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A  
COMPREHENSIVE PROJECT REPORT  
ON

**“FACTORS INFLUENCING CUSTOMER  
ADOPTION OF MOBILE PAYMENTS:  
EMPIRICAL EXAMINATION BETWEEN  
GENERATION Y AND Z IN INDIA”**

Submitted to

**Parul University of Management & Research Studies**

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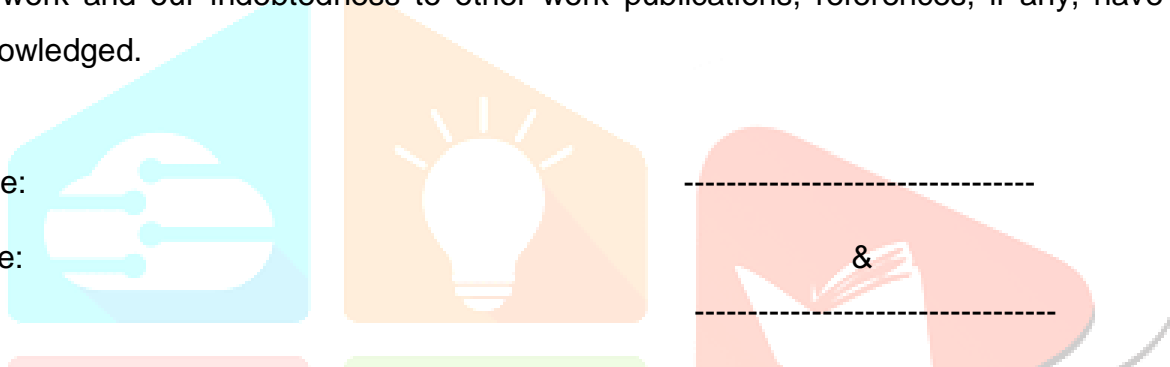


## Students' Declaration

We, Nishu Singh & Vivek Sharma hereby declare that the report for Comprehensive Project entitled **“FACTORS INFLUENCING CUSTOMER ADOPTION OF MOBILE PAYMENTS: EMPIRICAL EXAMINATION BETWEEN GENERATION Y AND Z IN INDIA”** is a result of our own work and our indebtedness to other work publications, references, if any, have been duly acknowledged.

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is the bonafide work of Ms Nishu Singh (210614200487) & Vivek Sharma (210614200486), who carried out the research under my Supervision. I also certify further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

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**Prof. Dhruvin Chauhan**

**Assistant Prof.**

**Parul University**

## **PREFACE**

Management is the center point of every organization. Management training remains incomplete without a practical understanding of real problems. No one can be perfect without practical knowledge and experience. Considering this aspect, Parul University has made students participate in the conduct of research and has to prepare a project. It is a great pleasure and pride for us to make the comprehensive project Factors Influencing Customer Adoption of Mobile Payments: Empirical Examination Between Generation Y and Z in India. This paper examines the Factors Influencing Customer Adoption of Mobile Payments: Empirical Examination Between Generation Y and Z in India. Mobile Payment is not a new concept but in the past few years, the trend has increased. Governments of different countries can take initiative to promote the use of mobile payments. This practically develops a feeling about the difficulties & challenges in the business world. Only theory knowledge does not important to complete education, practical experience must accompany theoretical knowledge to add meaning to education.

## **ACKNOWLEDGEMENT**

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## **PART- I**

### **GENERAL INFORMATION**

#### **GENERAL INFORMATION**

Money may be sent from one party to another using a mobile device, such as a smartphone or tablet. Mobile payments are not limited to only making purchases; they can also be used to transfer money to loved ones.

Technology recently implemented into several banks' banking applications has resulted in instantaneous money transfer from bank accounts to friends and relatives. Customers may also use their smartphones to make purchases in-store by scanning barcodes using a special software. This strategy is widely accepted by enterprises of all sizes, from mom-and-pop shops to multinational conglomerates.

It is possible to pay for purchases using a credit card, debit card, or a prepaid amount on an account associated with the store. This method of payment is safer than using a debit or credit card since the transaction details are encrypted in transit.

The United States and Canada lagged behind Asia and Europe in adopting mobile payments at first, but the practice has now expanded around the world. The first mobile payments were transmitted by text message. After then, technology advanced to the point where you can now photograph checks with a smartphone camera and email them to the intended payee. In the end, this system was superseded by the capability to deposit checks remotely via a mobile banking app.

The proliferation of smartphones and online shopping has stimulated expansion of the global mobile payment business. At a CAGR (compound annual growth rate) of 12% from 2020 to 2023, the value of mobile payments is expected to reach \$4,769.9 billion in 2020. More businesses are getting into the mobile payment industry as a result of the rise of online shopping, which uses mobile payment services. Among these expanding trends, the importance of mobile payment is readily apparent.

Recently, the government of Taiwan has made concerted efforts to increase the use of mobile payment systems. Many procedures were put into place to improve environmental base conditions.

For instance, in 2019, a financial regulatory sandbox legislation was adopted, giving firms additional latitude while testing new financial services in the market. While the percentage of people using mobile payment services is expected to increase from 39.7% in 2019 to 62.2% in

2021, there is still a lot of potential for development when compared to the already massive credit card sector.

Young people, who are more used to using various online payment options, are the most likely to accept this new payment option, making them an important demographic for the success of any company. Nonetheless, the issue of whether or not young people in Taiwan see mobile payment as a net positive remains unresolved. So, the primary goal of this research is to better understand the influences on the mobile payment use intentions and practices of today's youth. Previous research on the motivations and challenges that influence young people to use mobile payment methods has shown mixed results.

Using the youth of Taiwan as a case study, this research significantly supplements prior work outlining the motivations and practices of this age group when it comes to mobile payments. The mobile payment market in Asia-Pacific is expected to develop at the quickest rate (CAGR) during 2018-2026. By learning more about what motivates and discourages young people from using mobile payments, service providers and academics can better craft marketing campaigns to win over the widest possible audience. As a result, this study's results have the potential to have far-reaching ramifications for the design of efficient market communication strategies in the Asia-Pacific mobile payment industry.

This research builds on the unified theory of acceptance and usage of technology by extending it with a new behavioural model. Other factors that determine whether or not people actually use mobile payments include the dangers they perceive and the effectiveness of marketing campaigns. There are "systematic disparities in values, interests, and behaviour that are persistent over time" between the millennial generation and older generations. Whilst the topic of young people's risk preferences has been studied, it has received less attention.

This research contributes to the existing body of knowledge by expanding the UTAUT model to account for youths' perceptions of potential dangers in describing their actions. One key factor that influences one's decision to use mobile payment services is their level of comfort with the associated risks. One line of prior research emphasizes customers' psychological concerns including trust, mistrust, perceived security risk, and perceived financial, privacy, and performance risks when modelling consumers' desire to utilize online services.

It was discovered that consumers' confidence in their mobile service provider, mobile technology, and mobile payment provider all play a significant role in determining whether or not they plan to utilize mobile payment. The same holds true for repeat purchases made by customers via internet channels. Some authors looked into the effects of trust and distrust by using "functional neuroimaging tools to complement psychometric measures of trust and distrust," because they know these two factors play a significant role in determining whether or not people will choose to engage in exchanges that are facilitated by information and communication technologies. Consumers' neurological reactions to unsafe and safe online payment options have also been

studied using neuroscience. According to the research presented here, customers' brain reaction determines which payment methods they ultimately choose.

## **ABOUT THE COMPANY / INDUSTRY / SECTOR**

### **INDUSTRY PROFILE**

The worldwide market for mobile payments was valued \$1.54 trillion in 2020. In the middle of this unprecedented and incredible worldwide impact of COVID-19, mobile payment has had a beneficial effect on demand everywhere.

Smartphone payment methods are convenient and rapid. Paying for products and services using a mobile device is gaining popularity among consumers all over the globe. Even more so, as a direct consequence of the COVID-19 epidemic, online and brick-and-mortar companies alike are attempting to adapt to shifting consumer preferences, such as by implementing cashless payment options through mobile devices. Growth in this market is anticipated to be fueled by the aforementioned elements over the forecast horizon.

Mobile payment technology using Near-Field Communication (NFC) transmits encrypted data securely and quickly to Point-of-Sale (POS) terminals. It's a huge time saver compared to alternatives like PIN and chip technology. Mobile devices employ near-field communication (RFID) to interact with NFC card readers.

Market leaders are using tactics including new product launches, strategic partnerships, and product enhancements in an effort to solidify their standing in the industry. They're also trying to develop strategic partnerships with banks and other financial institutions to boost the customer service they provide.

**The major companies are likewise spending much on product development.**

For instance, in January of 2021, Safaricom will roll out its M Pesa bill management service. The service was created with businesses who charge their customers on a regular basis in mind, such universities, utilities, and property management firms. Customers may access information about their accounts, such as overdue payments, payment reminders, and electronic invoices. The global mobile payment industry is dominated by companies like:

- Google (Alphabet, Inc.)
- A Company in the Alibaba Group
- The Amazon.com, Inc.
- For example: Apple Computer, Inc.
- That's the American Express Corporation!
- M Pesa
- For Further Information, Contact:

Throughout the course of product or service advertising, monetary and/or nonmonetary awards have been proven to be beneficial in attracting and acquiring consumers. Few studies exist that provide actual evidence for the impact, notably that of monetary benefits given by mobile pay firms, on the adoption of this new payment option.

Money benefits supplied by mobile payment apps are shown to be a draw element in the switching behavior of users, according to new study examining the pull, push, and anchoring factors of mobile payment users. Several writers have discovered that incentives like cash back and discounts have a beneficial effect on the likelihood that young people in the United States would use near field communication mobile payment.

In addition to monetary incentives, this research takes into account two additional types of prizes provided by mobile payment companies: extra points and presents with certain thresholds of purchase. This research significantly contributes to the growing body of literature on the modeling of technology acceptance behavior by focusing on the impact of marketing techniques on the uptake of mobile payments among the younger generation.

This research contributes to the existing body of knowledge on mobile payment by analyzing the moderating role of gender among today's youth. Understanding gender and age differences in motivations and impediments to ICT adoption is crucial for any study of ICT adoption behavior.

The role of gender as a moderator in the spread of mobile technologies including the internet, banking, payments, and applications has been studied extensively. In certain situations, the impact of gender on the influence of certain constructs on adoptive behavior was detected, whereas in others, such as, no such effect was shown. Disregarding the probable interaction between these two demographic factors, gender and age, may explain for the varying findings. This research offers a more precise investigation of the impact of gender in moderating links between factors and adoption behavior by concentrating on the younger generation.

What follows is the rest of the paper. provides an explanation of the model's expansion to encompass the concepts of promotional activities and perceived dangers, as well as the study hypothesis based on this theoretical framework. provide an overview of the survey information and the empirical foundation. What follows is an examination of the causal factors and limiting factors associated with the growing popularity of mobile payment systems. The last part of the paper briefly reviews the most important results and their limitations.



## OVERVIEW OF WORLD MARKET

The global spread of the COVID 19 virus has highlighted the need for convenient, anytime, anywhere mobile phone payment options.

Increases in the availability of smartphones, wireless networks, and e-commerce platforms have only added to the benefits of mobile devices. One such technology is mobile payment, which has several advantages over more traditional forms of payment. These include the ability to conduct transactions quickly, securely, and in quantity, regardless of time or place.

Consumers have been sluggish to embrace mobile payment options despite their many benefits. Innovative solutions like mobile wallets and universal payment interfaces (UPI) have piqued the interest of academics and experts as the corporations want to expand their foothold in the payments sector.

In spite of this, the cheap switching cost between different payment methods makes competition even fiercer. In India, just 10% of all transactions are conducted electronically, and only 1% of them are conducted using mobile payment systems.

For the year 2021, The Times of India reports that the total value of transactions conducted in India through mobile device amounted to Rs 44.10 billion. In 2020, the nation had the biggest number of real-time payment transactions in the world, at over 25.5 billion. India has one of the world's largest mobile marketplaces, although just 7.6% of the population regularly uses mobile payments. Mobile payments are on the rise (up 18.4% in 2019), but growth is gradual. More than half of members of the newest generation, Generation Z, are driving this movement.

Despite the widespread availability of smartphones, consumers' adoption of mobile payments has been sluggish, necessitating research into the reasons that may be driving this trend. Mobile payment firms may have the most success marketing to members of Generation Z.

The youngest and most invested in using technology and the internet are also very young, but little attention has been paid to the adoption of mobile payment systems from the standpoint of Generation Z contends that consumers who already make regular use of cellular technology are the most likely to embrace mobile payments. Whether it comes to shopping, entertainment, and even paying bills, today's young students rely heavily on smartphone applications. They also tend to be receptive to new technology. This is in stark contrast to the less enthusiastic mobile phone use among the elderly.

According to a survey by, people born between the years 2025-2021 (generation Z) are completely at ease utilizing their cell phones for all of their money management needs. It has also been claimed that users between the ages of 18 and 22 are the most likely to use mobile payment applications, with over 90% of this demographic doing so. This suggests that the current generation will set the pace for future generations in their embrace of cutting-edge technology. For

these reasons, young people may be the best demographic to aim mobile payment campaigns towards.

Among India's young, mobile payments have quickly become the standard. In addition, a study from 2020 by FIS, a technology service provider to the banks and merchants in India, found that the youngest generation Z is the most frequent consumer of mobile payments. The prevalence of mobile money transfers is a topic of extensive study.

Yet, there is debate about what variables influence the spread of various mobile technologies.

As a result, further research into the use of mobile payments is required.

In addition, there is a lack of unified data on the use of mobile payments among Indian consumers, and much less on the use of mobile payments by the millennial generation. This research aims to address this knowledge gap by investigating the determinants of millennials' use of mobile payment systems in a low-income setting (India).

Using theory as a foundation, the model investigates the most important elements driving the use of mobile payments among India's millennials. This research contributes to theorizing in several ways. We supplement prior research on mobile payments by examining a sizable but understudied demographic (generation Z) in a low-income nation (India).

We also propose the price value construct in terms of the promotional offers (discount, coupons, and offers) often utilized by service providers to attract users, but not previously investigated, and its influence on the desire to embrace mobile payments among customers of Generation Z. Second, it adds value by helping businesses improve their bottom lines by gaining a better understanding of how to promote the usage of mobile payments among young people.

The remaining parts of the paper are organized based on the outline. The second part lays forth the theoretical framework and context of mobile payments, where a hypothesis is formulated. In the third part, we detail the methods we used to conduct the research. The findings discussion and subsequent consequences are shown below. The limits and areas for further study are discussed as the report comes to a close.

## OVERVIEW OF INDIAN MARKET

When it comes to the telecommunications industry, India is second in size, with 1100.37 million mobile phone users. It is expected that 812 million people in India used their mobile devices to connect to the internet. Mobile phones are so commonplace that they may be found even in remote areas. More than 200 million mobile phones are sold annually, demonstrating the industry's rapid growth. One prediction put the number at 1.5 billion by the year 2015. There are 66% more subscribers in urban areas than in rural areas.

In May 2021, the net increase in subscribers was 13.35 million.

The most significant impact of mobile telephony has been the empowerment of actors in information-limited environments to perform optimal arbitrage. With the use of cell phones, fishermen and wholesalers were able to eliminate pricing discrepancies, reduce waste, and more or less universally adhere to the mandated price.

The well-being of both consumers and manufacturers rose.

In addition to providing a solid foundation for financial inclusion, mobile payments may boost people's well-being by lowering the operational costs and burdens of cash-based transactions such as cash handling, storage, and transfer.

There are rapidly developing new models, with 10 distinct mobile payment systems already in use throughout India.

### **Such instances include:**

The Central Bank of India's initial attempt at issuing credit cards was called the "Banking Card." In the year 1980 India. Even other PSU banks did not start issuing credit cards until 1993, the year MasterCard was founded.

USSD (Unstructured Supplementary Service Data) - This feature was launched in 2016. This service provides mobile banking capabilities to customers without requiring them to have a smartphone or Internet access. With the money loaded into a pre-paid card from a bank, customers may make purchases at any time, since the card can be used at any store that accepts the card.

Banks and other financial organizations now provide a service called "Mobile Banking," which enables users to handle banking needs from their mobile devices.

Mobile payment use in India continues to rise.

The volume of mobile payments in India has grown at a compound annual growth rate of almost 50% over the previous five years. The Unified Payments Interface in India is a real-time, mobile-enabled system that has grown at an even quicker pace, at almost 160 percent each year. This already makes it one of the fastest-growing payment systems in the world (UPI). With 330 more institutions on board in June compared to the same month a year ago, the volume of transactions

more than quadrupled to \$5.86 billion. The same time period saw a near-doubling of values. Moreover, in March, the RBI introduced a UPI for feature phones (older phones with buttons rather than touchscreens), which has the potential to connect 400 million individuals in remote rural regions. The UPI system became live in 2016, at the conclusion of Raghuram Arjan's tenure as governor of the RBI. The initiative's shock came shortly after, when high-denomination banknotes were removed from circulation before the end of the same year.

UPI was designed to simplify the nation's complex payment procedures and paperwork. The plan was to let people manage their personal and business finances from the same mobile app, streamlining and protecting financial transactions. Suddenly, it was an adult. Before even the UPI network existed, in 2006, the Reserve Bank of India and the Indian Banks' Association established the National Payments Corporation of India (NPCI). The success rate of UPI is still struggling despite its fast growth. The settlement process seems to be handled somewhat differently by UPI Lite than by its more fully developed sibling, and the service is designed to function in a near-offline state.

If you use UPI LITE, your issuing bank will, per the FAQ, send you a daily SMS detailing all of your transactions from that day.

## **GROWTH OF THE COMPANY / INDUSTRY / SECTOR**

The emergence of internet and mobile-enabled new retail channels has increased the need for the creation of unique payment systems that can facilitate quick and simple financial dealings.

The term "mobile payments" describes the process by which a user may conduct a financial transaction using a mobile device and wireless connection or mobile internet. Both the customer and the store may utilize their mobile devices to complete a financial transaction. The internet, the gadget, and the service providers all work together to make this possible. In the realm of finance, mobile payments may be used to send and receive money, make purchases, and settle debts.

A comprehensive model for understanding how people take in and make use of new technologies Researchers have used a wide range of models to investigate the factors that drive the rise in popularity of mobile payments. highlighted the most popular models utilized for mobile payment adoption research, which included the Technology Acceptance Model, the Unified Theory of Acceptance and Use of Technology, and the Theory of the Diffusion of Innovation. refined the model after carefully assessing eight popular approaches to adoption. Experiments have shown that is superior than other models.

Use of mobile payment systems has been widely utilized in previous studies.

The theory postulated four constructs: performance expectation, effort expectancy, social influence, and enabling circumstances. Intent to engage in mobile commerce as a new activity is the target dependent variable. Mobilemobile phones have been more widely available and used in underdeveloped nations, which has increased their economic impact is a reliable framework within

which to investigate the spread of new technologies. It was noted in the study that the idea may be evaluated in other regions, with different age groups, using different technology, and with other pertinent elements to increase its reach and usefulness to a wider audience of consumers.

The necessity for further investigation is further emphasized by the fact that the model's universal applicability has been called into doubt by the contradictory findings across diverse populations and locales. Furthermore, a special study tailored to the specific requirements of emerging nations is necessary.

New technology adoption, and its expanded theoretical frameworks have been highly preferred and employed extensively by numerous academics. As part of an effort to make the theory more consumer-centric, the hedonic motivation, price value, and habit constructs were introduced as significant forerunners of the behavioral intention to adopt a technology.

An individual's emotional and fictitious reaction to a product is at the heart of the hedonic incentive, which is why people buy things. The term "habit construct" describes a consumer's propensity to invest more time in a certain brand or service. Mobile payment, on the other hand, is more of a convenience, therefore there's no use in looking at any of those aspects.

Price, however, may be a deciding factor in terms of uptake.

The field of mobile payments is where this becomes increasingly important. There is a lot of competition in the mobile payment space, therefore businesses are trying to get users to use their services by giving cashback, discounts, and coupons. We thus use the constructs of performance expectation, effort expectancy, social influence, enabling circumstances, and pricing value to foretell behavioral intention to embrace mobile payments.

## **ABOUT MAJOR COMPANIES IN THE INDUSTRY**

### **1. Apple Pay**

A payment system called Apple Pay was introduced by Apple in 2004. It was founded by Steve Jobs, Steve Wozniak, and Ronald Wayne. It is a multinational corporation with its main offices located in California, USA. Tim Cook is now the chief executive officer. Beats Electronics, Braeburn Capital, Claris, Apple Energy, and Apple Sales International are all offshoots of the parent company.

Apple Pay is another unique service provided by the "Apple" firm. It's well known for the high quality of its products and the convenience of the many payment methods it provides. It offers the greatest level of safety to its consumers. The data is safe, and the money transfers are quicker than with other leading mobile payment companies.

## 2. PayPal:

PayPal was founded in 1998 by Peter Theil, Ken Howery, Max Leaching, Luke Nosek, and Yu Pan. Its headquarters are in the United States state of California. Dan Schulman is now the company's chief executive officer. Trader, Zittle, Xoom Corporation, and Venmo are all offshoots of their parent company.

The mobile payment market generally considers Pay Pal to be an early pioneering player. It lowered the barrier to entry for executing mobile transactions across national boundaries. It is one of the most well-known companies in the world because of the safe, all-inclusive account it offers to consumers all around the globe.

## 3. Samsung Pay:

Samsung Pay was first made available in 2015 by Samsung Electronics. Samsung was founded by Lee Byung-churl. The organization's administrative heart is located in Suwon-si, South Korea. Kim Hyun Suk, Kim Ki Nam, and Koh Dong-Jin are the current chief executive officers. Two of its affiliates are Samsung Electronics and Cheil Global. Samsung Pay may be used for more than only wire transactions. It has an integrated wallet to enable making purchases easier for first-time users. One of the most innovative names in the world of mobile payment systems. Users may save their membership, gift, debit, and credit cards on their smartphones, thanks to the cutting-edge technology.

## 4. Google Wallet:

Google Pay was first released as Android Pay in 2015 before being renamed. Internet search engine Google was founded by Sergey Brin and Larry Page. The CEO at now is Sundar Pichai, and the company's headquarters can be found in California. Fitbit, Google China, Firebase, and YouTube are all operated by their own divisions.

Google, the most powerful tech company in the world, created Google Pay. To make cashless transactions more secure, it has two tiers of protection. IT offers the safest money transfer services available today. In addition, it has a chat function for users to have one-on-one discussions.

## 5. Paytm:

Paytm, India's leading mobile wallet service, is headquartered in Noida, Uttar Pradesh.

Paytm mobile wallet, their primary offering, is used by millions of people in India. Paytm has around 9000 people and generates \$118 million per year in revenue (2017-18). Its origins date back to 2010, when it was officially founded. Paytm also prioritizes e-commerce. Paytm is a private company.

Paytm was founded and is headed by Vijay Shekhar Sharma.

Paytm began in 2010, and it has raised a total of \$2.2 billion USD over four separate funding rounds and eleven acquisitions, including Nearby, Insider.in, and Edu kart.

#### 6. Razor pay:

Razor pay, a supplier of mobile payments technology, facilitates the acceptance and management of client payments for businesses of all sizes and types. Corporate offices are located in Bengaluru, Karnataka, India. In 2016-2017, Razor pay has over 400 workers and \$4 million in sales. During 2014, it was founded officially. The company Razor pay is privately owned.

Mobikwik was founded by Harshil Mathur and Shashank Kumar.

In the years since its launch in 2014, Razor pay has amassed a total of 106 million USD over 5 funding rounds.

Executive Director of razor pay, Harshil Mathur.

#### 7. PhonePe:

PhonePe is a mobile payment software that allows users to rapidly transfer money to one another and make payments. Flipkart made the acquisition that year. Corporate offices are located in Bengaluru, Karnataka, India. PhonePe has around a thousand workers and \$6 million in annual sales (2017-18). Its foundation was laid in 2015. PhonePe is a company run by private investors.

Sameer Nigam and Rahul Chari founded the company PhonePe together.

PhonePe's CEO, Sameer Nigam.

#### 8. BharatPe:

BharatPe is a free payment gateway that allows any app to take card and UPI payments. By using a single QR code, merchants can accept payments through Google Pay, PhonePe, Paytm, BHIM, Amazon UPI, and over 150 other financial applications, saving time and streamlining the payment process for everyone involved. Using Bharat Swipe, you may accept payments by debit and credit card. BharatPe is used by over 70 lakh business owners. You may earn up to 12% yearly income on your investments. In addition, you may get a loan for your company's growth at a cheap interest rate.

### **PRODUCT PROFILE**

Generation Z, often known as the millennials or the zoomers, are destined to impact the future of online payment systems. A recent study found that over 60% of millennials' purchases were made using a mobile wallet.

While the COVID 19 epidemic hastened India's transition to a cashless economy, it is certain that this trend has been ongoing in India for some time. There has been a significant push towards adoption and preference for e-payments in India thanks to the thriving e-commerce industry, technology-driven payment options like mobile wallets, Buy Now Pay Later, low-cost EMIs, the rise in the adoption of embedded financial services, and government initiatives like the UPI-credit card linking, digitization of the Kisan Credit Card, launch of UPI 123Pay, and other mobile facilities. In addition, the mobile native millennial and Gen Z generations make up a significant portion of India's population. Let's go into this a little further to see what's really driving a whole generation toward more mobile-focused payment options.

## **PART-II**

### **PRIMARY STUDY**

#### **INTRODUCTION OF THE STUDY**

The widespread use of mobile devices and applications, as well as the rapid development of information systems and wireless communication technologies, have all contributed to the current technological revolution (otherwise known as apps). The usage of mobile phones, a kind of personal electronic device, has skyrocketed in recent years. The dissemination of mobile services and applications relies heavily on this platform.

Thus, mobile payment is one of the mobile services developed to ease conventional financial dealings. This term refers to the widespread use of mobile phone and other communication technologies for making purchases and paying bills (Dahlberg et al., 2008). Because of this, the service facilitates easy and rapid mobile payments and money transfers for many consumers. Mobile payment adoption is indicative of a novel service that has garnered considerable academic interest, in part because of the inherent risk associated with the method.

In order to illustrate the effect of individual differences and mobile payment system features on users' motivation to utilize mobile payments, Kim et al. (2010) used the variables of perceived utility and perceived ease of use. Consumers' willingness to use mobile payment systems, especially for online purchases, is influenced by factors including perceived risk and trust (Shin, 2010). Risk aversion is a significant impediment to the widespread adoption of mobile payment. It does this by weighing the many ways in which consumers are apprehensive about the risks inherent in adopting the technology against the benefits they expect to get.

Payments that may be made on the go using a mobile device are in more demand than ever in the wake of the COVID 19 outbreak. The proliferation of smartphone sales, wireless networks, and mobile commerce has only served to highlight the merits of mobile devices (Purohit et al., 2022; Sethi, Pereira, and Arya, 2021; Arya and colleagues 2018a; Rashid and colleagues 2022).



Advantages of mobile payment technology include the ability to make cashless transactions at any time and from any place (Qassim and Abu-Shahab, 2016), as well as increased speed, security, and volume of transactions (Park et al., 2019; Versilia, 2020). (Johnson et al., 2018). This research fills in the blanks on mobile money transfers. Customers are sluggish to adopt mobile payment systems despite their numerous advantages (Kongaut and Lis, 2017).

Experts and academics are intrigued by the companies' efforts to increase their market share in the payments industry by introducing innovative products like mobile wallets and universal payment interfaces (UPI) (Chaturvedi, Bahuguna & Raman, 2022). The low switching costs between payment methods, however, only serve to heighten the competition (Kaur et al., 2020). Just 10% of all sales are made mobile in India, and of that, only 1% are made using mobile payment systems (Rongala et al., 2019).

The Times of India estimates that in 2021, 44.10 billion rupees would have been transacted in India using mobile devices. With more than 25.5 billion transactions in 2020, the country ranked first in the world for real-time payments. India has one of the world's biggest mobile markets, although just 7.6% of its population routinely uses mobile payments (Patil et al., 2020). Despite a year-over-year increase (18.4%) the pace at which mobile payments are being processed has slowed (Rongala et al., 2019).

The sluggish expansion of mobile payments, despite the increasing prevalence of smartphones, calls for research into the factors that impact consumers' acceptance of mobile payment systems (Arya, Paul, & Sethi, 2021). While looking to increase the widespread use of mobile payment systems, the millennial generation may prove to be the most profitable market. Yet, nothing is said about how members of Generation Z feel about using mobile payments.

Generation Z, or those born between 1995 and 2010 (Strauss and Howe, 1991), are used to using their smartphones as crucial tools for managing their money, according to a study by Payments (2019). Other data show that consumers between the ages of 18 and 22 are substantially more likely to download mobile payment applications than customers in any other age group.

This means that the current generation will set a precedent for the widespread use of cutting-edge technology, which will continue to develop in the years to come. That's why it makes sense to target young individuals with ads for mobile payment services. Young people in India rely heavily on mobile payments. Meanwhile, research conducted in 2020 by FIS, a technology service supplier to Indian banks and merchants, indicated that millennials are the most likely generation to embrace mobile payments. There has been a lot of research done on the topic of mobile payment uptake.

However, there is dispute over what factors impact the adoption of various mobile technologies (Humanim and Weise, 2019; Habeeb et al., 2021; Paonia et al., 2021). This means that more study into the proliferation of mobile payments is required (Shankar, 2018). Additionally, there is a

dearth of research on the use of mobile payments in India that specifically targets Generation Z (Shankar, 2018). The advancement of information technology has influenced several spheres of our existence, most noticeably the economic one.

M-commerce, or mobile commerce, has gained significant traction in recent years, drawing interest from consumers throughout the world. This expansion has been enabled by the proliferation of mobile payment systems. Because to the proliferation of mobile devices and online services, several new markets have opened up, one of which is the financial services sector. Inevitably, owing to disruptive innovation, financial technology will develop as a response to the challenges posed by the approaching industrial revolution. Beginning with the convenience of online buying from home, this program revolutionizes the way consumers handle their financial transactions. Established companies have little choice but to adapt to the challenges posed by mobile technologies. The time and place for adopting new technologies is always now.

In order to stay in business, companies need to learn how to accept new technologies. In place of utilizing physical currency, mobile payments use QR codes, near field communication (NFC), one-time password (OTP), and other technologies to complete a transaction via a mobile device. The user must have their electronic wallet in their mobile payment account in order to make any mobile payment (Qi, Jin, Li, & Qian, 2020). Since the internet has revolutionized every sector of the business, mobile disruption has become the norm in the modern economy.

New mobile mediums facilitate the dissemination of information, goods, and monetary resources. This may be accomplished completely mobile and without the need of currency or banks by use of mobile devices (Shankar & Rishi, 2020; Aguste, Joshua Widjaja, 2018). Workers' confidence that a piece of technology would improve their efficiency on the job is known as "performance expectation" (Patil, Tamilian, Rana, & Raghavan, 2020).

A technology's potential for widespread adoption improves when it is both easy to understand and use. In the context of technology, the term "effort expectation" describes how simple people imagine using a certain tool to be (Ali & Qaisar, 2018). Adoption of a technology often necessitates a slew of ancillary systems as well. Certain enabling factors are needed to support technology adoption in the right way (Sobti, 2019). Social influences relate to the positive reinforcement one receives from one's social network that might affect one's decision to act in a certain way (Nassar, Othman, & Niza, 2019). The pleasure of technology use is not limited to the product itself (Chao, 2019). While widely used in developing nations, mobile payments have not caught on in more developed nations such as the United Kingdom because of the prevalence of other payment options (Slade et al., 2019b).

In underdeveloped countries like Kenya, where formal banking penetration is low, M-Peas payment systems have gained widespread acceptance because they provide a convenient alternative for those who were previously unable to use traditional banking services (Callan-Jones, 2012). Although mobile payments are becoming more popular among customers, they are not yet

widely used. (Martin, 2016) (Zhou, 2014a). India is the world's second-largest mobile market, with 616 million customers (Gsmaintelligence, 2017), providing a massive potential for mobile payment services.

### **Varieties of Mobile Payments:**

One kind of mobile payment service is the "mobile wallet," which includes popular apps like "Google Pay," "Apple Pay," and "Samsung Pay." Devices such as personal computers, mobile phones, tablets, and smartwatches may all access these services and make payments using the user's linked bank account, debit card, or credit card.

Once a user has set up a mobile wallet account, their device may be used in the same way as a credit card. If they are making a purchase at a shop, they may just touch their mobile on an NFC-enabled checkout terminal. Customers may pay with their mobile wallet accounts on the checkout pages of many online stores by selecting an icon for their mobile wallet of choice (such as Apple Pay) from the list of checkout options.

### **P2P on mobile devices:**

This method is supported by services such as CashApp, Venmo, PayPal, and Zella, and allows users to transfer money to one another online or via a mobile app. In this regard, PayPal stands out as one of the most popular methods utilized by independent merchants. This means that PayPal, rather than credit cards, may be used to pay merchants.

### **Mobile Short Message Service (SMS) Payments:**

Payments made through short message service (SMS) are made by sending a text message to a designated phone number. Users in the United States seldom use their phones to make and receive payments through text message. Nonetheless, SMS payments are popular and widely used in several countries and regions.

Areas of the globe still on the rise.

Any kind of business conducted on a mobile device is considered mobile e-commerce, often known as m-commerce. The term "mobile ecommerce" refers to any online purchase made through a mobile device, whether it was done through the browser or the store's own app.

## **A portable cash register:**

With a mPOS system, the retailer's mobile smartphone acts as a payment terminal. Square is a well-known mobile point-of-sale provider.

The company also provides wireless Square readers, which may be used by merchants to accept contactless and chip cards. Clients may either insert their credit card into the chip reader or touch their card or mobile device to the reader to complete an NFC transaction. You may now relax as your POS system automatically deposits money and notifies financial institutions of the sale.

## **LITERATURE REVIEW**

The term "mobile payment" encompasses a wide range of methods through which consumers may pay for products and services using their mobile devices, such as cellular phones, PDAs, radio frequency devices, and near-field communication-based devices (Alkhowaiter, 2020; Chen & Nath, 2008). This entails the linking of payment processing infrastructure to mobile devices, allowing customers to start, verify, and finish financial transactions from any location (Srivastava et al., 2010).

Using the internet and mobile devices has opened up new retail channels, increasing the need for cutting-edge payment methods that facilitate quick and simple purchases. Using a mobile device to conduct a financial transaction through wireless transmission or mobile internet is referred to as "mobile payments" (Lu et al., 2011).

Money is transferred between the buyer and seller in a mobile payment transaction by means of the mobile devices of both parties. Internet, the gadget, and the service providers all work together to make these deals possible. Mobile payments may be used for a variety of financial operations, including sending and receiving money, making purchases, and paying bills (Sambhy, 2014).

The variables that impact Generation Y and Z's adoption of mobile payments have been studied using a variety of models.

Building a Model of Behaviour Intentions: Behavioural intention (BI) is a scale that quantifies a consumer's propensity to engage with a given product, service, or technology (Davis, 1989). Many studies have been undertaken to ascertain the most important factors influencing people's adoption of new technology.

This research demonstrates that behavioural intention to embrace mobile payment services is highly influenced by Generation Z's performance expectation, social influences, facilitating conditions, perceived enjoyment, and trust. To better manage the Z-target Generation's market, marketers could take use of mobile payment systems. Services for making payments through a mobile device are more convenient and useful than those offered by traditional payment processors.

Whether or whether they have a bank account, consumers now have greater access to the

convenience of mobile payments for online purchasing. Promoting the convenience and trustworthiness of mobile payment systems, such as the ability to make purchases quickly and securely from anywhere and at any time, is a win-win. The use of mobile payments may be boosted by the aforementioned services. It's also important to have the backing of the available resources and infrastructure. Mobile payment services will see increased adoption from customers if businesses provide enabling infrastructure, such as high-speed internet access through 3G and 4G networks and several payment processing alternatives for mobile purchases. Support infrastructures for mobile payment services need to be developed and enhanced by service providers.

A crucial role is played by those closest to us, such as family and friends, as shown by the existence of a strong effect of Social Influences on Behavioural Intention. In order for suppliers of mobile payment services to make advantage of social Trust Perceived Enjoyment, it is important that this criterion be taken into account.

Conditions Helpful in Enabling the impact of society on the individual. Purposeful Action Anticipated Effort

Generation Z members actively engage with their immediate environments through social media, making this platform an ideal advertising platform. Marketers can think creatively about how to add value to mobile payment transactions by, for example, offering several incentives like cashback, points, discounts, and so on. While running a business, it's crucial to include convenient payment methods other than mobile payments. To make window shopping a pleasant experience, brands must constantly work to improve their products' visual appeal.

There are no potential moderating factors for latent variables on Behavioural Intention, such as gender, experience, or habit, in this research. Just the consumer perspective, namely that of Generation Z, is taken into account in this research. Customers' propensity to utilize mobile payment services is also influenced by the acceptance rates of various payment methods offered by retailers. So, the merchants' perspective should also be taken into account in any future research.

When people see that mobile payment systems improve their ability to make transactions or manage their finances, they will adopt them. Explaining why you want to utilize a mobile payment system, such as Android Pay, requires a discussion of your expected performance.

Academic information systems (Dhandapani & Susiana, 2017), mobile commerce technologies (Ali & Qaisar, 2018), mobile learning (Chao, 2019), and mobile payment services are just a few examples of technologies where performance expectation has been shown to have a substantial impact on behavioural intention (Jung et al., 2020).

The following theory is offered on the basis of the preceding discussion: Customers are more likely to use mobile payment methods if they have a high expectation of the service's performance (H1).

Users' expectations that a system would be intuitive and trouble-free are referred to as "Effort

Expectancy" (Venkatesh et al., 2003). Many believe that interacting with an IT system requires no work on their part. Many research (Oliveira et al., 2016; Pea & Barkov, 2016; Slade, Dwivedi, Piercy, & Williams, 2015), among others, reveal that the Effort Expectancy strongly impacts an individual's inclination to embrace a given technology. As a result of the preceding discussion: Mobile payment uptake is significantly influenced by consumers' expectations of how much effort it will take to complete a transaction (H2).

People's beliefs about the availability of useful tools and social encouragement to engage in desired actions constitute Enabling Circumstances (Venkatesh et al., 2003). One's confidence in the availability of necessary technical resources for widespread implementation of the system. There will be more interest in adopting new technologies if the necessary infrastructure is in place (Oliveira et al., 2016). Customers are more likely to start using mobile payments if the facilitating condition is met.

The desire to accept new technology is linked to one's level of perceived enjoyment of the technology.

Those that embrace and find value in the new technology are more likely to do so for altruistic reasons (Balog & Ribeau, 2010). Learning a piece of technology and putting it to good use brings with it the benefit of increased enjoyment. Users' willingness to embrace new technologies because they are pleasant, handy, and entertaining is measured along the enjoyment dimension (Sept ani et al., 2017).

People are more likely to commit to using a system if they find some level of fun or delight in it. A large part of Gen Z's propensity to adopt new technologies depends on whether or not they find using such technologies enjoyable. The effect of perceived enjoyment on behavioural intention has been shown in several case studies of technology adoption, including a single platform e-payment system (L. P. Chin & Ahmad, 2015), mobile payments (Sadoon et al., 2020), and virtual reality (VR) (Sadoon et al., 2018). Given the above, we postulate the following: Customers are more likely to use mobile payments if they have a favorable experience with them, according to Hypothesis 6.

After researching the company thoroughly, consumers develop trust in them as a trustworthy vendor. Integrity, dependability, kindness, and reliability are the foundational tenants of trust (Palou, 2003). In this context, "trust" refers to the degree to which consumers think that making purchases using their mobile devices is a safe and reliable practice. Due to mobile payments' relative novelty, people understandably remain wary of the technology's safety, privacy, and reliability (Saptami, Dhandapani, & Azzurro, 2017).

Because of the absence of face-to-face contact between suppliers and purchasers, m-commerce often lacks trust. As a result, consumers worry that the vendor would trick them out of their money or steal their identity (Saptami et al., 2017). As a result, consumers may be wary of and hesitant to make purchases from unknown internet vendors due to a lack of trust. Trust has been shown to have a constructive effect on behavioural intention with regards to the adoption of new

technologies (Patil et al., 2020). (AlSaedi et al., 2020). H5: Trust has a large beneficial influence on consumer uptake of mobile payments. This hypothesis is based on the evidence presented above.

## **BACKGROUND OF THE STUDY**

### **Fast and easy**

It's true that today's world moves at a dizzying rate. Online payments and UPI transactions are much quicker than alternatives like bank transfers and cash payments. Baby boomers and millennials may be used to visiting a bank branch to complete a transfer, but members of the next Generation Z prefer the convenience of doing the same thing from the comfort of their own homes in a matter of seconds.

### **The backing of the RBI's regulators**

Among the many factors shaping the way millennials make purchases, the Reserve Bank of India's (RBI) advocacy for a cashless economy stands out. The Reserve Bank of India (RBI) published the "Payment and Settlement Systems in India" and the "Payments Vision 2025" in 2019 to promote the growth of the country's mobile payments ecosystem and the adoption of a cashless economy. This regulatory backing is a step in the right direction.

### **Punishments and rewards that take effect right away**

In today's world, new payment systems and Fintech's are quite liberal with cashbacks and other forms of incentive. Younger generations like Gen Z and millennials like mobile or online payment methods since they are more likely to get incentives like rebates, points, cash back, and coupons.

### **Precautions should always be taken.**

The security of monetary dealings and administration is of paramount importance. The potential for financial loss due to fraud or mismanagement is much reduced when monetary transactions are conducted mobilely. In addition, monetary transactions may be traced in near-real time, and records of such are often kept. Tokenization, also known as card on file tokenization, is the newest invention in the field of financial technology.

Tokenization adds a new level of security to mobile or online payments, making them safer than ever before. Instead of processing the actual credit card number, a "token" is used in this new

system. In addition to helping keep card information secure, this also helps prevent sensitive data from being misused in fraudulent purchases.

### **Simply said, it's simple, cheap, and breaks down barriers between locations.**

Generation Z no longer needs to enter a PIN when making purchases since modern payment systems allow them to just "tap" and go. It's easy to see why people prefer making purchases and sending money on the internet. Many individuals would agree that exchanging cash is a hassle; however, modern innovations like mobile wallets and internet payments have made this procedure much simpler. The greatest thing is that most modern financial service providers are reasonably priced, so customers may enjoy all these advantages without breaking the bank.

Generation Z is projected to make up over 72% of the workforce by 2029, alongside millennials, the biggest living generation at the present time. This generation has grown up with an abundance of possibilities for making mobile or online payments, and they like this. It's no surprise that these groups are the most frequent users of convenient payment methods including Buy Now PayLater, mobile wallets, tap to phone, and UPI. Cashless transactions are expected to increase in value over the next four years as a result of the report's findings that there is an unparalleled demand for quicker and more seamless payments. Given that the future of payments is unquestionably mobile, it is crucial that retailers and service providers adopt mobile forms of payments in order to remain relevant.

### **OBJECTIVES OF THE STUDY**

- Goal: Learn which mobile payment app millennials and Gen Z like using.
- Second, we want to investigate and analyze how customers feel about the idea that using online payment methods has raised their regular outlays.
- Thirdly, to investigate and analyze the problems that consumers have while using mobile payment methods.
- In order to determine which aspect needs the most work, research and analysis must be conducted.
- To determine whether there is a correlation between age and the use of mobile payment systems.



## 4.5 HYPOTHESIS

H0: There is a significant different between Factors influencing customer adoption of mobile payments: empirical examination between generation y and z in India

H1: There is no significant different between Factors influencing customer adoption of mobile payments: empirical examination between generation y and z in India

$$\chi^2 = (60-35)^2 + (40-65)^2 = 27.473$$

65 35

$$P\text{-value} = 1 - p(\chi^2(1) \leq 27.473).$$

k	2	Number of categories
n	100	Sample size
$\chi^2$	27.472527	Chi square test statistic
DF	1	df = k-m-1 = 2-0-1 = 1
Phi effect ( $\Phi$ )	0.524142	$\Phi = \sqrt{(\chi^2/n)}$

Goodness of fit, using  $\chi^2$  distribution

### 1. H0 hypothesis

Since p-value <  $\alpha$ , H0 is rejected.

The statistical model does not fit the observations

### 2. P-value

The p-value equals 1.593e-7, ( $p(x \leq \chi^2) = 1$ ). It means that the chance of type I error (rejecting a correct H0) is small: 1.593e-7 (0.000016%).

The smaller the p-value the more it supports H1.

### 3. The statistics

The test statistic  $\chi^2$  equals 27.4725, which is not in the 95% region of acceptance:  $[-\infty; 3.8415]$ .

#### 4. Effect size

The observed effect size phi is large, 0.52. This indicates that the magnitude of the difference between the observed data and the expected data is large.

#### Regression line equation

$$\hat{Y} = 2.4286 + 0.4857X$$

Reporting linear regression in APA style

$$R^2 = .24, F(1,2) = 0.62, p = .514.$$

$$\beta = .49, p = .514.$$

### RESEARCH METHODOLOGY

#### METHODS FOR DATA COLLECTION & VARIABLES OF THE STUDY

##### Methods for data collection

Primary Data

Secondary Data

##### Primary Data

Primary source of data was collected by questionnaire.

##### Secondary Data

Secondary source of data was collected from

Books

Journals

Magazines

Web's big data es

##### Sampling

The sample technique utilized for data gathering is convenient sampling. The convenience sampling method is a non-probability strategy.

## **Sampling size**

Big data indicates the numbers of people to be surveyed. Though large samples give more reliable results than small samples but due to constraint of time and money,

## **Plan of analysis**

Diagrammatic representation through graphs and charts

Big data able inferences will be made after applying necessary statistical tools.

Findings & suggestions will be given to make the study more useful.

## **RESEARCH DESIGN**

This survey-based research examines the use of mobile payment methods among Indian millennials and Gen Z. One hundred respondents filled out a questionnaire that contributed to this study. In India, you may find the sizable Parul University. There are more than 35,000 students enrolled in Parul University, and they represent a wide range of nationalities, races, and religions.

The institution consistently receives good marks from groups both at home and abroad. Parul University is ranked among the top 20 universities in India, both public and private. So, it is reasonable to conclude that the sample is representative of the whole.

The questionnaire was piloted on a subset of the whole student body to confirm its validity and readability. By "embrace mobile payment," we intend to adopt and make regular use of a certain kind of mobile payment.

The present investigation makes use of a quantitative strategy, including both descriptive and inferential statistics into the research process. The information was gathered with the use of a well-structured questionnaire. The questionnaire's content validity was checked with four professionals in the field of mobile payment apps. The participants in this research were users of a certain mobile payment app. As a result of the questionnaire, we have received 100 responses. We used a simple random sample technique to gather answers from the mobile app's final users across a wide range of ages and professions. The elements impacting consumers' attitudes toward cashless transactions were identified and categorized using a factor analysis. To further investigate the connection between the variables, a correlation analysis was performed. Customers' adoption factors were investigated by examining the impact of demographics like age and education on the model.

## 5.2 SOURCES OF DATA

Primary Data

Secondary Data

### Primary Data

For the most part, data was gathered via the use of questionnaires.

### Secondary Data

Secondary resources such as print publications, online databases, and databases were used.

## DATA COLLECTION METHOD

In this kind of survey, respondents are asked free-form questions as they come to mind throughout the delivery phase.

## 5.4 POPULATION

We have selected a correlation research design because we are interested in the relationship between a dependent variable and six independent variables (performance expectations, effort expectations, social influence, enabling condition, subjective pleasure, and trust). The intent to adopt mobile payment as a behaviour is the dependent variable. The mobile sector has seen a dramatic shift in recent decades due to the fast development of information technology and innovation. There have been several noteworthy developments in mobile phones. The rise of mobile commerce is a key factor in the expansion of the global e-commerce market.

The smartphone has expanded beyond its original purpose as a communication tool to become an integral part of people's daily lives in many other ways, such as via its usage in online shopping, payment services, navigation, etc. Many mobile services and apps have been released by providers to aid the commercial sector and satisfy clients.

## 5.5 SAMPLING METHOD

A total of 100 people were employed at random to collect data for this study. We utilized a random sampling technique to choose our samples.

## 5.6 SAMPLING FRAME

Questionnaires Method

## 5.7 DATA COLLECTION INSTRUMENT

Descriptive statistics

## DATA ANALYSIS AND INTERPRETATION

### Tools for Data Analysis Sampling Strategies

No way!

Non-probability sampling, on the other hand, is when samples are selected from a population in a non-random fashion. As it does not need a complete survey frame, non-probability sampling may gather data quickly, effectively, and affordably.

Just look at the numbers:

Methods of computation: SPSS and Microsoft Excel

### In other words, what is SPSS?

SPSS may be used to generate a wide variety of statistical analyses, including descriptive and bivariate statistics, numerical result forecasts, and group identification forecasts. Cleansing data, direct advertising, and data visualization tools are all included. To view and edit public data, the software's primary user interface is modelled around a spreadsheet.

SPSS is an alternative to Microsoft Excel for data analysis. As well as providing descriptive statistics, we give forecasts of numerical outcomes and predictions for the identification of groupings. Data transformation, direct non-branded food delivery, and visualization applications are all a part of it. The application often presents publicly available data in a grid format.

**HYPOTHESES TESTING AND METHODS****Analysis of a Hypothesis Testing Strategy**

In order to determine whether or not the null hypothesis is correct, researchers conduct statistical tests based on samples.

Data from representative samples of the population is the primary tool used by statisticians in testing theories.

When comparing two hypotheses, analysts always use a sample drawn at random from the whole population.

One example of a null hypothesis is the argument that the average return on investment for a given population is zero.

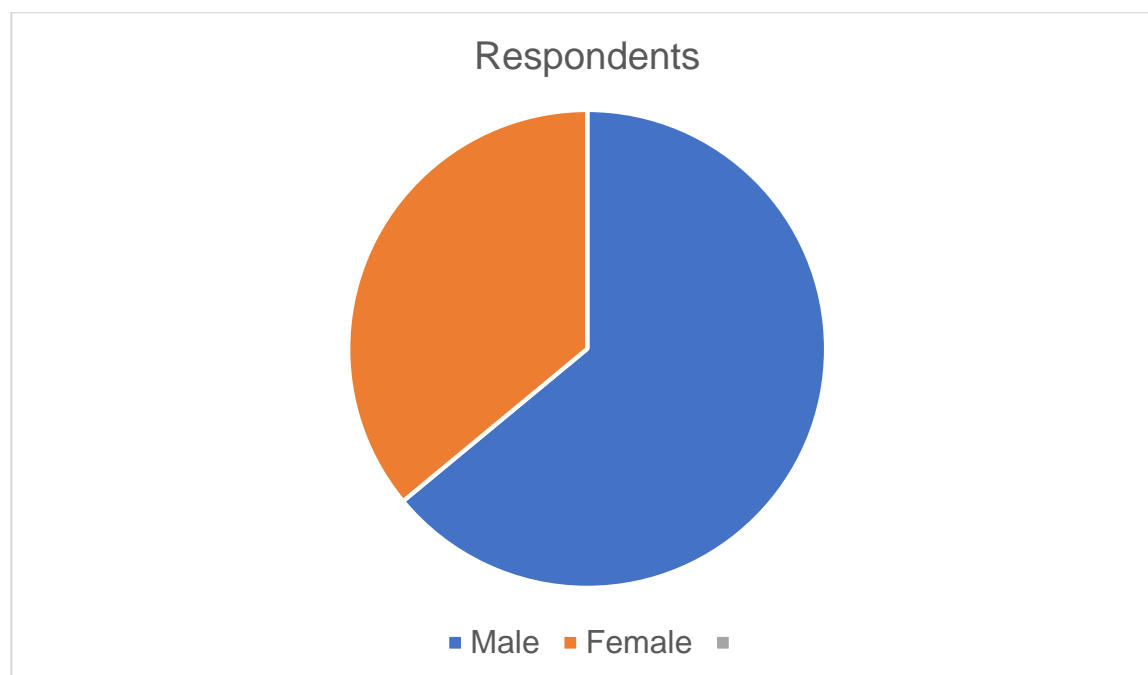
A new theory or null hypothesis is presented as a challenge to the existing dominant paradigm. The only correct answer is (1) or (2). One of the two choices is always the right one.

**Testing Hypothesis Methodology**

- Analysts must first provide competing hypotheses when attempting to choose amongst numerous alternative explanations.
- Once all relevant data has been gathered, an analysis strategy outlining the criteria to be used to assess the findings of the data collection must be developed.
- The third stage involves putting your knowledge from the prior two phases into practice by carrying out the necessary processes and evaluating the sample data.
- The last stage is to draw conclusions from the data and determine whether the null hypothesis may be discarded.

**DATA ANALYSIS AND INTERPRETATION****1. Gender**

Category	Respondents	Percentage
Male	64	64%
Female	36	36%

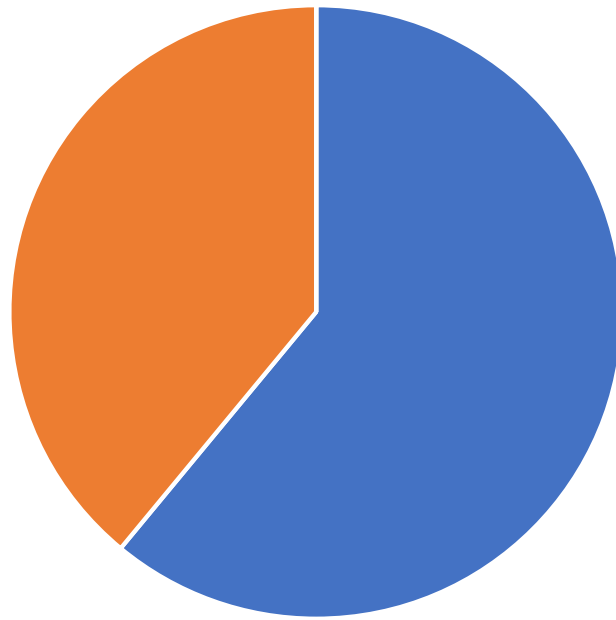


#### Interpretation:

Statistics reveal that although there are more males than women in the sample (64%), there are still more men than women (36%). The ratio of male to female customers seems about right to me.

#### 2. Do you know about mobile payments?

Criteria	Frequency	Percentage
Fully aware	61	61
Unaware	39	39



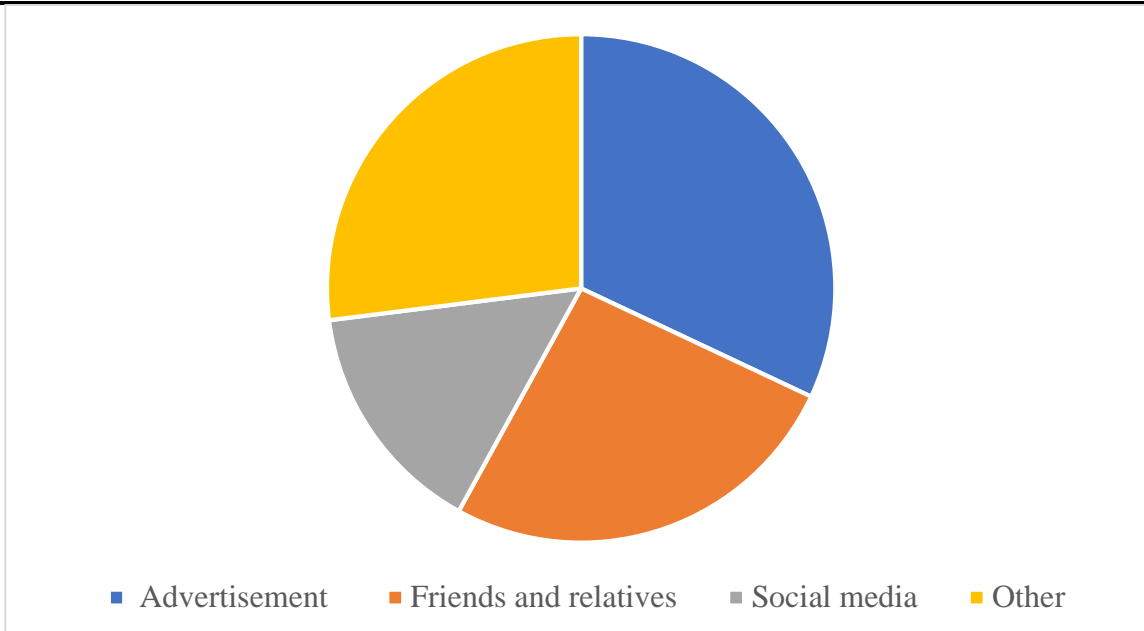
### Interpretation

As per this graph, 61% of the respondents you know about mobile payments, 39% of the respondents have unaware to this statement.

### 3. Tell me how you heard about mobile payments

Criteria	Frequency	Percentage
advertisement	32	32
Friends and relatives	26	26
Social media	15	15
Other	27	27



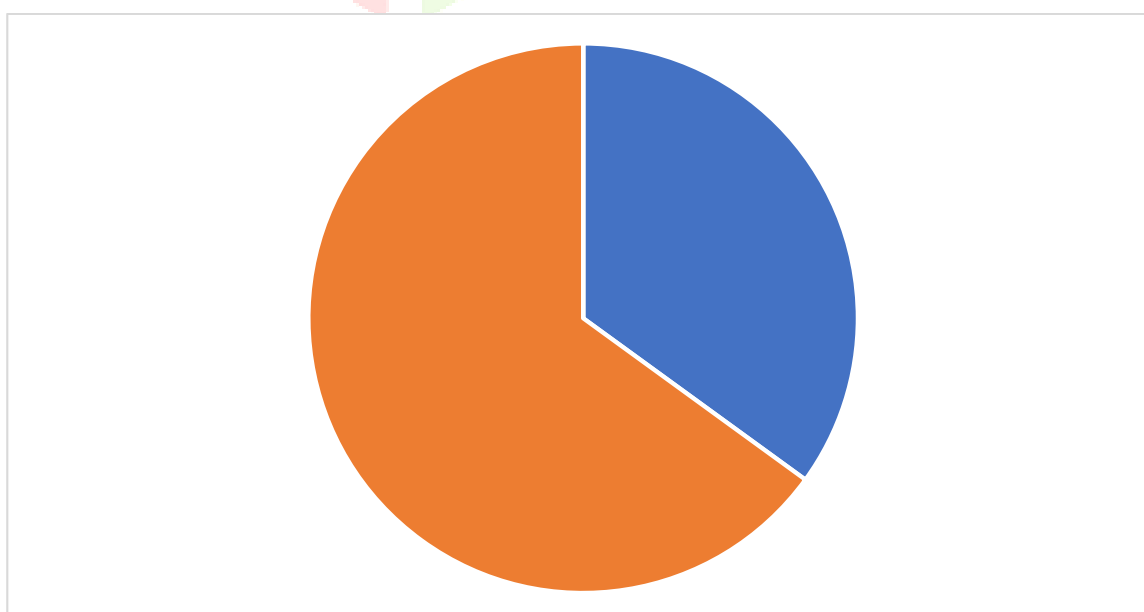


Interpretation

As per this graph, 32% of the respondents have advertisement that how you heard about mobile payments, 26% of the respondents' friends and relatives to this statement. 15% of the respondents are social media. 27% of the respondents have shown other.

4. Is there a way to earn interest on money kept in your wallet?

Criteria	Frequency	Percentage
Strongly agree	35	35
Agree	65	65

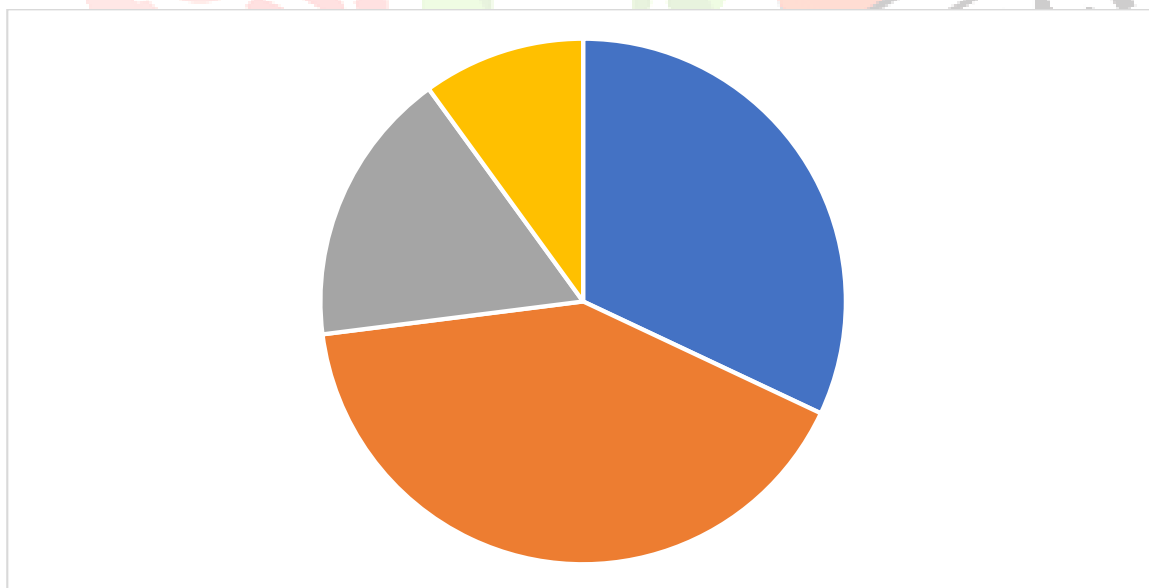


## Interpretation

As per this graph, 35% of the respondents have strongly agreed that way to earn interest on money kept in your wallet, 65% of the respondents have agreed (but not strongly) to this statement.

## 5. The frequency of your requirement to use mobile payment methods

Criteria	Frequency	Percentage
Very often	32	32
Often sometimes	41	41
Rarely	17	17
never	10	10

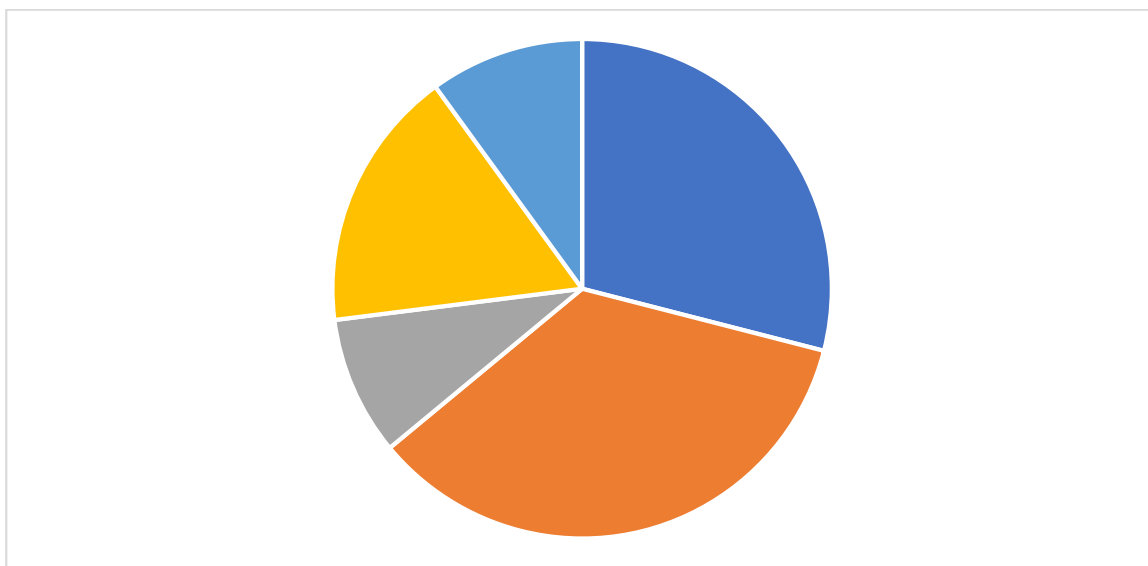


## Interpretation

As per this graph, the frequency of your requirement to use mobile payment methods 32% of the respondents have very often, 41% of the respondents have often sometimes. 17% of the respondents are rarely. 10% of the respondents never.

6. What are your thoughts on the security of mobile payments transactions?

Criteria	Frequency	Percentage
Strongly agree	29	29
Agree	35	35
Neutral	9	9
Disagree	17	17
Strongly disagree	10	10

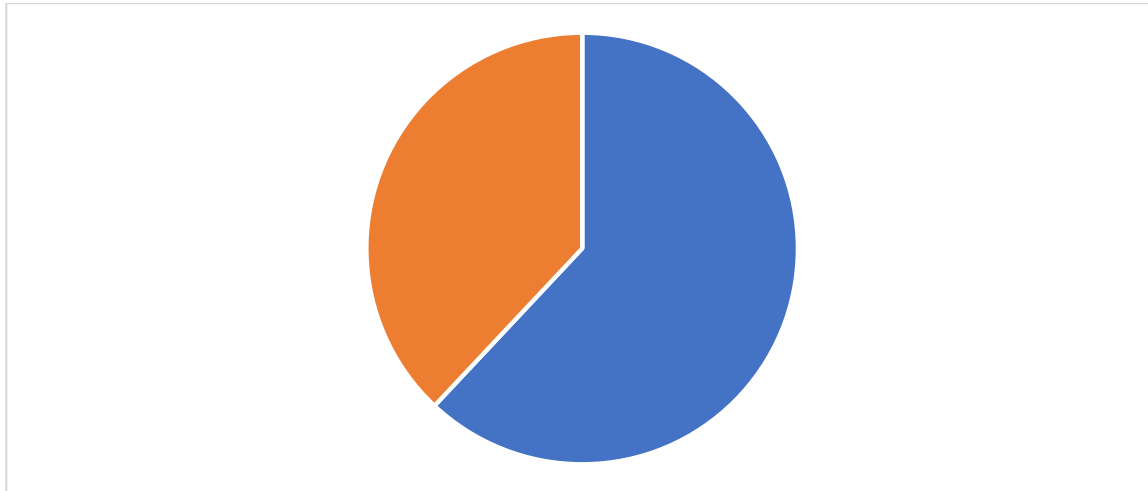


#### Interpretation

As per this graph, 29% of the respondents have strongly agreed that your thoughts on the security of mobile payments transactions, 35% of the respondents have agreed (but not strongly) to this statement. 9% of the respondents are neutral to the statement. 17% of the respondents disagree. 10% of the respondents have shown their strongly disagreement to this question.

7. Have you heard about the fees associated with mobile payments transactions?

Criteria	Frequency	Percentage
Yes	62	62
No	38	38

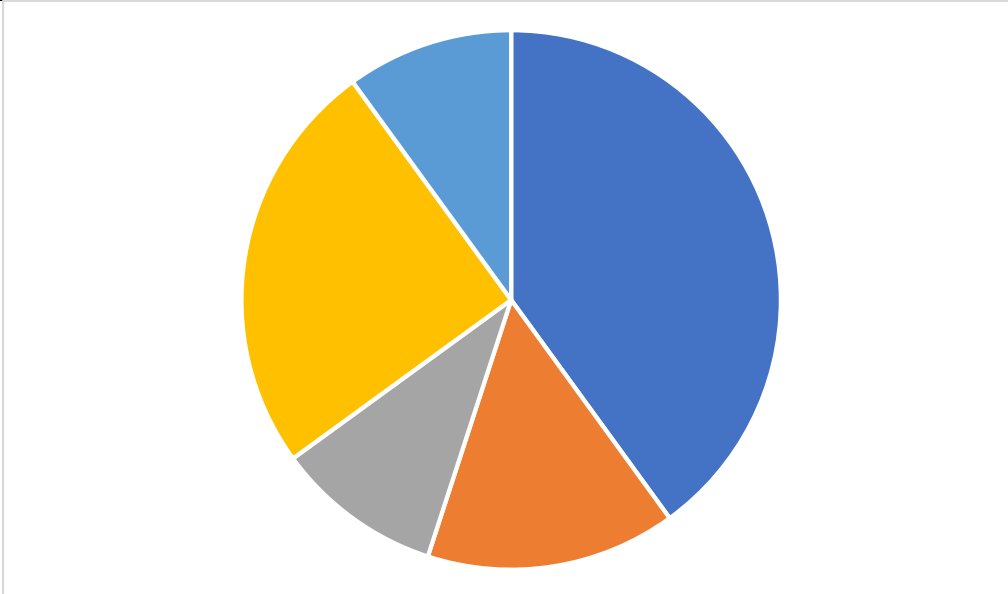


### Interpretation

As per this graph, 62% of the respondents heard about the fees associated with mobile payments transactions, 38% of the respondents said no.

### 8. Issue you had when applying to the mobile payments

Criteria	Frequency	Percentage
Strongly agree	40	40
Agree	15	15
Neutral	10	10
Disagree	25	25
Strongly disagree	10	10

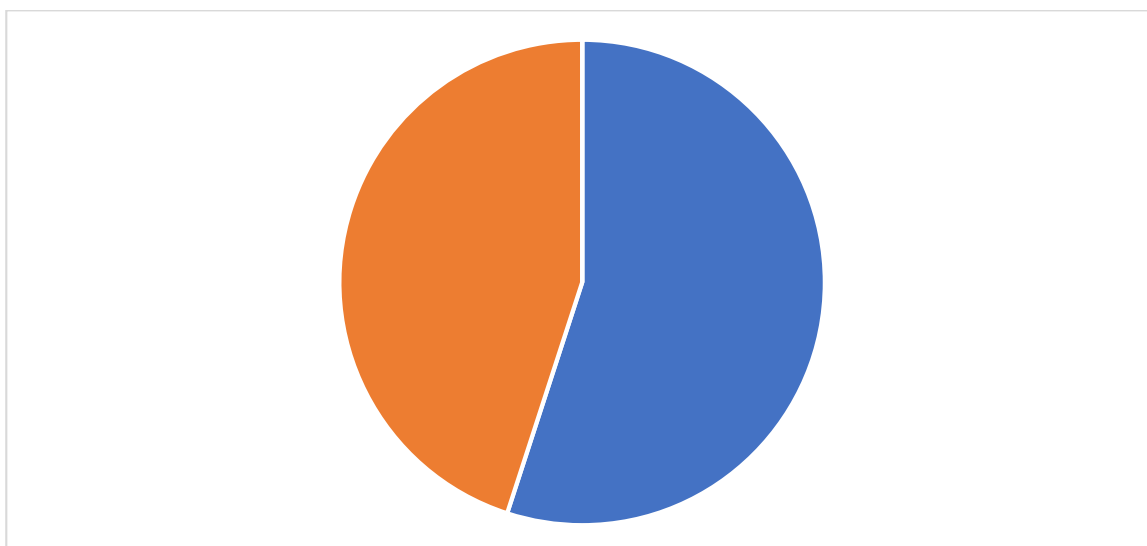


**Interpretation**

As per this graph, 40% of the respondents have strongly agreed that issue you had when applying to the mobile payments. 15% of the respondents have agreed (but not strongly) to this statement. Only 10% of the respondents are neutral to the statement. 35% of the respondents have shown their disagreement to this question.

**9. Mobile payments allows for versatility and expense tracking convenience.**

Criteria	Frequency	Percentage
Yes	55	55
No	45	45

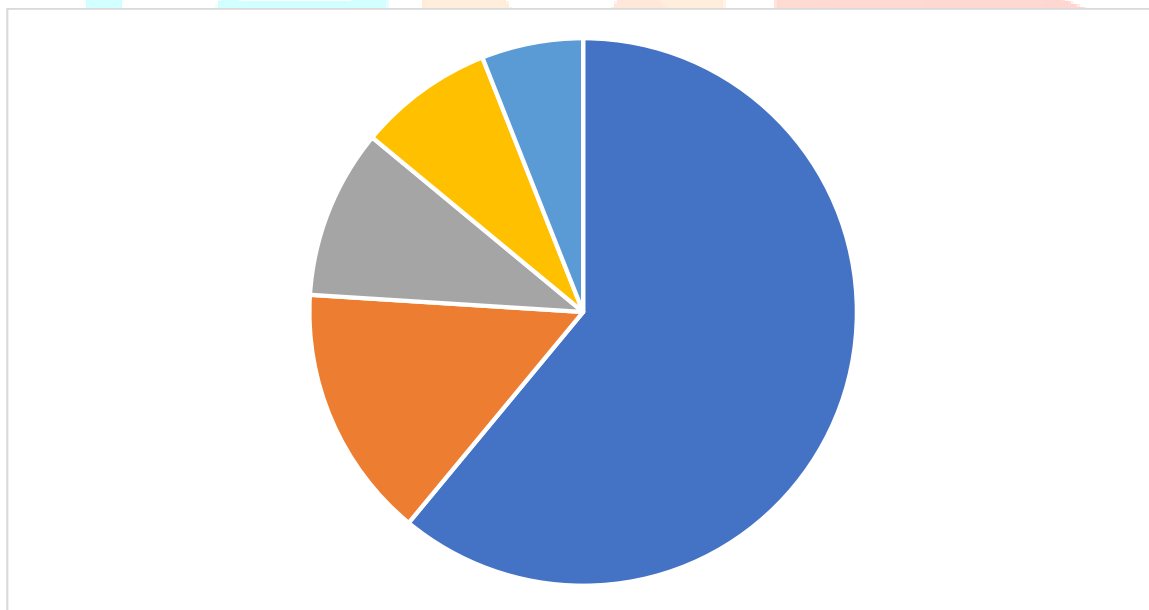


## Interpretation

While 55% of the respondents yes mobile payments allows for versatility and expense tracking convenience and 45% of the respondents no mobile payments allows for versatility and expense tracking convenience.

10. How satisfied are you with the service of mobile payment systems?

Criteria	Frequency	Percentage
Strongly agree	61	61
Agree	15	15
Neutral	10	10
Disagree	8	8
Strongly disagree	6	6



## Interpretation

As per this graph, 61% of the respondents have strongly agreed that happy are you with mobile payments' service. 15% of the respondents have agreed (but not strongly!) To this statement. 10% of the respondents are neutral to the statement. 8% of the respondents have shown their disagreement and 6% of respondents have shown disagreement to this question.

**Regression analysis:**

It is possible to accurately determine which factors affect a certain subject by using regression analysis. It is possible to accurately identify the most important and least important components, as well as the interplay between these two groups.

	df	SS	MS	F	Significance F
<b>Regression</b>	1	362.8763	362.8763	2.126545	0.240843
<b>Residual</b>	3	511.9237	170.6412		
<b>Total</b>	4	874.8			

**P value = 0.240843**

Overall regression: right-tailed,  $F(1,3) = 2.12655$ , p-value = **0.24084**. Since p-value  $\geq \alpha$  (0.05), we accept the null hypothesis( $H_0$ ), rejected Alternative hypothesis.

**Regression ANOVA**

Source	DF	Sum of Square	Mean Square	F Statistic (df <sub>1</sub> ,df <sub>2</sub> )	P-value
<b>Regression</b> (between $\hat{y}_i$ and $\bar{y}$ )	1	31.3089	31.3089	0.1217 (1,1)	0.7864
<b>Residual</b> (between $y_i$ and $\hat{y}_i$ )	1	257.3578	257.3578		
<b>Total</b> (between $y_i$ and $\bar{y}$ )	2	288.6667	144.3333		

**1. Y and X relationship**

R-Squared ( $R^2$ ) equals 0.1085. This means that 10.8% of the variability of Y is explained by X.

Correlation (R) equals 0.3293. This means that there is a weak direct relationship between X and Y.

The slope:  $b_1=0.3206$  CI[-11.3575, 11.9987] means that when you increase X by 1, the value of Y increases by 0.3206.

The y-intercept:  $b_0=22.6477$  CI[-384.0229, 429.3183] means that when X equals 0, the prediction of Y's value is 22.6477.

The x-intercept equals -70.6485.

## 2. Goodness of fit

Overall regression: right-tailed,  $F(1,1) = 0.1217$ , p-value = 0.7864. Since p-value  $\geq \alpha$  (0.05), we accept  $H_0$ .

The linear regression model,  $Y = b_0 + b_1X + \epsilon$ , doesn't provide a better fit than the model without the independent variable resulting in  $Y = b_0 + \epsilon$ .

The slope ( $b_1$ ): two-tailed,  $T(1)=0.3488$ , p-value = 0.7864. For one predictor it is the same as the p-value for the overall model.

The y-intercept ( $b_0$ ): two-tailed,  $T(1) = 0.7076$ , p-value = 0.608. Hence,  $b_0$  is not significantly different from zero. It is still most likely recommended not to force  $b_0$  to be zero.

## 3. Residual normality

The linear regression model assumes normality for residual errors. The Shapiro-Wilk p-value equals 0.8096. It is assumed that the data is normally distributed,

## 7. RESULTS AND FINDINGS

- Statistics reveal that although there are more males than women in the sample (64%), there are still more men than women (36%). The ratio of male to female customers seems about right to me.
- This chart shows that 61% of respondents are familiar with mobile payments, while 39% are clueless on the topic.
- This chart shows that 32% of respondents learned about mobile payments from advertising, whereas 26% heard about it through friends or family. Fifteen percent of those polled use social networking sites. Some 27% of the sample has shown some other behavior.



- The data presented in this chart shows that 35% of respondents strongly agree that it is possible to earn interest on cash kept in a wallet, while 65% of respondents agree (but not strongly) with this statement.
- Based on this chart, 32% of respondents say they need to utilize mobile payment methods very frequently, while 41% say they do so sometimes or sometimes. Seventeen percent of people said they seldom or never do anything. Ten percent of those polled said they never did.
- This chart shows that 29% of respondents are in complete agreement with your assessment of the safety of online financial transactions, while 35% agree with you in some capacity but not entirely. Nine percent of people are unsure how they feel about the statement. Only 17% of people think it's correct. Ten percent of those polled had expressed significant dissatisfaction.
- This chart shows that although 62% of respondents are aware of the costs connected with mobile payments transactions, 38% are not.
- This chart shows that 40% of respondents believe that this was an issue for them while applying for mobile payments. Fifteen percent of those who responded to the survey agreed with this assertion. Not even 10% of those who answered the survey gave a neutral response. A third of the people who answered the survey disagreed with the statement.
- Despite the fact that 55% of respondents said that mobile payments allow for versatility and expense tracking convenience, 45% said that it does not.
- This chart shows that 61% of people are very satisfied with mobile payments' service. Only 15% of those polled fully agreed with this assertion. One-tenth of those polled don't have an opinion either way on the remark. As for the second part of the question, 8% of the respondents have indicated their disagreement, while 6% have shown their agreement.

## **LIMITATIONS OF THE STUDY**

Adoption is more challenging in rural areas, hence programs to raise awareness and understanding are important same as previously.

Opening up the District Panchayats to the Public Finance Management System (PFMS). It is important for retail establishments and feed shops to accept electronic payments as a means of increasing the number of transactions that are completed using mobile payment methods.

The Reserve Bank of India (RBI) should keep a close eye on private payment channels.

Mobile payments are the most cutting-edge monetary system in the world. The widespread use of a standard set of APIs for mobile payments has improved information exchange and interoperability between financial institutions and payment systems. In contrast to card networks, mobile payment systems eliminate the need for a centralized clearinghouse, which allows for instantaneous, low-cost settlement.

- Disconnection: online shopping may make clients feel like a number.
- This is not a touchable object in any manner.
- Shipping times have increased.
- Safety concerns Many shady characters populate the online marketplace.
- If you attempt to transfer more than one hundred thousand dollars per day using all mobile payments applications, you may be blocked. You have attempted to transmit money using the mobile payments app more than 10 times each day. You approach them with a loan request for more than 2,000.

## **CONCLUSION/SUGGESTIONS**

The payment mechanism, in its simplest form, is the way by which a mutually agreed-upon exchange of value is carried out. This study seeks to answer whether or not the means of transfer affects how recipients see the transferred item or service. Because of the material nature of the payment method, it is crucial that the sender and the receiver be able to see the transaction independently of one another.

Past experiences, even pleasant ones, might have an impact on how we now feel.

How you're supposed to be feeling also changes with the kind of competition. With mobile payments, the transaction and settlement procedure may be completed in seconds, which is far faster than with conventional mobile payment methods like cards. Mobile payment systems are more reliable than their analogy counterparts because they operate on a more robust and secure

foundation with more built-in safeguards. Incorporating cutting-edge innovation into the present financial system is a top priority, and introducing biometric identification for use with mobile payments would be a big step in that direction. Mobile payment use in India might help bring previously underserved people into the online marketplace.

In India, sending money electronically is considered a promising industry. India has laid the groundwork for a "Mobile Payments Revolution" that can compete on a global scale by establishing a robust, secure, effective, and scalable public mobile infrastructure.

With non-cash contributions accounting for over 65% of all payments and two out of every three transactions being mobile by the end of that period, up from two out of every five today, the mobile payment sector is predicted to more than treble to 10 trillion in the next five years.

## ANNEXURES

### 1. Gender

- Male
- Female

### 2. Do you know about mobile payments?

- Fully aware
- Unaware

### 3. Tell me how you heard about mobile payments

- Advertisement
- Friends and relatives
- Social media
- Other

### 4. Is there a way to earn interest on money kept in your wallet?

- Strongly agree
- Agree

5. The frequency of your requirement to use mobile payment methods

- Very often
- Often sometimes
- Rarely
- Never

6. What are your thoughts on the security of mobile payments transactions?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

7. Have you heard about the fees associated with mobile payments transactions?

- Yes
- No

8. Issue you had when applying to the mobile payments

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

9. Mobile payments allows for versatility and expense tracking convenience.

- Yes
- No

## 10. How satisfied are you with the service of mobile payment systems?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

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