# FACTORS INFLUENCING ACCEPTANCE BY ELECTRONIC PAYMENT DURING COVID 19

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ABSTRACT

Digital Banking provides one step solution for all the banking needs like cash deposit, withdrawals, fund transfer etc. In the cashless economy, all transactions are digitally recorded. Digitalization of transactions has made the process more transparent and accountable. The types of digital payments include mobile wallets, plastic money like debit and credit cards, net banking. Mobile wallets are virtual wallets on mobile phone. The money is transferred in these wallets using debit/credit cards or Net banking.

Digital banking can be used to pay bills and make online purchases. Plastic money can be used for withdrawing cash from ATM, making online payments and swiping for purchases. NET banking involves transfer of funds from one bank account to another using electronic funds transfer (NEFT), real time gross settlement (RTGS) at a nominal transaction cost.

The first case of Corona was reported in India on 30th Jan, 2020. On 22nd March, fourteen hours voluntary curfew was imposed on appeal by Prime Minister Modi in 75 districts which were corona infected and all the major cities. On 24th March, he announced nationwide lockdown for 21 days. Further this lockdown was increased till 31st May. Due to risk of transmission of corona virus through physical currency, people once again moved to digital transactions.

## I INTRODUCTION

With the spread of the pandemic, almost all regions have implemented lockdowns, shutting down activities that require human gathering and interactions - including colleges, schools, malls, temples, offices, airports, and railway stations. The lockdown has resulted in most people taking to the internet and internet-based services to communicate, interact, and continue with their job responsibilities from home. Internet services have seen rises in usage from 40 % to 100 %, compared to pre-lockdown levels. Video-conferencing services like Zoom have seen ten times increase in usage, and content delivery services like Akamai have seen a 30 % increase in content usage.

According to a report by KPMG India "Incentivising merchants, retailers and consumers through lower taxation, special incentive schemes to shift to digital payment transactions will be one of the key policy recommendations for the banks." It can be seen that the preference is to move towards digitization. The secondary data of HDFC Bank, which is one of the largest private sector banks in India has

been collected. It has been analysed how demonetization has led to increase in e banking channels of HDFC Bank. Covid -19 again diverted the customers towards Digital Banking. The cashless transaction has reduced the cost for banks. HDFC Bank operates in a highly automated environment in terms of information technology and communication systems. The Bank has the best technology. All the branches have online connectivity.

## II REVIEW OF LITERATURE:

Pranjali A. Shendge, Bhushan G. Shelar Smitaraja S. Kapase "Impact and Importance of Cashless Transaction in India" International Journal of Current Trends in Engineering & Research (2017)    The Research paper focuses on impact and importance of cashless policy in India. Cashless policy will reduce cash related corruption and attract more foreign investors to the country. It is expected that its impact will be felt in modernization of payment system. The payment industry in itself keeps on evolving with the ever changing consumer sentiments and the needs of the businesses. An innovation in this space is thus a continuous process, while the adoption of each of new development takes its own pace to penetrate.

Pradeep H. Tawade "Future and scope of cashless economy  India" International Journal of Advance  Research and Innovative Ideas in Education (2017) described that 85%  of  global payments still made using cash. One of the main reasons is that there is nothing to truly compete with the flexibility of notes and coins. The digital era is something to embrace, and new methods of payments will continue to be introduced. But Indians need to recognize the risks and benefits of different payment instruments, the risks associated with electronic payment instruments are far more diverse and severe. Recently huge data of debit card was stolen by hackers.

Arvind Kumar "Demonetization and Cashless Banking Transactions in India" International Journal  of  New Innovations in Engineering and Technology (2017) depicted  that  Demonetization affects the economy through the liquidity side. Demonetizing is progressive shift to a cashless economy with a greater focus on electronic transactions. Rising use of credit/debit cards, net banking and other online payment mechanisms will be another positive effect of demonetization, as these would not only lower transaction costs but many other benefits as well.

Wulandari (2018) The properties of electronic money should be simple and easy to understand. The simplicity of access of electronic system could be significance its usefulness and user's attitude. The factors affecting the use of electronic money namely assess usefulness affects significantly towards intention to use electronic money. The assess usefulness has the noticeable offering towards the intention to use electronic money

Report on "Impact of the Covid-19 Outbreak on Digital Payments" by PWC India – May 2020 According to a report by PWC India on "Impact of the Covid-19 Outbreak on Digital Payments" released in May, 2020 following points were mentioned.

- Cards will be used more as there is a concern over transmission of the virus through the exchange of physical currency will boost online card transactions.
- Fund transfers to/from bank accounts will likely see an uptick as people substitute cash with digital transfers.
- Transactions at ATMs will decrease as a result of the lockdown being enforced. Not much cash will be required compared to earlier.
- With no physical avenues to pay bills, people are adopting BBPS, leading to a relatively higher number of transactions
- The IMPS facility will see relatively increased activity as fund transfers shift to digital means.
- Online, paperless processes to issue products like unsecured loans and credit cards without any in-person contact
- Shift in consumer behavior – greater adoption of digital payments
- Rapid buildout of omnichannel capabilities
- Consolidation in the payments sector with a view to survive – possible deal activity

## III OBJECTIVE OF THE STUDY:

The study has been undertaken with the following objectives:

- To find out the effect of Covid-19 on Digital payments.
- To compare the respondent's buying behaviour before lockdown and during the lockdown.

## III STATEMENT OF THE PROBLEM:

We are a large cash economy: in fact, India is the second largest producer and consumer of currency in the world,next only to China. Cost and Longevity are importantconsiderations in currency management. Producing sucha large amount of currency is expensive. Both the Governmentand RBI are kept on moving India towards a less casheconomy by encouraging people to shift from cash toelectronic payments for all transactions. Digital paymentsensure accountability in all the transactions. Sinceeverything is digitally recorded, there is always a way toverify and track transactions. When using cash payments,it could be difficult to hold anyone responsible for anyadditional expenses. While India must fully embrace cashless transactions to embark on the transition to a super economy in the coming years, there are stillsome hurdles to overcome. With IoT and artificial intelligence, it's also important to have a sustainable and lucrative business model that caters to the new age digital ecosystem with a robust cyber security system.

## V RESARCH METHODOLOGY

The systematic technique to resolving the research problem is known as research methodology. It provides an overview of the numerous processes taken by the researcher in a methodical manner with the goal of determining various methods. A researcher must be familiar with not just research methodologies procedures, but also methodology.

*A,The research design*
The data will be gathered directly from the respondents through sample survey method.
The data analysis for this research will be both on quantitative and qualitative manner.

*B.Collection of data*
*Primary data*
The data regarding electronic payments will be collect through structured questionnaire.
Secondary data
Secondary data will collect from various published reports, journals, magazines, books, articles and websites

*C.Tools and techniques*
This study will contain table, chart, chi square tests and two-way analysis of variance and interpret the data.
Chi square is a statistical tool used in research to investigate variations between categorical variables within the same population.

A two-way analysis of variance is a technique for determining whether two samples' means are statistically different or not.

*D.Sample size*
Primary data were collected from a sample of 60 traders in the city of Trichy.
Convenience sampling method was used for the selection of sample respondents.

*E.Period of study*
The period of study will be one month.

*F.Profile area of study sample location*
Pondy Bazar of Chennai city has been selected as a sample location.

*G.Sample targeted people*
The targeted people will be general public

*H.Hypothesis frame work*

ANOVA: One typical strategy for determining a viable treatment procedure is to examine the number of days it took the patients to be cured. We can use a statistical approach to compare these three treatment samples and show how they differ from one another. ANOVA is the name given to a technique that compares samples based on their means.

Analysis of variance (ANOVA) is a statistical technique used to determine if the means of two or more groups differ substantially from one another. ANOVA analyses the means of different samples in order to evaluate the impact of one or more factors.

A chi-square (2) statistic is a test that compares a model to real observed data. The data required to calculate a chi-square statistic must be random, raw, mutually exclusive, obtained from independent variables, and drawn from a big enough sample. The outcomes of a fair coin flip, for example, fulfil these conditions.

Chi-square tests are frequently used in hypothesis testing. Given the sample size and the number of variables in the relationship, the chi-square statistic evaluates the extent of any disparities between predicted and actual findings.

Degrees of freedom are used in these tests to examine if a certain null Based on the total number of variables and samples in the experiment, a hypothesis might be rejected. The greater the sample size, as with every statistic, the more dependable the results.

The hypothesis tested in the study are shown below

- H0: There is no significant difference between electronic payment and gender

- H1: There is significant difference between electronic payment and gender

- H0: There is no significant difference between electronic payment fraud and app usage

- H1: There is significant difference between electronic payment fraud and app usage

Data analysis

TABLE 1: Gender of the respondents

| Particulars | No. of Respondent | Percentage of Respondent |
|---|---|---|
| 18-27 | 48 | 96 |
| 28-35 | 1 | 2 |
| 35-45 | 0 | 0 |
| Above 45 | 1 | 2 |
| Total | 50 | 100 |

CHART 1: Age of the response
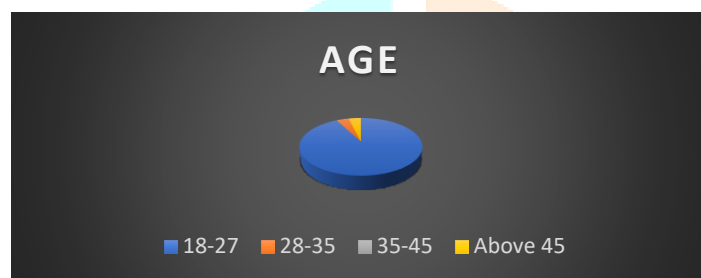


INTERPRETATION:

From the above table, it is interpreted that 96% are 18-27 age group, 1% are 28-35 age group, 0% are 35-45 age group, 1% above 45 are age group.
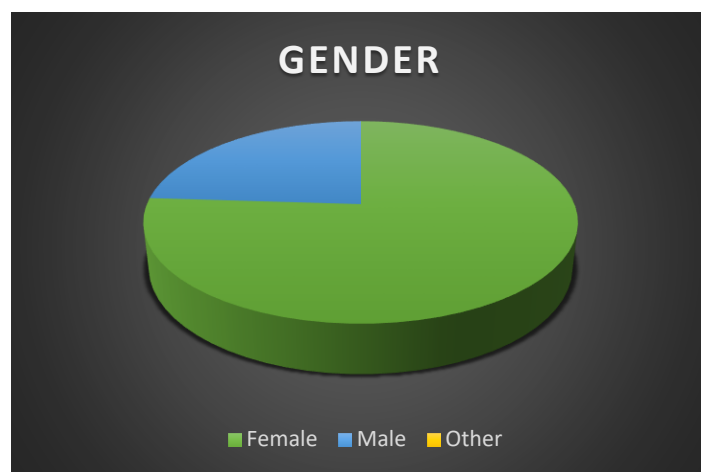
INFERENCE:

Majority 96% of the respondents belongs to the age group of 18-27.

TABLE 2: Gender of the respondent

| Particulars | No. of Respondent | Percentage of Respondent |
|---|---|---|
| Male | 12 | 24 |
| Female | 38 | 76 |
| Other | 0 | 0 |
| Total | 50 | 100 |

CHART 2: Gender of the respondent



INTERPRETATION:

From the above table, it is interpreted that 76% of respondents belong to female category, 24% of respondents belong to male category.
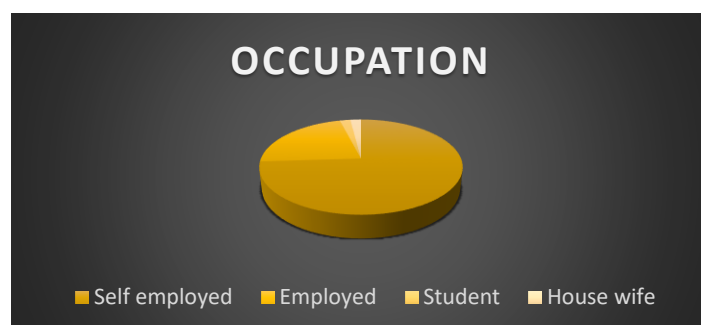
INFERENCE:

Majority 76% of the respondents are female.

TABLE 3: Occupation of the respondent

| Particulars | No. of Respondent | Percentage of Respondent |
|---|---|---|
| Student | 37 | 74 |
| Employed | 11 | 22 |
| Self employed | 1 | 2 |
| House wife | 1 | 2 |
| Total | 50 | 100 |

CHART 3: Occupation of the respondent

INTERPRETATION:

From the above table, it is interpreted that 74% of respondents belong to student, 22% of respondents belong to employed, 2% respondents belong to house wife, 2% respondents belong to self-employed.
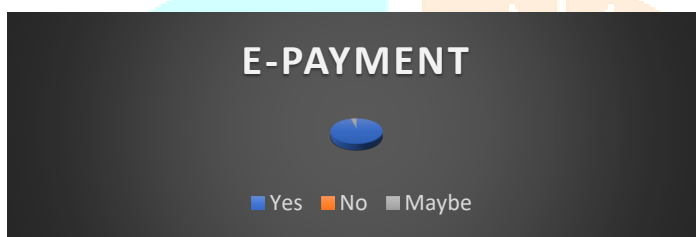
INFERENCE:

Majority 74% of the respondents are students.

TABLE 4: Have you heard of e-payment before

| Particulars | No. of Respondent | Percentage of Respondent |
|---|---|---|
| Yes | 48 | 96 |
| No | 0 | 0 |
| Maybe | 2 | 4 |
| Total | 50 | 100 |

CHART 4: Have you heard of e-payment before



INTERPRETATION:

From the above table, it is interpreted that 96% of respondents says yes, 0% of respondents says no ,4% respondents says maybe.

INFERENCE:

Majority 96% of the respondents are yes.

TABLE 5: Have you ever used it before

| Particulars | No. of Respondent | Percentage of Respondent |
|---|---|---|
| Yes | 46 | 92 |
| No | 3 | 6 |
| Maybe | 1 | 2 |
| Total | 50 | 100 |

CHART TABLE 5: Have you ever used it before



INTERPRETATION:

From the above table, it is interpreted that 92% of respondents says yes, 6% of respondents says no, 2% respondents says maybe.

INFERENCE:

Majority 92% of the respondents are yes.

CHI SQUARE

| | Value | df | Asymptotic Significance (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | 46.964ᵃ | 9 | .000 |
| Likelihood Ratio | 44.238 | 9 | .000 |
| Linear-by-Linear Association | 24.699 | 1 | .000 |
| N of Valid Cases | 50 | | |

a. 13 cells (81.3%) have expected count less than 5. The minimum expected count is .04.

INTERPRETATION:

Since p value 0.000 is less than 0.05 null hypothesis is rejected, alternate is accepted. Hence, there is no significant difference between age of the electronic payment fraud and app usage.

| ANOVA | | | | | |
|---|---|---|---|---|---|
| GENDER OF RESPONDENTS | | | | | |
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 4.685 | 3 | 1.562 | 16.19 9 | .000 |

| Within Groups | 4.435 | 46 | .096 | | |
|---|---|---|---|---|---|
| Total | 9.120 | 49 | | | |

INTERPRETATION:

Since p value 0.000 is less than 0.05 null hypothesis is rejected, alternate is accepted. Hence, there is no significant difference between gender and electronic payment.

CONCLUSION

It is too early to conclude what the changes might look like in each cultural, demographic, and institutional context, but we can be sure that covid-19 is already reinforcing existing towards increased digitisation of payments. The Reserve Bank of India last year said it aimed to increase electronic transactions to about 15% of gross domestic product by 2022, from nearly 10% at the time. The government is aiming for a billion digital transactions per day as the world's fastest-growing smartphone market empowers consumers to transact at the click of a button. The government has asked banks to encourage their customers to use digital payments methods as a precautionary measure against the Coronavirus outbreak. Meanwhile, RBI has also urged customers to use digital banking facilities amid the Coronavirus outbreak

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