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An Incident Of Digital Payments With The Special Reference Of Vadodara City

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Abstract

Online transactions are the backbone of the present modern era this digital payment can happened through the using of apps on your phone, digital wallet or through online banking something online and sending the money to a friend over through the internet facilities without the need of physical money so in 2016 the Indian economy introduced the cashless transaction giving to the boost of the economy through the digital payment sector. Unexpectedly the growth of 4444 companies enlisted in the demonetization period relating to the total worth of $2.8 billion dollar so the google estimate that the business consulting group that the India digital payment industry is a growing around $500444 million by 2020. The female percentage in the digital payment is lower than the male 14.37 percentage occurred by female and 135 percentage by male in digital payments comparison with 5.75 percentage by female and 4.25 percentage by male in the form of cash transaction. That means gender and individual preferences do not influence the adoption and utilisation of digital payment method.54 percentage of net banking is highly secured as well as e wallet payments and 20 percentage of people is insecure or neutral in the form of different factors. Online transactions are consistently influenced by the environmental consciousness, easy record keeping, quick access, security of digital record, cost reliability and cultural acceptance collectively influence to the individual preferences for digital transactions.

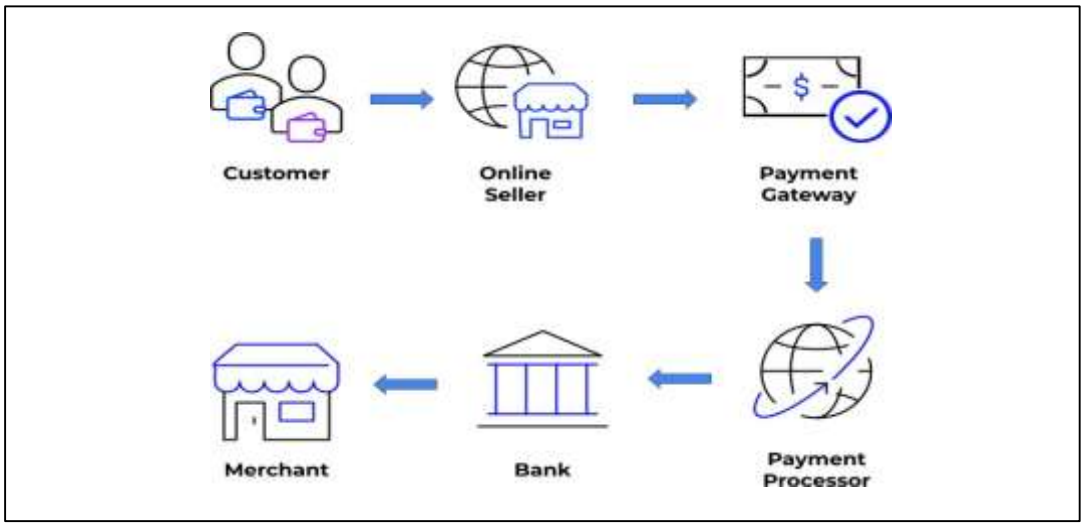
Key notes: Platform, Digital Wallet, Net Banking, Securities, Chi-Square Test.

Introduction

money evolved from direct bartering in prehistoric times to commodity money, metal coins, paper money, fiat money, and now digital currencies and cryptocurrencies. Each stage marked a significant development in the way people exchange value.

By 2025, a whopping 71.7% of payments in India are expected to be digital, leaving only 28.3% for cash and cheques, as per a report by a US-based payment systems company.

In simple terms, mobile wallets are like your digital money pouches, ensuring secure transactions, and India is quickly embracing this modern way of making payments, leaving traditional methods behind



Literature review :

Dr. Indrajit Sinha, Sanghita Roy (2014): India's payment system has grown fleetly, but there's still important work to be done to enhance its use. Despite this, cash is still used in 90 of deals. The study's methodology was the Technology Acceptance Model. They discovered that four variables contribute to the strength of the E-payment system invention, impulses, client convenience, and nonsupervisory frame. **Rakesh H M and Ramya T J (2014):** Perceived responsibility, perceived ease of use, and perceived mileage are all factors that impact Internet banking. Experts can emphasize the benefits of Internet banking services handover, and consumer awareness may be bettered to draw attention to Internet banking service. **Dr Hem Shweta Rathore (2016):** The researcher also gave some suggestions like to educate the consumers about the benefits of using digital wallets as a payment mode. This research paper concluded that Digital wallets will quickly become a popular mode of payment as it is convenient and will gain huge widespread acceptance in the market. **Arpita Pandey, Mr. Arjun Singh Rathore** (April 6-7, 2018): government measures to promote digital payments, emphasizing safety and security in daily transactions. The information comes from various research journals and government records.

RESEARCH METHODOLOGY

The study is descriptive analysis with research design to explore the experience of using the online payment and receipts. the data collected from both primary and secondary. The sample size of the population with gpay around 127 responded in Vadodara city. So it is very convenient sampling technique by google forms and Microsoft word. The study period of four months starting from January 2024 to April 2024.

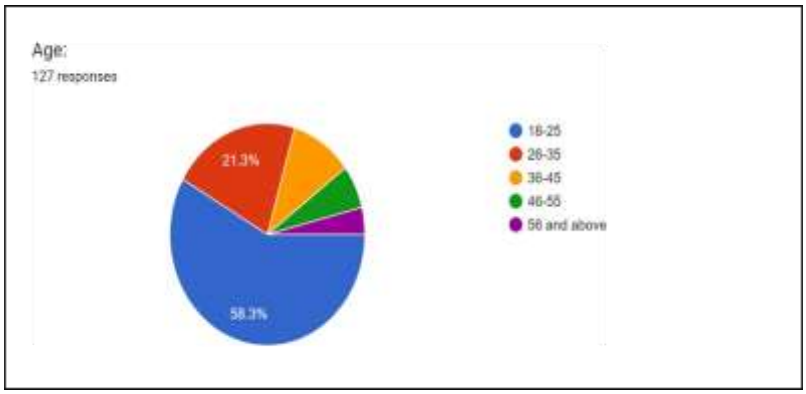
Objective of the study

To study the modes of online payments

To know the usage of the digital payment

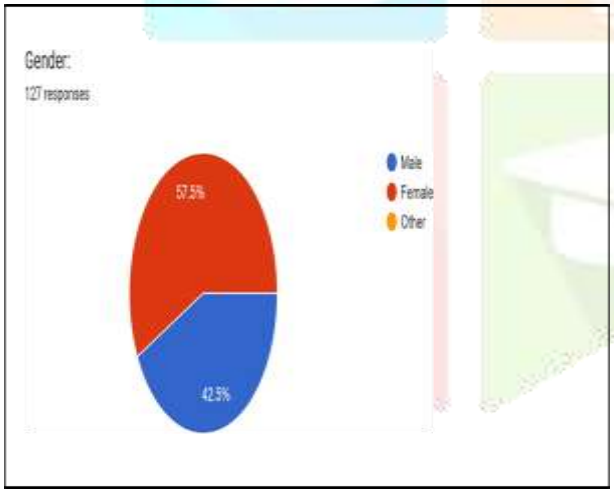
To know the purpose of people choosing the digital payment system

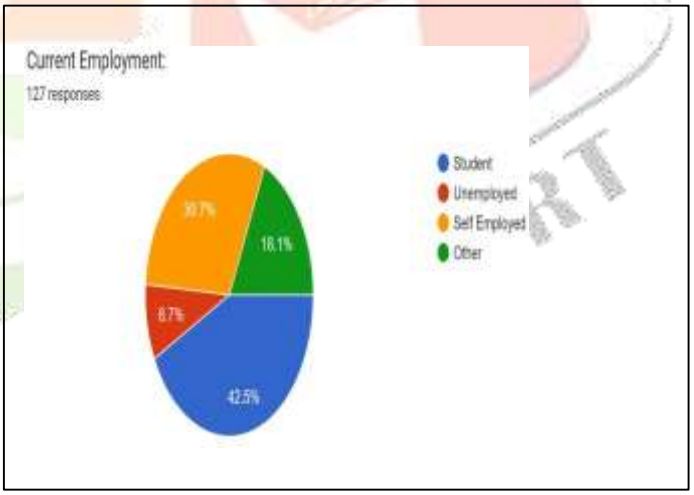
Data analysis



Source: own calculation

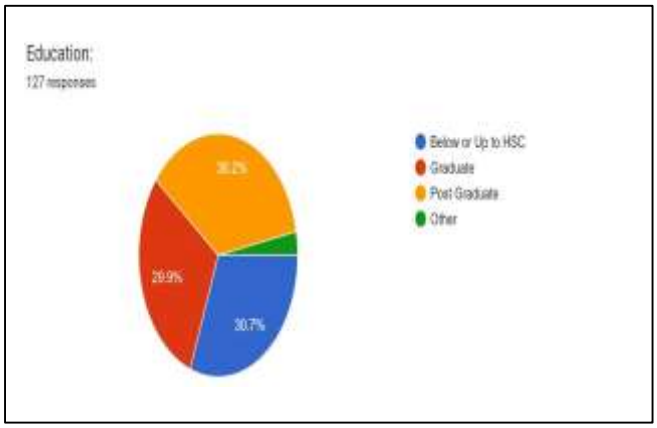
- 74 people in this group are between the ages of 18 and 25 years old. These are generally young adults.
- 27 people are between the ages of 26 and 35 years old. These are also adults but a bit older than the previous group.
- 13 people are between the ages of 36 and 45 years old. These are typically considered middle-aged adults.
- 8 people are between the ages of 46 and 55 years old. These are also middle-aged adults but a bit older than the previous group.
- 5 people are 56 years old or older. These are generally considered seniors or older adults.

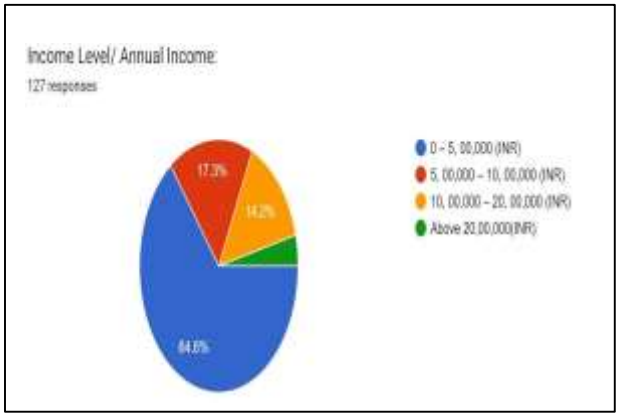




source: own calculation

54 people identify as male.73 people identify as female. 0 people identify with a gender category other than male or female. 54 people are currently students, meaning they're going to school or university.11 people don't have a job right now. 39 people work for themselves, like freelancers or business owners. There are 23 people whose current employment status doesn't fit into the categories of student, unemployed, or self-employed. This could include things like retirees, homemakers, or people on disability.

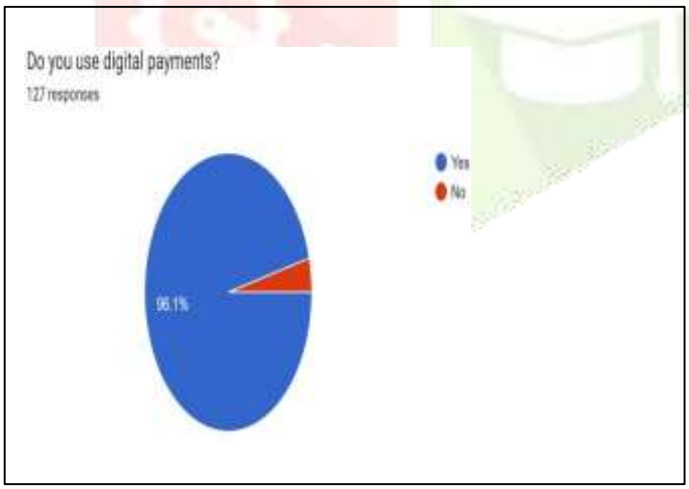


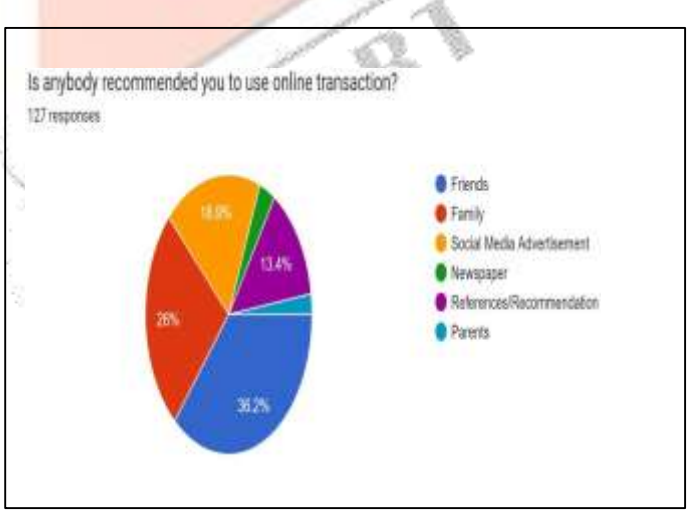


Source: own calculation

39 people have completed their education up to or below the level of the Higher Secondary Certificate (HSC). This typically includes high school education. 38 people have completed their undergraduate education, meaning they have a bachelor's degree. 46 people have completed education beyond the undergraduate level, such as master's or doctoral degrees. There are 4 people whose education level doesn't fit into the categories of below HSC, graduate, or postgraduate. This could include individuals with technical diplomas, vocational training, or other specialized education.

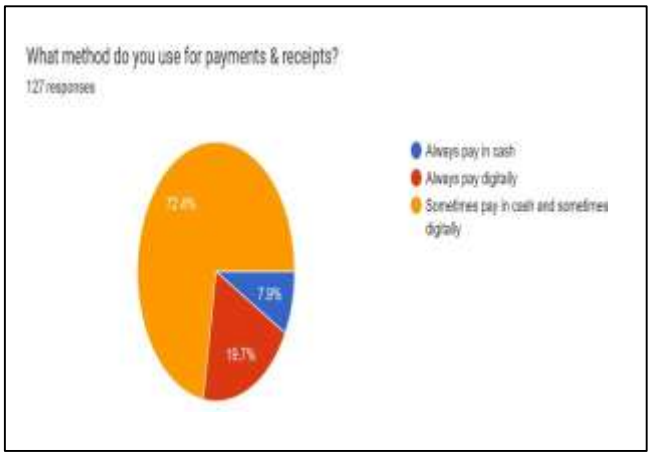
There are 82 people in this group whose annual income falls between zero (no income) and 3,00,000 Indian Rupees. This is typically considered a lower income bracket. There are 22 people whose annual income falls between 3,00,000 and 5,00,000 Indian Rupees. This is still within the lower to middle-income bracket. There are 18 people whose annual income falls between 5,00,000 and 10,00,000 Indian Rupees. This represents a middle to upper-middle-income bracket. There are 5 people whose annual income exceeds 10,00,000 Indian Rupees. This indicates a higher income bracket.

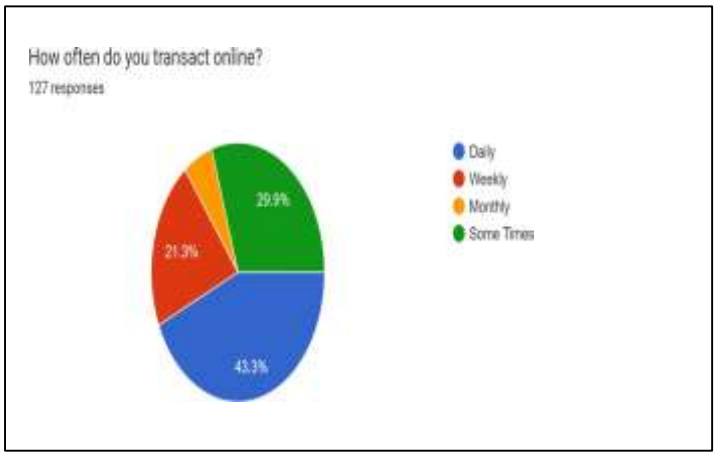




Source: own calculation

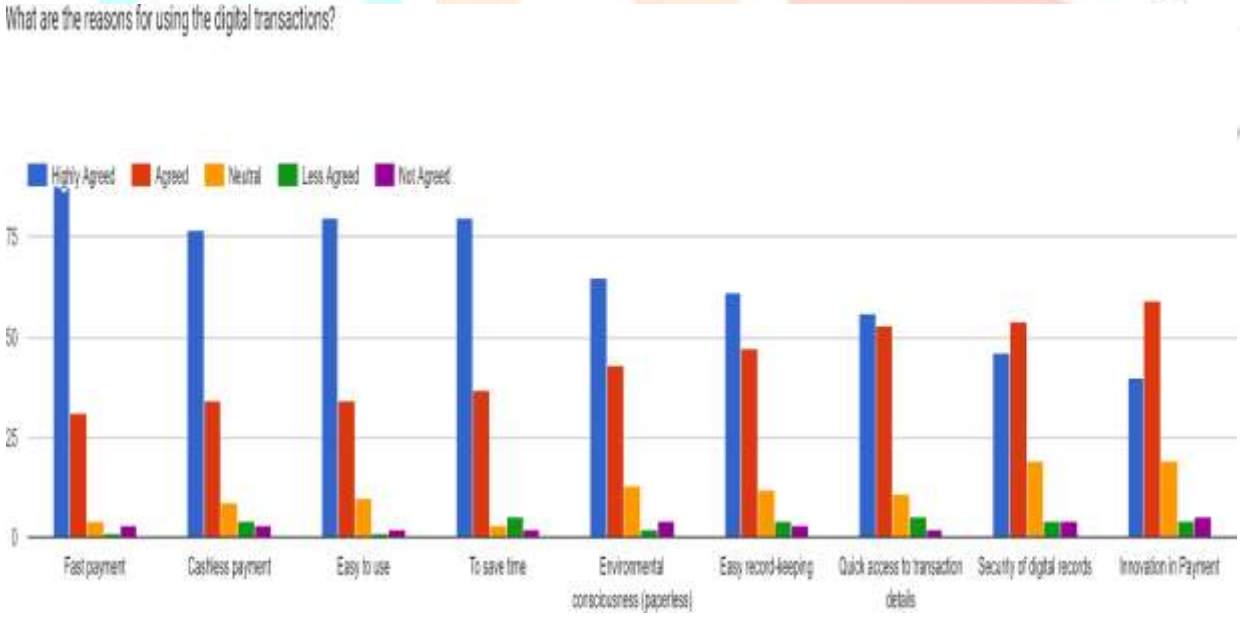
122 people use digital payments. This means they make transactions using methods like debit or credit cards, mobile payment apps, or online banking.5 people do not use digital payments. This suggests that they primarily rely on physical cash or other non-digital methods for their transactions. 46 people were advised by their friends to use online transactions.33 people were encouraged by their parents to use online transactions.24 people were influenced by advertisements on social media to use online transactions.4 people were persuaded by newspaper advertisements to use online transactions.17 people received recommendations from various sources, like teachers or mentors, to use online transactions.3 people were advised by parents/ any other source to use online transactions

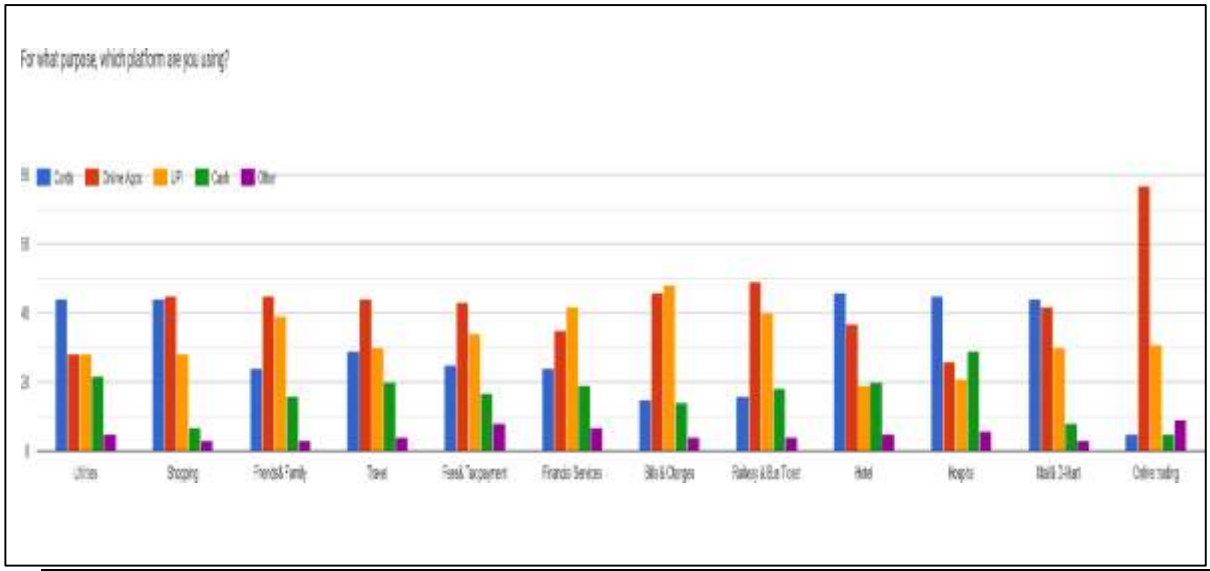




Source: Own calculation

10 people prefer to make all their payments using physical cash.25 people prefer to make all their payments using digital methods like cards or mobile apps.92 people use a combination of both cash and digital methods for their payments, depending on the situation or preference.55 people transact online every day, indicating it's a routine part of their daily activities.27 people transact online once a week, suggesting they do it regularly but not as frequently as daily.7 people transact online once a month, indicating they engage in online transactions less frequently, perhaps for specific purposes or bills.38 people transact online occasionally, suggesting it's not a fixed routine for them, but they still use online transactions when needed.





The majority highly agree that digital transactions are easy to use, with a significant portion simply agreeing. A smaller number express neutrality or less agreement, and very few disagree with this notion. The majority highly agree that digital transactions are easy to use, with a significant portion simply agreeing. A smaller number express neutrality or less agreement, and very few disagree with this notion. A majority agree that using digital transactions contributes to innovation in payment methods, with a significant portion also agreeing. Some express neutrality or less agreement, while a small minority disagrees with this idea. Cards, online apps, and UPI are commonly used, with a smaller number using cash and other methods. Cards and online apps are popular choices, with fewer people using UPI, cash, or other methods. Online apps and UPI are commonly used, with cards also being utilized by a significant portion. Online apps are preferred, followed by cards and UPI, while cash and other methods are less commonly used. Online apps and UPI are popular, with cards also being utilized, while cash and other methods are less prevalent. Online apps and UPI are commonly used, with cards also being utilized by some, while cash and other methods are less frequently chosen. online apps and UPI are popular choices, with cards also being utilized, while cash and other methods are less commonly used. Cards are the preferred choice, followed by online apps, while UPI, cash, and other methods are less commonly used. Cards and online apps are popular choices, while UPI, cash, and other methods are less frequently used. Online apps are the preferred choice, followed by UPI, while cards, cash, and other methods are less commonly used.

Hypothesis Testing:

H0: Null Hypothesis – There is no relation between two variables.

H1: Alternative Hypothesis – There is a relation between two variables.

1) H0: People aren't concerned about using digital payment with security. H1: People have concerns while using digital payment with security.

Security/Tools	Cards	Net Banking	E-Wallet	Total
Highly Secured	72	61	29	162
Secured	33	45	62	140
Neutral	17	16	26	59
Less Secured	2	4	9	15
Not Secured	3	1	1	5
Total	127	127	127	381

Source: own calculation

Security/Tools	Cards	Net Banking	E-Wallet
Highly Secured	54.00	54.00	54.00
Secured	46.67	46.67	46.67
Neutral	19.67	19.67	19.67
Less Secured	5.00	5.00	5.00
Not Secured	1.67	1.67	1.67

Source: Own calculation

Observed	Expected	(O-E)	(O-E)2	(O-E)2/E
72	54	18	324.00	6.00
61	54	7	49.00	0.91
29	54	-25	625.00	11.57
33	46.67	-13.67	186.87	4.00
45	46.67	-1.67	2.79	0.06
62	46.67	15.33	235.01	5.04
17	19.67	-2.67	7.13	0.36
16	19.67	-3.67	13.47	0.68
26	19.67	6.33	40.07	2.04
2	5	-3	9.00	1.80
4	5	-1	1.00	0.20
9	5	4	16.00	3.20
3	1.67	1.33	1.77	1.06
1	1.67	-0.67	0.45	0.27
1	1.67	-0.67	0.45	0.27
X2= Value				37.46

Source: Own calculation

degrees of Freedom= (Column-1) (Row-1)

= (3-1) (4-1) = 2*3 = 6

Calculated	Relation	Expected
37.46	>	12.59

- Null rejected & Alternative accepted.
- In simple words, the Null hypothesis is rejected, and the Alternative hypothesis is accepted.
- That means people have concerns while using digital payment with security.

2) H0: Gender and individual preferences do not influence the adoption and utilization of digital payment methods.
H1: Gender and individual preferences influence the adoption and utilization of digital payment methods.

Gender:	Always pay digitally	Always pay in cash	Sometimes pay in cash and sometimes digitally	Grand Total
Female	10	8	55	73
Male	15	2	37	54
Grand Total	**25**	**10**	**92**	**127**

Gender:	Always pay digitally	Always pay in cash	Sometimes pay in cash and sometimes digitally
Female	14.37	5.75	39.84
Male	135.00	4.25	39.12

Degrees of Freedom = (Column-1) (Row-1)

= (3-1) (2-1)
= 2*1
= 2

Observed	Expected	(O-E)	(O-E)2	(O-E)2/E
10	14.37	-4.37	19.10	1.33
8	5.75	2.25	5.06	0.88
55	39.84	15.16	229.83	5.77
15	135	-120.00	14400.00	106.67
2	4.25	-2.25	5.06	1.19
37	39.12	-2.12	4.49	0.11
			X2=Value	115.95

Source: own calculation

Calculated	Relation	Expected
115.95	>	5.991

Null rejected & Alternative accepted. In simple words, the Null hypothesis is rejected, and the Alternative hypothesis is accepted. That means Gender and individual preferences do not influence the adoption and utilization of digital payment methods.

- Card-based digital transactions: Majority perceive them as highly secure, with some expressing concerns.
- Net banking: Widely perceived as highly secure, with few expressing concerns.
- E-wallets: Majority consider them secured, with some neutrality and a smaller group expressing security concerns.
- Purpose of digital payments: Majority use them for self-purpose, with smaller portions for business and both personal/business reasons.
- Fast payment methods: Majority highly agree, with a smaller portion simply agreeing and very few expressing neutrality or disagreement.
- Cashless payment methods: Majority highly agree, with a significant portion simply agreeing and smaller numbers expressing other views.
- Ease of use: Majority highly agree, with some expressing neutrality or less agreement, and very few disagree.
- Time-saving: Majority highly agree, with some expressing neutrality or less agreement, and very few disagree.
- Environmental consciousness: Majority highly agree, with some expressing neutrality or less agreement, and a small minority disagree.
- Easy record-keeping: Majority highly agree, with some expressing neutrality or less agreement, and a small minority disagree.
- Quick access to transaction details: Majority highly agree, with some expressing neutrality or less agreement, and a small minority disagree.
- Security of digital records: Significant majority agree, with some expressing neutrality or less agreement, and a small minority disagree.
- Innovation in payment methods: Majority agree, with some expressing neutrality or less agreement, and a small minority disagree.
- Preferred digital payment methods: Varied usage patterns with online apps, cards, and UPI being common choices, while cash and other methods are less prevalent.
- Factors influencing preferences: Various factors including ease of record-keeping, quick access to transaction details, security, cost, reliability, and cultural acceptance play roles.
- Future expectations: Majority anticipate increased use of digital payments, with very few expecting a decrease and some foreseeing no change.

Conclusion :

The majority of individuals highly value the convenience and security offered by digital transactions, with factors such as ease of record-keeping, quick access to transaction details, and the security of digital records playing significant roles in influencing their preferences. Additionally, considerations such as cost, reliability, and cultural acceptance also contribute to shaping their choices. With a vast majority anticipating an increase in the use of digital payments in the future, it's evident that the widespread adoption of digital payment methods is expected to continue growing, driven by both practical advantages, and evolving societal norms. The peoples of Vadodara city are highly coordinate with the digital payments like net banking, e wallet, ATM cards, rather than the needy of liquidity some people are unaware about to the digital payments due to lack of digital literacy, financial inclusion and the fintech services with the different sectors.

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