A Study On Customer Perception Regarding M-Wallet In Ahmadabad

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Abstract

In today's world smart phone has become an important part of life. Number of smart phone users have increased dramatically as it has become more affordable. The development of digital payment in India is anticipated to be driven by digital service providers. Digital payment system has remarkable momentum particularly after demonetization in India. The government in India is taking various steps for effective utilization of digital payment platform to wipe out corruption & black money from the economy. Cashless economy in India is a mission propelled by Government of India driven by Prime Minister Shri. Narendra Modi .the nation left upon this move to a cashless economy when the administration made the progressive stride of demonetization of old money notes on Nov, 08, 2016. Players like Paytm, Phone pay, Google pay (G-pay) , Amazon pay , UPI , BHIM ,etc have taken Charge towards the payment system. There are currently about 25 mobile wallet payment gateways in INDIA out of which few payment system gateways are licensed by RBI as payment bank. This study aims to test the conceptual model of consumers' intention and satisfaction towards mobile wallets. ANOVA and descriptive

analysis are used to test the relationship among several dimensions such as age and satisfaction level towards m wallets and age and cybercrimes etc. The study explains the effectiveness of m wallets to understand the behavior. The result show significant association between consumers' perception, preference, usage and satisfaction. The data was collected with a questionnaire on variables perception, preference, usage, and Satisfaction. Findings of this study show a strong relation between customer's perception, preference and satisfaction of mobile wallet users. Result also shows the impact of customer's perception, satisfaction and preference on the usage rate of mobile wallets in India. We have collected responses from the various regions in Ahmedabad.

Keywords : *E-payment, M-wallet, Digital wallet, Digital Payment* .

Introduction:

The term payment is an old as human civilization since then the payment industry has undergone a drastic transaction from barter system to virtual payment (mobile payment) Barter system an old age method of exchange which has been used for centuries long before money was invented. People exchange goods & service for other commodities and merchandise. The trading system expands its boundaries towards exchange precious metal like copper, bronze, gold with other supplies and possessions . With the advent of the industrial revolution in the 18th century , banking system was adopted as a standard payment and a monetary regulating body . This led to other mode development of other modes like loans, savings a/c, withdrawals etc. After the success of banking systems , cash based society evolved through internet, this led to building up of various electronic payment systems like Debit card, Credit card, E-cheques and is now pushing into the digital frontier of virtual wallet (mobile platform). India is the fastest flourishing country of mobile and internet. With the trend of E payment Indian e-tailors (popular e-commerce portals) have grown up to provide the option of 'Cash on Delivery' for their products to lure more customers (Mahajan & Sompura, 2021) . However despite of the fact that majority of Indians still don't own a credit or debit card. yet, with time, there has been an increase in people taking up to different digital payment platforms or mobile wallets for buying products. Furthermore E-payment have made it easy to carry out their shopping payments, utility bill payments, mobile recharge , DTH recharge and making E-payment for booking bus / movie ticket etc. Furthermore government is also working hard to make India a cashless economy by place limits on withdrawing cash from the bank or ATMs. There are E-payment payment apps available in the play store so that one can easily replace the physical wallet and make cashless payments. Person can use these E-payment payment apps to send money or pay at shops. The rate at which different mobile wallets (or m-wallets) are being introduced and embraced in India is striking. Mobile payment is a great idea for start-ups and young entrepreneurs, be it Indian mobile wallet companies or mobile wallet apps. It has been realized that the payment trend for E-payment services and

products needs to shift slowly from COD (Cash on Delivery) to 'Payment on Delivery' or 'Payment on Order'; and this payment has to occur using a mobile phone. Hence, the huge paradigms shift towards mobile wallet space in recent times. Technology caters to man's comfort and convenience and thus through advancement in technology, things around us have changed drastically (Rani & Mahajan, 2013). With the help of Smartphone, one can do everything, be it ordering food or groceries, booking a cab or movie tickets, etc. By means of the introducing Mobile Wallet, it has become absolutely convenient for a person to make cashless transactions any time anywhere. Although a number of companies have cropped up in India, offering product called 'mobile wallet', however still there is a lack of awareness among people about the concept and its utility.

Mobile technology has paved a way through which people and businesses buy and sell the goods and services.. As smart phones have become more affordable & prevalent, it caters to man comfort & conveniences i.e. ordering food, online shopping, booking movie ticket. With the introduction of digital wallet in early 90's pioneered by Sam Pitroda with the vision, underlying the needs of the customers-an easy to use interface, ability to securely transact in the virtual and real world, in came app-based wallets such as Paytm, Phone pay, Google pay , Amazon pay etc., which has become extremely convenient for a person to make cashless transactions. Mobile wallet is equivalent to physical wallet, it provides a platform for the user to keep money in it as that of an bank account i.e. the user needs to make an account with a mobile wallet provider, money can be loaded to the M-wallet account using a debit card, credit card, bank account etc. The money loaded by the user can be used to pay for goods &services, transfer funds from their mobile wallet through a simple SMS orvia Near Field Communications (NFC) or the wallet services that takes in the users payment information and pays the users bills instantly for certain services. RBI has increased the money loading limit from Rs5, 000/- to Rs1, 00,000/-.

CONVERSION PROCESS (PHYSICAL MONEY TO VIRTUAL MONEY):

Physical money → Debit card,credit card, Bank account → M-wallet → Virtual money
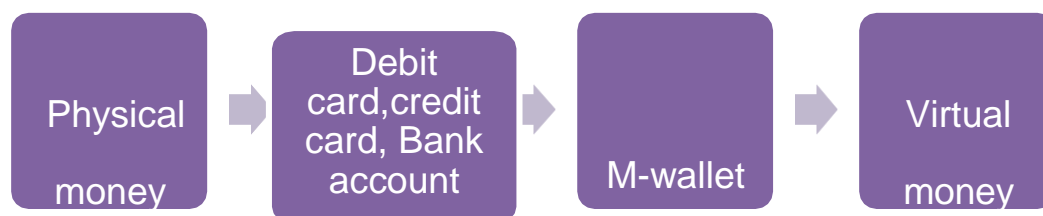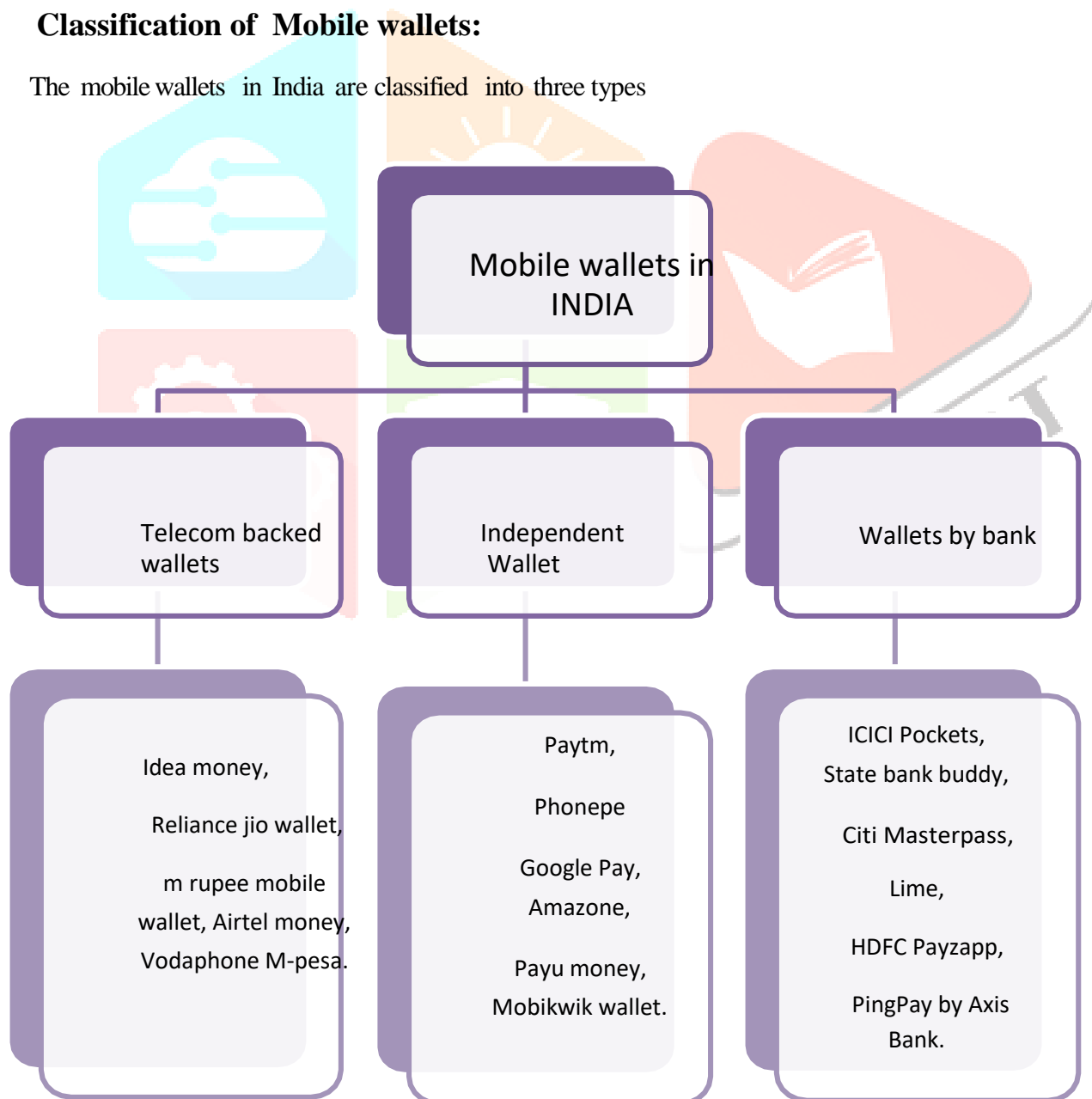
Fig.1.1 (i)

The benefit of online transaction through mobile wallet is that it does not charge any amount of money on every transaction and saves the customer from the hassle of entering card detail or pin number for transactions. It is effortless and convenient for the users, as the users need to sign in the account and make payment. On the other hand it focuses on online merchant's I.E the M wallet provider's act as an intermediary between the merchant

and the wallet users. Traditionally, banks were petrified that their relationship with customer will be upstaged by them, so they launched their own digital wallet (payzapp and pockets) by HDFC bank & ICICI bank (Kaur, 2023).

The current scenario is witnessing a new payment line called the mobile wallet which has revolutionized the payment system on the single tap . Therefore the perception of customer is changing from "Bank first to payment first ". Players like Paytm, phone pay , google pay , amazons pay citrus have taken charge towards the payment system . There are currently about 20 mobile wallet payment gateways in India out of which few payment system gateways licensed by RBI as payment banks . RBI has licensed these wallet as payment banks for their sustainability and certainly to improve their earnings & also facilitate further financial inclusion by providing small savings a/c & remittance to migrant labor work force , low income household , small business & other unorganized sector entities.

Classification of Mobile wallets:

The mobile wallets in India are classified into three types

Telecom backed wallets: Idea money, Reliance jio wallet, m rupee mobile wallet, Airtel money, Vodaphone M-pesa.

Independent Wallet: Paytm, Phonepe, Google Pay, Amazone, Payu money, Mobikwik wallet.

Wallets by bank: ICICI Pockets, State bank buddy, Citi Masterpass, Lime, HDFC Payzapp, PingPay by Axis Bank.

Telecom-operated and M-wallet providers: An overview

Many telecom service providers in India have their own mobile wallet as part of its product portfolio .one of the initial service offered by mobile wallet was mobile recharge. Airtel was the first mover in the market in the year 2011, it got the payment bank licensed from the RBI in Aug 2015 and started Airtel money in the joint venture with kotak Mahindra bank. Reliance jio was also granted a license with SBI. Idea cellular also got license for idea money with partner Axis Bank. Vodafone has M pesa which is a major player in the market, along with TATA Docomo that has M rupee.

Wallets by banks:

Most major banks in the India are developing mobile wallet for their customer in order to have a direct interaction between the seller, the buyer and the bank . ICICI Bank launched ICICI pockets in February 2015, Pingpay by Axis Bank and one of the late entrants , SBI launched State bank buddy .

Independent wallets:

There are plenty of up-comers in India such as Paytm ,Rupee, oxygen wallet etc. Paytm is the exclusive wallet service for room stonier, also payment platform for umber and it already claims that it has crossed the 100 Million users whereas mobikwik is the wallet of choice for IRCTC tickets , Big Bazaar and even loans etc. .

Paytm:

Paytm is one of the fast growing companies in the mobile wallet space in India. Paytm received the mobile wallet service license from the Reserve Bank of India last year, it aims to cross the more than 100-million users mark by 2016.With its mobile first strategy, Patmos more than 30 million orders of various digital and physical goods every month. Launched in 2014, Paytm wallet is India's dominating mobile payment service platform.

PhonePe:

Phonepe is an Indian E commerce payment system & digital wallet company headquarters in Bangalore, India. It was founded in December 2015. It was live in Aug 2016 It was first payment app built up on unified payment interface (UPI) . Phonepe is available in 11 Indian languages   . Phonepe is accepted as a payment option across 5 million offline and online merchant outlet covering food , travel , groceries , movie ticket , etc . The app crossed 100 million users mark in June 2018 & also crossed2 billion transactions in December 2019 . It is licensed by RBI .

Google Pay :

It is also named as G Pay . It is a digit wallet platform and online payment system developed by google to power in app & tap to pay purchase on mobile device s, enabling the users to make payment with android phones , tablets or watches . Google pay takes an advantage of physical authentication such as figure print ID were available . on device without figure print ID , Google pay activates pass code system , Google pay maintain very high security , Google pay require that a screen lock to be set on phone . Google pay which was released on 2011 .

Amazon Pay:

Amazon pay is an online payment processing service that is owned by Amazon launched in 2007 .Amazon pay uses the consumer data base of Amazon and gives excellent offers to the customers rewards and cash back .Amazon pay does not only used in country like India but it is been used by many countries over world level .

Other M-wallet service provider includes pay u money which offers a one percent discount on every purchase made using their wallets, Nova pay which focuses on India's semi-urban and rural market, Momo which is focused for cashless payments in city's retail outlets, Airtel money, Vodafone-m pesa, Chillr, M-rupee, Ikaaz, Lime, ICICI pockets etc.

Rationale of using mobile-wallet services:

Mobile Wallet is an advance alternative to physical wallet. It acts as the point of interaction between the users & merchants. Mobile wallet is a very young concept in India as a substitute for the traditional wallet. One's wallet can be snatched, misplaced or pick pocketed, but mobile wale cannot be, though there is a chance of someone stealing one's a mobile. If the bill is of Rs199/- or Rs235/-, one will not have to run around asking for change. It allows paying on a single tap. One need not fill in card numbers and passwords every time, they can link their credit cards, debit cards and bank accounts and pay immediately without any hassle to enter the details each time. When one makes a payment through a debit card or credit card, one is disclosing their confidential bank data on the merchant's site or establishment, it can lead to unwanted security issues but by using M-wallet, one can restrict the exposure of confidential data. Immense rewards in the forms of discounts & cash backs. Now days mobile-wallet services supplant as inclusive alternative for the traditional wallet, following are the uses of M-wallet:

- **Recharge and Broadband top-ups**

  Instead of going to a shop in order pay for top-ups. M-wallet enables Telco's to allow mobile wallet users to quickly and efficiently recharge prepaid account of a mobile phone user via mobile phone anytime, anywhere.

- **Instant money transfer to any bank**

  It offers the customers the flexibility and convenience of managing their funds via mobile devices by integrating their bank account with M-wallet. It is convenient and a secured alternative, which

allows the consumers to flexibly transfer their funds from bank account to M-wallet and vice versa without having to visit their bank branch. Consumers need to register with their bank and integrate their M-wallet with the bank account to avail this service.

- **Online shopping and merchant payments**

  It allows the users to make payments for all kinds of goods and services in an easy way via mobile wallet. The payment platform provides a real-time authorization and enables secure mobile commerce and payment acceptance for both in-store and online.

- **Payment for booking transport facilities**

  Transportation facilities provide the users, personal mobility and freedom for users from every walk of life.

- **Utility bill payments**

  It helps the household or office to pay for electricity, water, gas, telephone Eton a single-click..

Literature review :

Sana Zarrin Kafsh (2015), made a study on "Developing consumer Adoption Model on mobile wallet in Canada", with the objectives to identify the factors that influence the consumer's adoption of mobile wallets. This study was based on technology acceptance model (TAM) & innovation diffusion theory (IDT) and analyzed the relationship among perceived usage, ease of use and security constrains dealing in predicting the adoption of mobile wallets. Further the study conducted by Neeharika and Sastry (2014), identified the novel Interoperable Mobile Wallet Model with Capability based access control framework for developing mobile wallet that can work across various platforms. As security is the major concern when it comes to finance related information, the study mainly addressed the security issues by giving access control model that works towards interoperable mobile wallet. Sikdar, P., Kumar, A., & Alam, M. M. (2019) Identified operational and technological inclusions, supply chain management, web technologies , web based tools and its electronic payment system . Ngoc Doan (2014), conducted a study on "Consumer adoption in Mobile wallet and identify the market scenario of mobile consumers toward mobile wallet. Furthermore the study stated that the market consumption of M- wallet among consumers and is only at the beginning stage & the success of M-wallets depends on the marketing strategies of M-wallet companies as well as the financial policy makers .NitikaRai, AnuragAshok, JanhviChakraborty, PrajaktaArolker, Saumeel Gajera (2012) identified the new paradigm in M wallet as SMS based payment system and explore the replacement of current payment solutions like credit card, debit cards and cash with a simple short Messaging services (SMS) based . further the benefit of this approach is that it would work on all mobile phones irrespective of the network carrier and the manufacturer. Transactions can also take place between consumers that have subscribed to the service and merchants irrespective of their subscription. The study presumes that it is safer, faster and network independent

mode of payment. Triloknath shukla (June 2016) discussed the working types of mobile wallet and its advantages and shortcoming of using mobile wallet and extended its research for identifying perception of consumer and retailer about mobile wallets and suggested that mobile wallet may be used to engage with the marketers and one must grab the opportunity in emerging scenario and take advantage of the rising opportunities. Key pousttchi and dietmar G wiedmann 2008 highlighted the influences on consumer's intention to use mobile payments and studied adoption of mobile payments and evaluated its key influence on probable consumers to use mobile payments. Study explored the personal security , confidentially of payment, details and ingenuous transactions are the important parameters for debilitating and facilitating M wallets.

Objectives of the study

In the changing scenario it is important to understand the preference of using M- Wallet transactions over cash in hand or cash in banks. Thus, the research has been conducted to assess the M- Wallet services and its preferences for customers.

- The study has been conducted to identify the growth of M-wallet payment gateway services.

- To find the awareness and preferences of the users towards M-wallet service providers.

- To study the services provided by the M-wallet providers and the services used by the M- wallet users.

- Identify the impact of demographic shift towards 'M-wallet'.

Research Methodology

Primary analysis research method was used for the study. Questionnaire was prepared and used for collecting the data about individual perception about m wallets. The primary data is obtained through structured questionnaire which were collected from concerned people

Sample Size

A sample size of 200 people was selected for the study. The sample for data collected was online survey, to fill up the questioner.
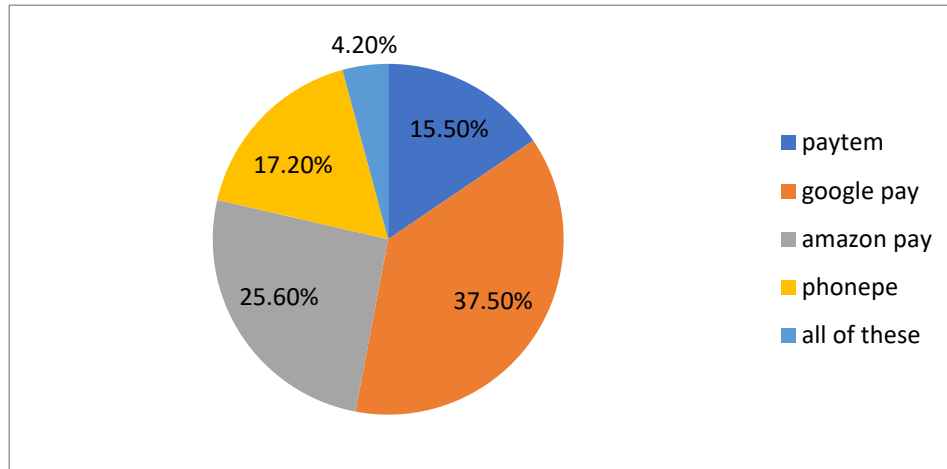
Research Design and Sampling Techniques

Our research design is Descriptive and technique is Judgmental.

Data Analysis

Analysis about the awareness regarding the payment gateway by the respondents

Interpretation:

The above chart show the percentage of people who are aware of online m-wallets that are slowly getting a part of our daily life. We found that Google pay was the most popular online m-wallet with 37% people said they were aware of. Amazon pay was the second most popular with 25% people awareness and then comes Phonepe with 17% and then comes Paytm 15%.

Analysis regarding the M Wallet payment service which the respondents prefer using the most.
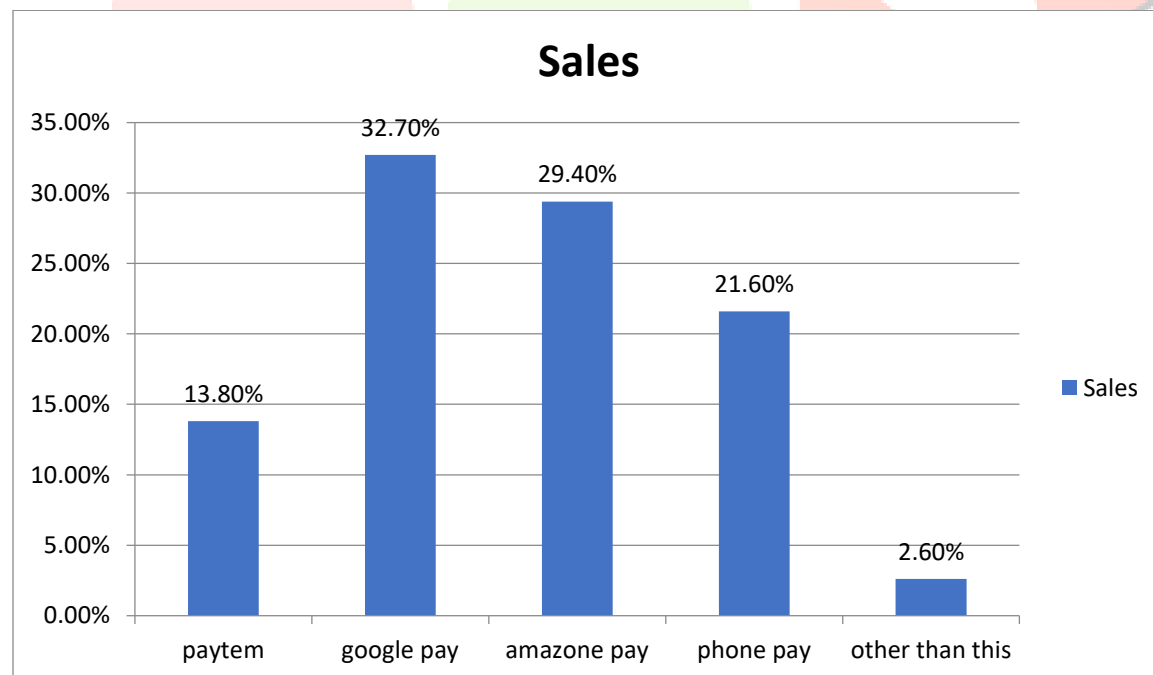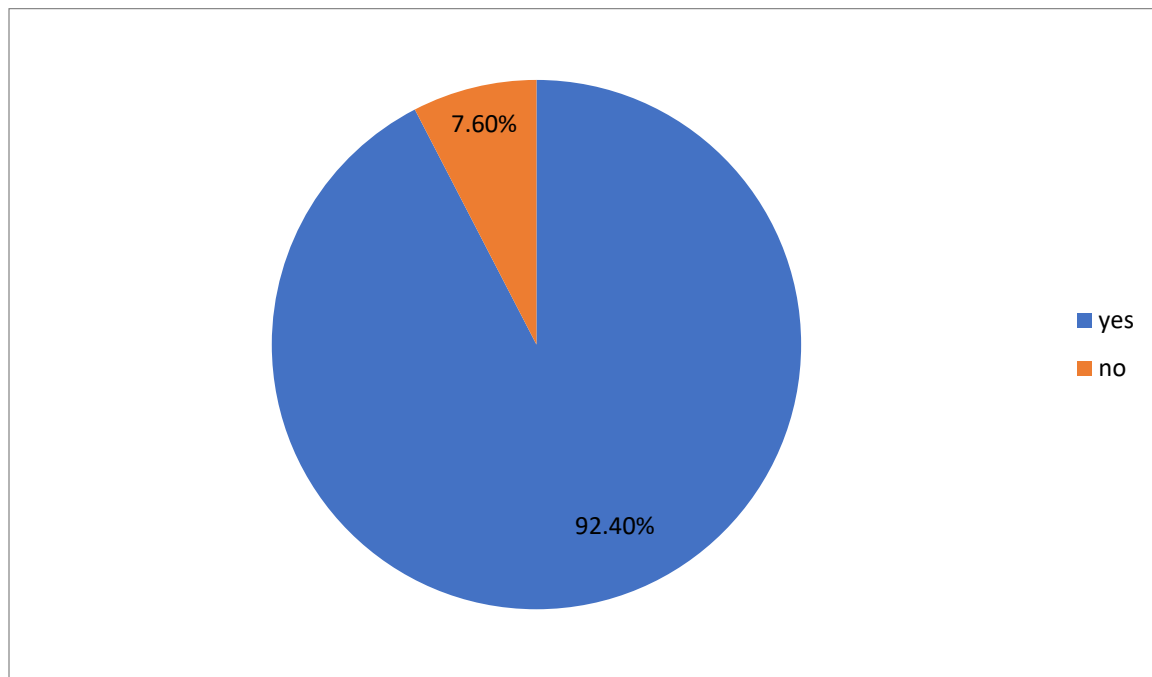

Interpretation

The above chart show the popularity of different online application's among people based on their daily uses, cash back offer's, online payment security, etc. The figure shows that Google pay is the most used and loved online m-wallet used for m-payment's. This show 32% people voted for google pay and 29% people took their

stand for Amazonpay. While on the other side 21% people supported for phonepe and 13% people casted their votes for paytm.

Analysis regarding the reduction of the frequency of traditional payment system due to M wallet

Interpretation:

The above chart shows that 92% of people now prefer to use m-wallet rather than using their traditional payment method and carrying cash in their pocket. Rest approx. 7% people comes under the category of people who are not aware of m-wallet or think that m-wallet is not safe.

Analysis regarding the frequency of the use of M wallet
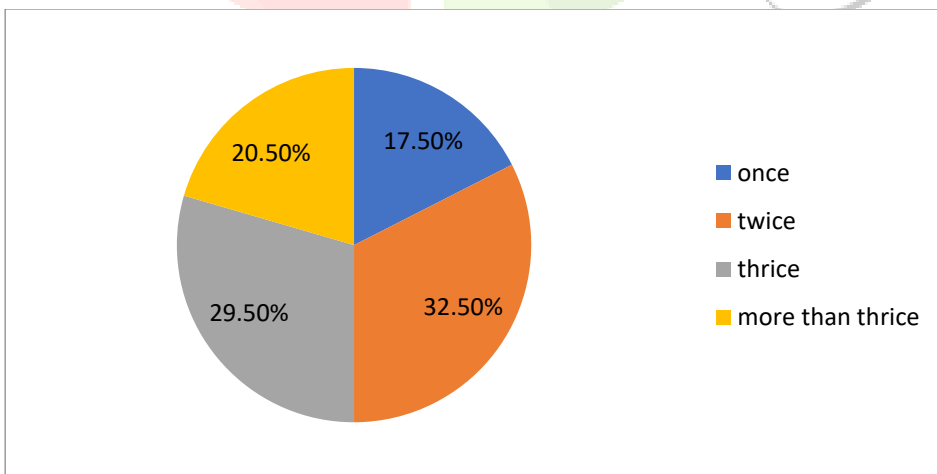
Interpretation

This chart represents the usage of m-wallet by people throughout the day. Some of the people said they like to use just once a day and they were 17%, whereas 20% of people said that they use mobile wallet more than thrice

a day. There were 29% people who said that they only use m-wallet thrice a day and 32% of respondents use online wallet twice a day.

Analysis about the highest point/voucher/cash back benefits being offered by the M wallets
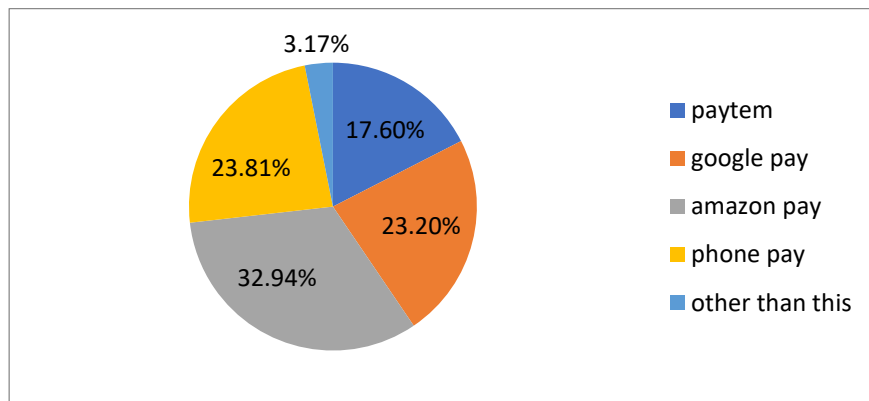
Interpretation:

The above chart shows which online m-wallet provides highest point/voucher/cashback benefits while we use it for payments. Firstly comes Amazon pay with 32% and then comes Phonepe with 23% followed by Google pay with 23% respondent's support. There are some other online applications that are not still popular among us but 3% of the respondents supported them.

Analysis regarding cyber-crime/ fraud being faced by the respondents while using M wallet
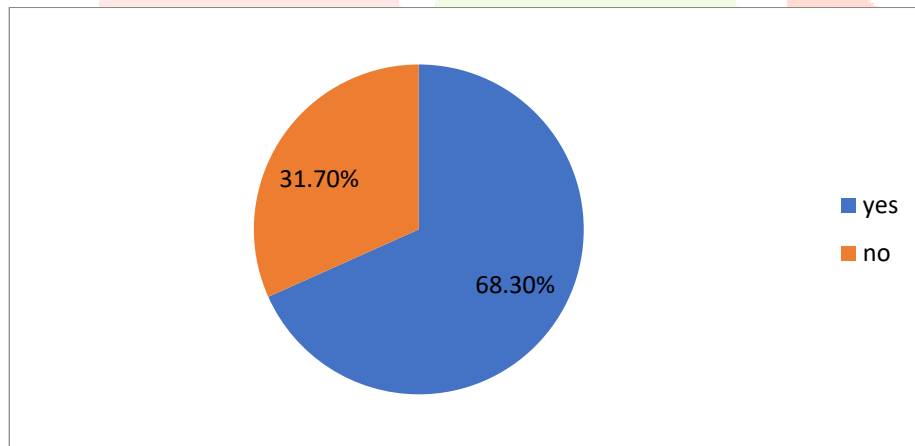
Interpretation:

While using online m-wallets, the main nightmare of most of respondents is to face cyber attack on their wallet. The above chart shows that 68.30% people have faced cyber attack and 31.70 % of people said that they have never been hit on a cybercrime and m-wallet is still safe for them.

Anova on age and satisfaction

Analysis:

H0: There is no significance difference between the different age groups and the satisfaction regarding M wallet.

H1: There is a significance difference between the different age groups and the satisfaction regarding M wallet.

ANOVA

age

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.244	3	.081	.338	.798
Within Groups	33.032	137	.241		
Total	33.277	140			
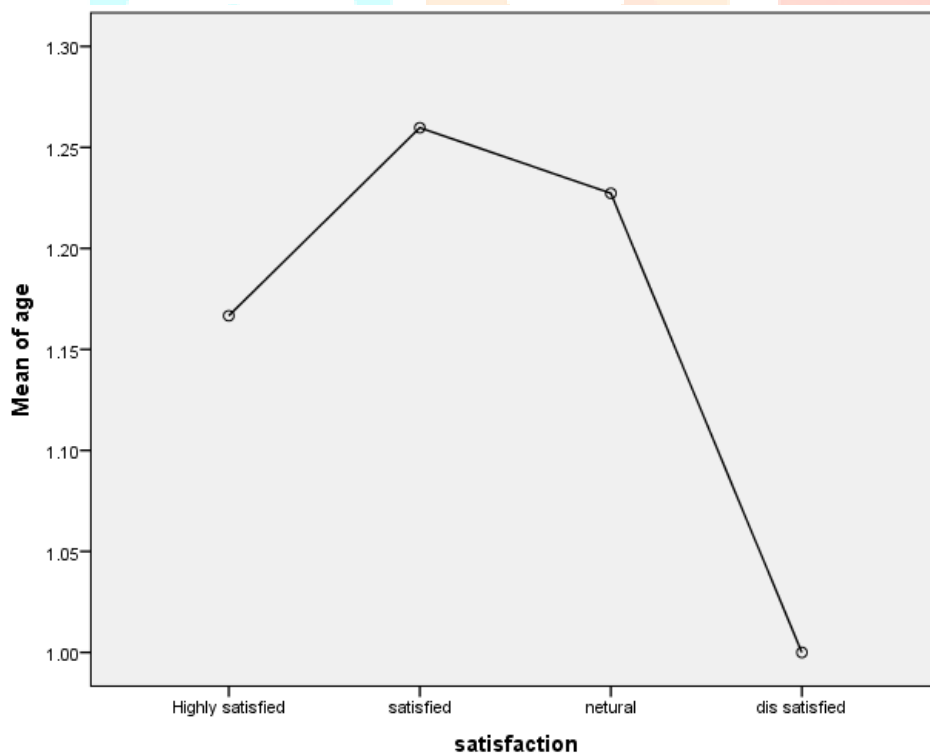
Interpretation

As the graph and table shows that the sig value is more than 0.05 it indicates that the null hypothesis is rejected and alternate hypothesis is accepted. Which further can be interpreted that the different age groups perceive the M wallets in different way.

Key Findings :

As we all know E-wallet is convenient and effective mode of payment is brings lots of benefit to our life.

- Findings represents the demographic profile of respondents . As per gender Interpretation 40 % were Female User & 60% were Male user. 78 % M wallet service being used by age group of 18 -30 years .

- Most of the respondents are aware M wallet payment app. Furthermore respondents like google pay as a most preferred mode of payment over Amazon pay , phone pay , Paytm . The data analysis shows 32.70% respondents uses Google , 29.40 % Amazone pay and 21.60 % use phone pay as a preferred mode for payments .

- Most of the respondents 28.83% , using M wallet for making payments for Online shopping . 21% responded prefer Money Transfer or other utility bill payment such as different recharge .

- 92% people accepted that they have reduced the frequency of traditional payment system due to rise in M wallet facility.

- 32% people use app twice a day , 29.5% people use thrice a day , 20 % people more than thrice a day for making payments .

- As far as survey on usage of M wallet and satisfaction is concerned analysis shows that 16% are highly satisfied , 52% are satisfied , 28% are satisfied neutrally on the M wallet app they are using. Further 1.5% people are not satisfied with the app they are using .

- Highest payment gateway commonly available in Stores are Google pay 33% and Amazon pay 25%, are commonly available gateway for payments in store .

- Highest cash back / Voucher , Provided by , 32.94% by Amazone pay , 23 % by Google pay , 23.81 % by phone pay were as Paytm is only 17.60% other are 3.17% .

- Research further accentuate on Cyber Crime and analysis shows that 68% people faced cyber-crime till date .

- 38.5% people will continue to use M wallet while 45.5 % are not sure about the usage of M wallet 14.5 unlikely to use while 1.5% will stop using M wallet services .

- On the basis of further analysis , It has been found out that Awareness of M wallet should be created . For any payment gateway app company must focus on Advertisement and other Promotional so as to create awareness regarding different app available in the market and its relative benefits.

- As per analysis we have seen that people use highest M wallet in Online shopping , so more Advertisement may be done on the shopping sites like : Flip cart ,club Mahindra are the shopping sites to be used for advertisement .

- 65% people say that after Demonetization use of M wallet has been raised .so we should be more focus to make it higher percentage .

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Web resources

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- https://www.amazonpay.in/

- https://pay.google.com/intl/en_in

- https://www.slideshare.net/AshithaDevan1/consumers-perception-towards-growing-mobilewallet