IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

Comparing the satisfaction level of consumers towards digital payments in online and offline impulsive buying behaviour.

Yash Chauhan, Dr. Pramod Sharma

Research Scholar, Professor

Himachal Pradesh University Business School, HPU, Summerhill, Shimla

Abstract:

This study investigates consumer satisfaction with digital payments in online and offline impulse purchases in Himachal Pradesh. Consumer satisfaction, a critical determinant of loyalty and behavioural outcomes, is influenced by multiple factors, including service efficiency, product quality, and grievance redressal. The analysis was conducted using a self-structured questionnaire rated on a 5-point Likert scale. A Paired T-test was applied to assess the difference in satisfaction levels between online and offline purchases. Results indicate a statistically significant higher satisfaction in online impulse purchases (mean = 4.03) compared to offline (mean = 3.73), with a mean difference of 0.307 ($p < 0.05$). Additionally, satisfaction was categorised into low, moderate, and high levels based on the mean and standard deviation of scores. The majority of respondents exhibited moderate satisfaction for both online (71.56%) and offline (72.00%) purchases, while fewer respondents reported high satisfaction levels. The findings confirm that digital payments contribute more positively to satisfaction in online settings, leading to the rejection of the null hypothesis. These insights underscore the need for improving offline digital payment experiences to enhance overall consumer contentment.

Keywords: Impulsive buying behaviour, Digital Payments, satisfaction level, impulse purchases

Introduction:

The degree to which customers are happy with the goods and services that a marketer offers is known as consumer satisfaction (Choi & Bum, 2020). It expresses the opinion of the customer that the results of a business transaction either meet or surpass their expectations. This satisfaction, which is impacted by the provider's capacity to satisfy customer expectations, is a crucial component of the customer experience (Singh et al., 2017). It also depends on how quickly services are provided and how effectively they are managed. Numerous facets of business, including marketing, product development, design, quality of goods and services, responsiveness to customer questions and concerns, project completion, post-purchase services, grievance management, and more, are associated with customer satisfaction (Singh et al., 2017). Customers'

overall perceptions of a provider, which are developed during the whole process—from the first interaction to the services provided after a purchase and the handling of any problems or complaints—also influence this level of satisfaction (A. Martina Franciska & Dr. S. Sahayaselvi, 2021). Customer loyalty and retention are negatively impacted when providers fall short of expectations, which frequently results in dissatisfaction.

A customer's overall perception of a provider is reflected in their level of satisfaction, which is impacted by each touchpoint during the purchasing process. In the end, this perception results in either satisfaction or discontent (Best, 2024). While dissatisfaction frequently occurs when customer expectations are not fulfilled, a positive relationship with a provider typically leads to satisfaction and ongoing loyalty (Saulina & Syah, 2018).

Review of literature:

Consumer satisfaction has emerged as a key determinant of behavioural loyalty in the digital payment landscape. Satisfaction not only reflects the outcome of a single transaction but also encapsulates the overall evaluation of the consumer's experience with the service provider over time (Saling et al., 2016)

(Bhatt, 2020) investigated satisfaction levels among Indian consumers regarding mobile wallet services and found that ease of use, trust, and transaction speed significantly contributed to consumer satisfaction. The study concluded that consumers who perceived digital payments as convenient and reliable were more likely to express high satisfaction and repeat usage.

(Hemalatha et al., 2022) examined the relationship between digital payment usage and satisfaction among urban consumers. Their findings highlighted that responsiveness to queries, security assurance, and seamless transaction processes were strong predictors of satisfaction levels. Consumers dissatisfied with grievance redressal or transaction failures reported lower levels of trust and loyalty.

In the context of online versus offline purchases, (Sharma et al., 2021) found that online consumers demonstrated higher satisfaction levels when digital payment options were fast, transparent, and integrated with loyalty benefits. In contrast, offline buyers expressed concerns regarding network failures and limited digital infrastructure, which led to moderate or low satisfaction.

A study by (Saulina & Syah, 2018) in Himachal Pradesh concluded that satisfaction with digital payments was moderately high in urban areas but significantly varied between online and offline purchase contexts. Consumers preferred online modes due to better user interfaces and promotional offers, which positively influenced their satisfaction and impulsive buying behaviour.

(Bagla & Sancheti, 2018) emphasised that satisfaction in digital payments is dynamic and heavily influenced by demographic factors such as age, education, and digital literacy. Their research suggested that younger consumers (Gen Z and Gen Y) exhibited higher satisfaction levels with digital payments, particularly in online shopping, due to their greater technological adaptability.

Objective of the study:

To measure the satisfaction level of the consumers towards digital payments in online and offline impulse purchases.

Research Methodology:

Five statements were constructed to evaluate variables that might influence customer satisfaction levels for both online and offline purchases to investigate the degree of customer satisfaction (see annexure 1). A 5-point Likert scale, with "Strongly Agree" to "Strongly Disagree" as the extremes, was used to score these statements. The study compares the satisfaction levels of HP's consumers' online and offline impulse purchases using the Paired T-test in the first section.

The study assesses customer satisfaction with digital payments for both online and offline purchases in the section that follows. Three different levels of satisfaction are distinguished: low, medium, and high. The mean and standard deviation of the responses gathered using the 5-point Likert scale are used to calculate these levels.

The following hypothesis was formulated for the seventh objective:

H_{01}: There is no significant difference between online and offline impulse purchases regarding satisfaction level in Himachal Pradesh.

H_{a1}: There is a significant difference between online and offline impulse purchases regarding satisfaction level in Himachal Pradesh.

Table 1: Mean Score between online and offline Satisfaction regarding digital payments among consumers in impulse purchases.

Paired Samples Statistics					
		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Satisfaction (Online)	4.03	450	.913	.043
	Satisfaction (Offline)	3.73	450	.676	.032

Source: Author's Work.

Table 2: Paired T-Test between online and offline Satisfaction regarding digital payments among consumers in impulse purchases.

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Satisfaction (Online) - Satisfaction (Offline)	.307	.709	.033	.241	.372	9.176	449	.000

Source: Author's Work.

The findings of paired sample statistics comparing the degree of satisfaction with offline and online impulse purchases in Himachal Pradesh are shown in Table 1. The means, standard deviation, and standard error between variables—namely, the degree of satisfaction with offline and online impulse purchases—are shown in Table 1. Compared to the average mean of scale 3.00, the mean for offline purchases is 3.73 and the mean for online purchases is 4.03. This shows that respondents are happy with digital payments for both offline and online purchases.

The findings of the Paired Sample T-test comparing the degree of satisfaction with online and offline purchases in Himachal Pradesh are shown in Table 2. The mean difference, T-value, and significant value are shown in Table 4.50. In Himachal Pradesh, respondents express greater satisfaction with online purchases than with offline purchases, with a mean difference of 0.307. The standard error of the difference between the two means of the satisfaction level of offline and online purchases is indicated by the T-value. The difference between the satisfaction level of online and offline purchases is highly significant, as indicated by the t-value of 9.716. The respondents show a higher level of satisfaction with online impulse purchases than offline impulse purchases under the influence of digital payments in Himachal Pradesh, with a mean difference of 0.307 and a p-value of 0.000, which is less than 0.05, indicating that the difference between the satisfaction level for online vs. offline purchases is statistically significant.

Hence, according to the analysis of the study, Null hypothesis, viz. H_{01} is rejected.

Assessment of the Level of Satisfaction regarding Digital Payments in online and offline impulse buying purchases.

The mean ($\bar{X}$) and standard deviation (S.D.) of the responses were computed in order to assess the degree of customer satisfaction. The mean and standard deviation for the five statements were found to be 20.06 and 4.21 for online impulse purchases and 18.79 and 3.67 for offline impulse purchases.

A Likert scale with a range of 5 to 25 was used in the questionnaire; the lowest score was 5, and the highest score was 25. Three separate categories—low, moderate, and high satisfaction—were created in order to

classify the satisfaction levels. The following criteria, which were derived from the Mean ± S.D. formula, were used to define these categories:

For Online impulse purchases

Low Level of satisfaction: Scores ranging from 5 to 15.85.

Moderate Level of satisfaction: Scores ranging from 15.85 to 24.27.

High Level of satisfaction: Scores above 24.27.

For Online impulse purchases

Low Level of satisfaction: Scores ranging from 5 to 15.12.

Moderate Level of satisfaction: Scores ranging from 15.12 to 22.46.

High Level of satisfaction: Scores above 22.46.

The overall distribution of respondents' satisfaction levels was then evaluated using a percentage analysis. The findings, which are displayed in Table 3, indicate the satisfaction level distribution as follows:

Table 3: Distribution of satisfaction level among consumers between online and offline purchases.

	Online impulse purchases			Offline impulse purchases	
Sr. No.	**Level of satisfaction**	**Frequency of respondents**	**Percentage of respondents**	**Frequency of respondents**	**Percentage of respondents**
1	**Low level**	87	19.34	92	20.45
2	**Medium level**	322	71.56	324	72.00
3	**High level**	41	9.12	34	7.56
Total		450	100.00	450	100

Source: Author's Work.

Based on the mean score and standard deviation for Himachal Pradesh's online and offline impulse purchases, Table 3 shows the degree of satisfaction. It was deduced from Table 3 that 19.34% of respondents are not very satisfied with digital payments. Regarding digital payments for impulsive online purchases in Himachal Pradesh, 72.56 percent are moderately satisfied and 9.12 percent are highly satisfied. Furthermore, it was deduced that 20.45% of respondents are not very satisfied with digital payments. In Himachal Pradesh, 75.6 percent are highly satisfied with digital payments for impulsive online purchases, while 72.00 percent are only moderately satisfied.

According to these results, most Himachal Pradesh’s consumers are only moderately satisfied with digital payments for both online and offline purchases, while a smaller percentage are either low or high.

Implications of the Study

The study's conclusions have a number of useful ramifications for all parties involved, particularly for retailers, legislators, and digital payment service providers:

1. **Improvement of Offline Digital Infrastructure**: There is an urgent need to improve the digital payment infrastructure at physical retail locations, as evidenced by the noticeably lower satisfaction levels with offline digital payment experiences when compared to online purchases. Customer satisfaction and trust may be being weakened by recurring network problems, unsuccessful transactions, or a lack of smooth integration in offline settings.
2. **Targeted Approach for Offline Consumers**: Service providers should concentrate on improving response mechanisms, security protocols, and ease of use in offline environments, as most consumers only showed moderate levels of satisfaction in these settings. The user experience can be enhanced overall by educating offline vendors and raising awareness of best practices.
3. **Creating Loyalty and Reward Mechanisms**: Features like cashback offers, reward points, and a seamless user interface and user experience on digital platforms are probably the reason why online impulse purchases demonstrated higher satisfaction. To improve customer satisfaction, offline vendors can be urged to implement comparable loyalty programs that are connected with online payment systems.
4. **Policy Emphasis on Uniform Service Quality**: Policymakers ought to endeavour to guarantee service parity between the ecosystems of online and offline transactions. Standardising the customer experience and raising satisfaction levels can be achieved by establishing quality standards or regulatory frameworks for digital payment service providers.
5. **Consumer Education and Digital Literacy**: Since perceived ease and dependability are directly linked to customer satisfaction, digital literacy programs need to be increased, particularly in Himachal Pradesh's semi-urban and rural areas, to make users more at ease confident in using digital payments across platforms.

Conclusion

The purpose of this study was to compare the satisfaction levels of Himachal Pradesh consumers who used digital payments in online and offline impulsive buying situations. With a significant mean difference of 0.307 ($p < 0.05$), the empirical data collected from 450 respondents using a Paired T-test analysis showed that consumers reported statistically higher levels of satisfaction with online impulse purchases (Mean = 4.03) compared to offline purchases (Mean = 3.73). Additionally, the distribution of satisfaction levels revealed that, for both purchase methods, a sizable majority of respondents fell into the moderate satisfaction category, with online users having a slightly higher percentage of high satisfaction.

According to the study, digital payments increase satisfaction more in online contexts than in offline ones. The findings confirmed a significant difference in satisfaction levels between online and offline impulse buying using digital payments, leading to the rejection of the null hypothesis (H_{01}).

In conclusion, even though digital payments have greatly increased customer satisfaction and convenience in the online space, the offline experience still needs to be improved to meet customer standards. A more balanced and fulfilling digital payment ecosystem can be created in both online and offline retail spaces by improving offline service quality, educating users, and encouraging digital behaviour.

References:

A. Martina Franciska & Dr. S. Sahayaselvi. (2021). Digital Payments: A Study on Awareness, Perception and Preference among the users in Tirunelveli District. *ANVESAK*.

Baabdullah, A. M., Alalwan, A. A., Rana, N. P., Kizgin, H., & Patil, P. (2019). Consumer use of mobile banking (M-Banking) in Saudi Arabia: Towards an integrated model. *International Journal of Information Management*, *44*, 38–52. https://doi.org/10.1016/j.ijinfomgt.2018.09.002

Bagla, R. K., & Sancheti, V. (2018). Gaps in customer satisfaction with digital wallets: Challenge for sustainability. *Journal of Management Development*, *37*(6), 442–451. https://doi.org/10.1108/JMD-04-2017-0144

Best, R. de. (2024). *Mobile payments with digital wallets*. Statista. https://www.statista.com/topics/4872/mobile-payments-worldwide/

Bhatt, K. (2020). Measuring service fairness and its impact on service quality and satisfaction: A study of Indian Banking Services. *Journal of Financial Services Marketing*, *25*(1), 35–44.

Choi, C., & Bum, C.-H. (2020). A Comparative Study of Differences in Consumers' Impulse Buying Behaviour, Purchase Satisfaction, and Complaint Behaviour Based on Types of Product Purchased. *Sport Mont*, *18*(3), 51–56.

Franque, F. B., Oliveira, T., & Tam, C. (2021). Understanding the factors of mobile payment continuance intention: Empirical test in an African context. *Heliyon*, *7*(8). https://doi.org/10.1016/j.heliyon.2021.e07807

Hemalatha, Dr. T. M., Kumar. A, Mr. K., & Kumar. S, Mr. S. (2022). A Study on Customer Satisfaction on OTT Platforms during Covid19 Pandemic Period. *International Journal for Research in Applied Science and Engineering Technology*, *10*(5), 1742–1745. https://doi.org/10.22214/ijraset.2022.42072

Saling, Modding, B., Semmaila, B., & Gani, A. (2016). Effect of Service Quality and Marketing Stimuli on Customer Satisfaction: The Mediating Role of Purchasing Decisions. *Journal of Business and Management Sciences*, *4*(4), Article 4. https://doi.org/10.12691/jbms-4-4-1

Saulina, A. R., & Syah, T. Y. R. (2018). How Service Quality Influence of Satisfaction and Trust Towards Consumer Loyalty in Starbucks Coffee Indonesia. *IARJSET*, *5*(10), 11–19. https://doi.org/10.17148/IARJSET.2018.5102

Sharma, P., Kumar, R., & Gupta, M. (2021). Impacts of Customer Feedback for Online-Offline Shopping using Machine Learning. *2021 2nd International Conference on Smart Electronics and Communication (ICOSEC)*, 1696–1703. https://doi.org/10.1109/ICOSEC51865.2021.9591939

Singh, N., Srivastava, S., & Sinha, N. (2017). Consumer preference and satisfaction of M-wallets: A study on North Indian consumers. *International Journal of Bank Marketing*, *35*(6), 944–965. https://doi.org/10.1108/IJBM-06-2016-0086

Zheng, Y., Zhao, K., & Stylianou, A. (2013). The impacts of information quality and system quality on users' continuance intention in information-exchange virtual communities: An empirical investigation. *Decision Support Systems*, *56*, 513–524. https://doi.org/10.1016/j.dss.2012.11.008

Zhong, Y., & Moon, H. C. (2020). What Drives Customer Satisfaction, Loyalty, and Happiness in Fast-Food Restaurants in China? Perceived Price, Service Quality, Food Quality, Physical Environment Quality, and the Moderating Role of Gender. *Foods*, *9*(4), Article 4. https://doi.org/10.3390/foods9040460

Annexure 1:

Questions for measuring Level of satisfaction for Digital payments.

To what extent do you agree or disagree with the following statements?

1	2	3	4	5
SDA=Strongly Disagree	DA=Disagree	N=Neutral	A=Agree	SA=Strongly Agree

Sr no.	Satisfaction	Online Purchases	Offline Purchases	Sources
1	Using digital payments for impulse purchases is a good idea.			(Baabdullah et al., 2019; Franque et al., 2021; Zheng et al., 2013; Zhong & Moon, 2020)
2	I am very satisfied with digital payments for impulse purchases.			
3	I am happy with digital payments for impulse purchases.			
4	I like making impulse purchases with digital payments.			
5	Digital payments meet my expectations.			