evident that mobile payment applications like Google Pay and Paytm have gained significant popularity among the youth, with Google Pay being the most frequently used mobile payment application. Additionally, the study reveals that users predominantly spend less than Rs.500 per week on mobile payment applications, indicating a preference for smaller and more frequent transactions. Commonly used services include online shopping, retail shopping, bill payment, and ticket booking.

The study highlights the importance of factors such as faster features, simplicity, and speedy transfers, which significantly influence user preferences in mobile payment applications. However, recommendations, support lines, and satisfaction are given relatively lower priority, suggesting areas for improvement in these aspects.

To further promote the adoption and usage of digital mobile payment systems among the youth, several suggestions are proposed. Enabling international transactions, improving user experience through intuitive interfaces and streamlined processes, expanding merchant acceptance, enhancing security measures, and providing educational resources for users are essential steps toward driving greater adoption and usage.

Concisely, digital mobile payment systems have gained significant traction among the youth in Calicut District, and with continued improvements in technology and user experience, they have the potential to revolutionize the payment landscape in India. By addressing the identified challenges and implementing the suggested improvements, stakeholders can work towards a cashless society, enhancing convenience, accessibility, and security in the payments ecosystem.

5.5 Suggestions of the Study

- ❖ The results of the data analysis indicate that YONO SBI is the least preferred banking wallet due to its inconvenient installation process, which often requires assistance from a banking expert. To enhance its appeal, the application installation should be simplified, considering SBI's is a trusted Bank and many

people have account there.

- ❖ As UPI and mobile wallets are the most commonly used digital payment methods, policymakers and businesses should focus on promoting and expanding the usage of these methods further. This can be done through awareness campaigns, incentives, and user-friendly interfaces.
- ❖ Address the challenge of limited digital literacy among some respondents. Education and training programs can be introduced to improve people's understanding of digital payment methods, making them more comfortable with using these services.
- ❖ As security concerns were raised by some respondents, service providers should continually invest in robust security measures to build trust and confidence among users. Strengthening the security measures in digital payment systems is the most important factor, as it will reduce the chances of fraud and make people more comfortable using digital wallets.
- ❖ The study indicates that investment and loan services through mobile payment applications are not highly preferred. Service Providers could explore opportunities to develop and enhance these services to attract more users.
- ❖ Since convenience and time-saving are significant factors that prompt the usage of mobile payment applications, service providers should continually work on enhancing these aspects to retain and attract more users.
- ❖ For certain mobile payment applications, limited acceptance was identified as a challenge. Service providers should work on expanding their network of merchants and service points to improve acceptance. international transactions through UPIs and mobile wallets. Enabling international transactions in these platforms would enhance their capabilities and provide greater convenience for international students in receiving payments and making transfers.
- ❖ Additionally, introducing mobile wallets in transportation services, such as buses, can be beneficial due to the frequent cash transactions involved.

By addressing these areas of improvement, India can enhance their offerings, provide a better user experience, and expand their reach, ultimately driving greater adoption and usage.

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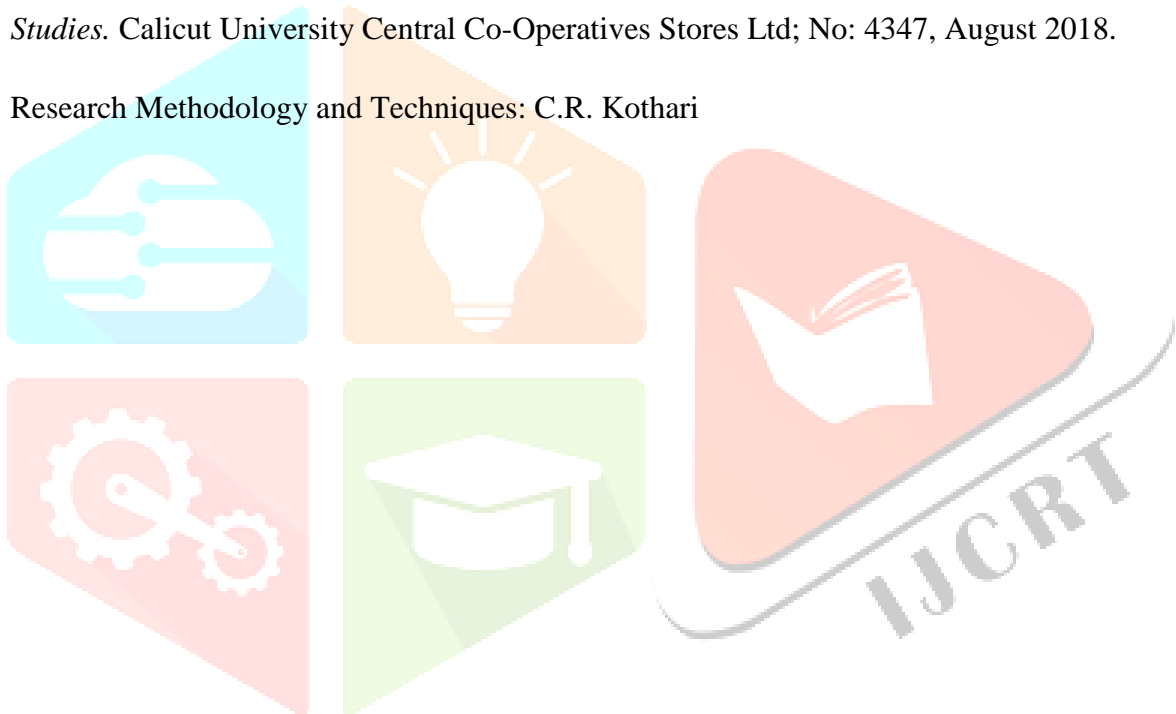
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BOOKS:

- Dr. Sreeshya C.H. *Students Companion to Project Report Preparation in Commerce and Management Studies*. Calicut University Central Co-Operatives Stores Ltd; No: 4347, August 2018.
- Research Methodology and Techniques: C.R. Kothari



APPENDIX-1

QUESTIONNAIRE:

“A Study on Digital Mobile Payment System Adoption among Youth In Calicut District”

Name:

Email:

MW=Mobile Wallet

1. Age: 1. 18-21 2. 22-25 3. 26-29.
2. Gender: 1. Female 2. Male.
3. Marital Status: 1. Single 2. Married
4. Occupation: 1. Students 2. Unemployed 3. Employed 4. Self-Employed 5. Other
5. Income level (per mth): 1. Below 25,000 2. 25,000-50,000 3. 51,000-75,000 4. 76,000-1,00,000
5. Above 1,00,000 6. No Income
6. Which digital payment do you use mostly? (Select all that apply)
1. Mobile Wallets 2. UPI 3. IMPS 4. RTGS 5. NEFT 6. AEPS 7. Internet Banking 8.
Debit/Credit Cards 9. USSD 10. Others
7. How frequently do you use your smartphone for digital payments?
1. Daily 2. Weekly 3. Monthly 4. Rarely
8. What are the challenges you faced while using digital payment methods?
1. Technical issues 2. Lack of digital literacy 3. Time Consuming 4. Limited Acceptance
5. Funds/Transaction Limitation 6. Other
9. Which mobile payment app do you use currently? (Select all that apply)
1. PayTM 2. Free Charge 3. MobiKwik 4. PhonePe 5. GPay
6. YONO SBI 7. Amazon money 8. Airtel my app 9. Others -----(Specify)
10. How much money do you usually spend on your transactions per week?
1. Less than Rs.500 2. Rs.500-Rs.1000 3. Rs.1000-5000
4. Rs.6000-Rs.10,000 5. more than Rs.10 000
11. How long have you been using the MW app?
1. Less than 6 months 2. 1yrs-2 yrs 3. 3yrs-5yrs 4. more than 6 yrs.
12. Based on your frequent usage of MW, which of the following services do you use? (Please **mark**
it from 1=most important to 5=the least important)

S.No	Services	Importance				
1	Online shopping					
2	Retail shopping					
3	Booking ticket (plane, train, bus, cinema)					
4	Bill payment (recharge, electricity, DTH, etc.)					
5	Transfer to bank/friends					
6	QR code payments					
7	Cashback and Rewards					
8	Investment services					
9	Loan services					
10	Buy Now Pay Later					

13. What is the most important factor which prompts you to use MW? (Please **mark** it from 1=most important to 5=the least important)

S.No	Feature/factor	Importance
1	Security and Safety	
2	Convenience	
3	Time Saving	
4	Rewards and Discounts	
5	Easy and Trustable	
6	User interface	
7	Security measures	
8	Availability of payment options	
9	Loyalty points	

14. Indicate the extent to which you agree with each of the following statements.

SA-Strongly Agree; A-Agree; N-Neutral; DA-Disagree; SDA-Strongly Disagree:

No	STATEMENTS	SA 5	A 4	N 3	DA 2	SDA 1
1	Mobile payment systems help me to make my payments faster					
2	Mobile payment systems are simple to learn					
3	Friends/family suggestions will affect my decision to use MW					
4	My doubts regarding the use of digital payment systems are solved with the help of a support line					
5	Using MW services is exciting and enjoyable					
6	MW meets my need & expectation regarding quality & performance					
7	I will recommend MW to my friends, relatives & colleague					
8	I feel I overspend a lot while using mobile payments.					
9	It is too time-consuming to sign up for the first time					
10	I am fearful while using digital payment systems, as the third party might get access to my account information					
11	I can transfer money to anyone, anytime, which makes me satisfied with MW					
12	I will keep on using MW					
13	I would use cash payment system for longer time than any other payment system					