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Chief Editor

Prof. Parth Sarthi Pandey

Professor and Regional Director
Central Institute of Hindi, Regional Centre: Shillong
(Ministry of Education, Govt. of India)
Mawkasiang, Mawdiangdiang, Near IHM
Shillong – 793018, Meghalaya
E-mail: parthsarthi1974@gmail.com

Co-Editor

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A.P.H. Publishing Corporation
4435–36/7, Ansari Road, Darya Ganj,
New Delhi-110002

A Study of Issues, Concerns, Usage and Satisfaction of Peoples Using Online Payments in Manora Town of Washim Distict (MS)

Dr. Avinash S. Nile*

Abstract

This study aims to explore the use, issues, and challenges associated with digital payments among the residents of Manora Town in Washim District. The sample includes 171 adults (82 males and 89 females), ranging in age from 19 to 60 years. Participants were asked to complete a self-designed questionnaire after providing voluntary consent. The results show that over 90% of respondents are aware of digital payment methods, and more than 50% frequently use them for transactions. The study also reveals that PhonePe is the most popular and commonly used fintech app for digital transactions, followed by Google Pay. Additionally, it was found that most socio-demographic factors, such as age, education level, income, residence, and respondent type, do not show significant differences, with the exception of gender. The study further investigates the usage patterns of online payments across different respondent groups and identifies the challenges and issues faced in making digital payments. The paper concludes with recommendations for improving the adoption and use of online payment methods.

Keywords: Phone-Pe, Online/Digital Payment, Usage, Issues and Challenges.

INTRODUCTION

Bharat is a highly diverse and populous country with an extensive network of banks and branches, ranging from the Reserve Bank of India (RBI) to rural cooperative banks in remote villages. There is a direct link and regulatory framework in place that ensures effective control through established laws, guidelines, and regulations. However, one of the key challenges in identifying gaps, mismanagement, or fraudulent

*M.Com, NET, SET, Ph.D, GDC & A., Asst. Professor, Dept. of Commerce, M.S.P. Arts, Science & K.P.T. Commerce College, Manora, Dist. Washim (MS).

activities within the banking system has been the lack of proper transaction traceability, which remained a significant issue up until 2016. With the adoption of a new economic policy in the last decade of the 20th century, India embraced a mixed economic model of development, incorporating elements of Liberalization, Privatization, and Globalization (LPG). These changes have played a pivotal role in shaping the country's economic landscape and have brought new opportunities and challenges.

It has been widely acknowledged and recommended that in order to address major economic and financial issues, we must adopt advanced technology-driven payment systems. To this end, the Reserve Bank of India (RBI) and the Indian Bank's Association (IBA) established the National Payments Corporation of India (NPCI). NPCI developed the Unified Payments Interface (UPI), a real-time, instant payment system designed to facilitate seamless money transfers. UPI allows users to send money instantly, whether from one person to another, from an individual to a bank, or from a person to a merchant, all via mobile phones or computers.

This system is not only time-saving but also extremely convenient, making it accessible to individuals, businesses, banks, corporations, firms, and industries alike, which has contributed to its widespread popularity across India. Digital payments through UPI and other methods have not only simplified transactions but also made them safer and more secure. As a result, digital payment systems are quickly becoming a regular practice for both individuals and organizations. Even small vendors are adopting this system, offering greater convenience to their customers and demonstrating their ability to adapt to the modern, technology-driven lifestyle in both personal and professional spheres.

The rise of e-commerce has been fuelled by its safety, transparency, speed, convenience, security, and overall customer satisfaction. Following the 2016 demonetization, digital payments became a new standard for conducting business in India. Initially, digital payments were primarily known and utilized in major cities and among educated populations. However, over time, sectors across the country have embraced the shift towards a digital Bharat. It's essential to assess the adoption of digital payments beyond metropolitan areas and consider the various factors influencing its growth or hindrance.

OBJECTIVES OF THE STUDY

1. To analyze the usage of online payments among various types of respondents.

2. To examine whether factors such as age, gender, education, income, residence, and respondent category influence the use of online payments, motivations for using them, perceived issues and concerns, and overall satisfaction levels.

SIGNIFICANCE OF THE STUDY

With advancing technology, the landscape of banking and transactions is constantly evolving. Understanding the trend of digital payments across different demographic groups can provide insights into the future of online transactions. This study aims to examine patterns in digital payment usage, levels of awareness, the most frequently used apps, reasons for choosing digital methods, as well as users' concerns and challenges with online payments. Additionally, it seeks to identify the key factors influencing the adoption of these technological advancements in everyday life.

METHODOLOGY

Study Hypothesis

There is no difference in acceptance of online payments and socio demographic variables of the participants.

Design

This study has used the descriptive research design. The sample and procedure adopted for the study is very much in line with descriptive research design.

Sample

The sample of 171 participants (82 male and 89 female) are selected on voluntary basis. Mostly college students, teachers, Auto-rikshaw stops, banks, market places, Venders, businessman who are willing to take part in the study have taken in to consideration. All the respondents are adults and expressed their will to participate in the study. Participants are selected on non-probability sampling method and sample drawn by purposive sampling technique. Their age ranged from 20 to 60 years.

Tools Used

A self-constructed questionnaire which has two parts; first one is socio-demographic Data Sheet to figure out the information with regard to socio-demographic profile of the participants and part second is about their usage of digital payments, frequency of usage, popular app, felt issues and concerns about digital payments and their satisfaction level.

Procedure

The participants selected for the study are administered in small groups. After explaining the purpose of the study, they are requested to participate and provide personal data about themselves. Each participant has given enough time to fill the questionnaire. The data is analysed by using SPSS software.

RESULTS AND DISCUSSION

Table 1: Socio-Demographic Information of Participants

Characteristics	Category	Statistics (%)
Category	Students	68 (39.8)
	Teachers	22 (12.9)
	Vendors	35 (20.5)
	Auto drivers	27 (15.8)
	Businessman	19(11.1)
Age	Under 30	42 (24.6)
	31 -40	58 (33.9)
	41-50	58 (33.9)
	More than 51	3(1.8)
Gender	Male	82(48)
	Female	89 (52)
Education	Uneducated	12(7)
	Primary	15(8.8)
	Up to SSC	35 (20.5)

Characteristics	Category	Statistics (%)
	Up to Graduation	68 (39.8)
	PG	41 (24)
Earnings	Yes	103 (60.2)
	No	68 (39.8)
Residence	Urban	73 (42.7)
	Semi-urban	69 (40.4)
	Rural	29 (17)
Total	171 (100)	

*Values shown in the brackets are percentage.

Table 1 reveals about the socio-demographic variables of the study participants. Majority of them are students followed by vendors then auto-drivers then teachers and businessman. As far as the age of the participants is considered, it is found that majority of them are aged between 31 to 40 years followed by 41-50 years and then group of under 30 and after 51 years. In a data set, female proportion is slightly more than male proportion, most of them are working and have earnings and resides in urban areas.

Table 2: Knowledge, Preference and Usage of Digital Payments of Participants

Characteristics	Category	Statistics (%)
Knowledge of DP	Yes	169 (98.8)
	No	2 (1.2)
Preference	Digital Payment	92 (53.8)
	Cash	79 (46.2)
Frequency of Use	Always	98 (57.3)
	Frequently	13 (7.6)
	Rare	60 (35.1)
Total		171 (100)

Table 2 reveals that despite of variance in demographic information, almost all of them are aware about digital payments and would prefer to adopt digital payment system for their personal and professional use. More than two-fourth of them have always using digital payments to make transactions. It is also noted that more than two-fourth of them still prefer cash payments and less than two-fifth still rarely use it.

Table 3: Most used App for Digital Payments among Participants.

Characteristics	Most used FinTech App	Statistics (%)
Most Used FinTech App	PhonePe	95 (55.6)
	GooglePay	51(29.8)
	PayTM	4(2.3)
	BhimApp	4(2.3)
	AmazonPay	8 (4.7)
	FreeCharge	9 (5.3)
Total		171 (100)

Table 3 reveals that majority of the study respondents, more than two-fourth, are using Phone-Pe app for digital payments followed by Google-Pay. Other Apps are comparatively used less.

Table 4: Adhaar Linked Transactions among Participants.

Characteristics		Statistics
Adhaar linked	Yes	70 (40.9)
transactions	No	101 (59.1)
Total		171 (100)

Table 4 shows the response of Adhaar linked transactions, majority of the respondents, more than two-fourth, have not done Adhaar linked transactions, but more than two-fifth of them have an experience of Adhaar linked transactions.

Table 5: Faced problem in Digital Payment

Characteristics		Statistics
Faced problem	Yes	9 (34.5)
	No	112 (65.5)
Total		171 (100)

Table 5 shows the response of the respondents about problem faced in digital payments, majority of them, more than three-fifth, have no problem in making digital payments but more than one fourth of them have experienced problem with this.

Table 6: Level of Satisfaction about use of Digital Payment

Characteristics		Statistics
Level of satisfaction	Extremely satisfied	68 (39.8)
	Satisfied	69 (40.4)
	Neutral	23 (13.5)
	Dissatisfied	11 (6.4)
Total		171 (100)

Table 6 reveals that majority of the respondents, more than two-fifth are satisfied with their experience with digital payments, around same proportion of them are extremely satisfied with the move, more than one-tenth keep themselves neutral and only 6.4% of them said they dissatisfied in the use of digital payments. Overall, it can be inferred that people are happy with this new way of doing transactions.

DISCUSSION

Most of the respondents are young which are promoters of new change in the society be that change in economic, social, institutional or political sphere of life. But it is found that almost all of them are aware of digital payments and its different ways of doing it. It is interesting to note that the adaptation of digital payments has found nothing to do with the respondent's age, residence, earnings.

It is found that maximum respondents prefer to do online transactions/ digital payments and they are doing it and having good experience of speedy, secure transactions and most of them liked that these applications gives them every foot print of their transactions which many feels would counter the financial frauds or can overcome money laundering.

The new way business is only possible through this technological revolution which was rightly envisaged in 'Digital Bharat' program. In other way this drive develops an e-commerce industry in Bharat which empowered all the stakeholders of the Indian economy. The better side of digital payments through Fin-Tech apps as revealed by the respondents, that digital payment is quick (81.9%), safe (74.3%), easy (74.3%), secure (69%) and records every transaction (74.3%) most of the respondent likedthe QR code scanning is the most suitable mode of digital payments.

Whereas, responding to the concerns of using digital payments, most of the respondents have expressed that the internet connectivity (64.9%), threats of using technology (48.5%), fear of fraud (51.5%), lack of proper resolution mechanism at bank (60.8%) are the major concerns. Where in banks and third party Fin-Tech companies have to develop a trust-worthy mechanism to make it user-friendly. It shows that we have new phases of hurdles, which can be mentioned as- social, economic, technical, awareness and legal.

It is fortunate that almost all of the respondents are aware of digital payments, most of them using Phone-Pe and Google-Pay, most of them are satisfied, but it can be inferred that women are not using digital payments frequently as compare to men, and educated people adopted the digital payment system for every possible reason as compare to uneducated people. The new advents have to look after these intersections of gender and technology in coming future.

CONCLUSION

1. In the future, there will not be any exception for digital payments. It is becoming a new habit of life. People are slowly but steadily accepting the fact that without technology our real-life problem will not be resolved.
2. There is positive trend seen in the acceptance of technology in term of using Fin-Tech Apps for digital transactions. Even lay man is using it, this can be called as a huge success of present government.
3. But still there are issues and concerns in using digital payments for which more efforts to be taken for raising digital awareness, robust bank mechanisms, more convenience-pro services should be provided to the people.
4. With the 5G networks the e-commerce industry has better chances to grow more in Bharat. Thus, the study has come up with a very interesting conclusion that the socio demographic variables of the respondent don’t interfere in the adaption of new technology and use of digital payments.

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