A Study on Consumer Awareness towards Digital Payment System in Bangalore City

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Abstract: ***India is moving on the trail of a serious digital revolution. Digitalization of the payment mechanism are going to be considered as milestone within the era of cashless future economy. Adoption of cashless transaction has been significantly pushed by Prime Minister Mr. Narendra Modi as a part of state reforms after demonetization of high value currency. The study is conducted in Bangalore City. It's Major City of Karnataka with higher literacy rate. The aim of this study is to awareness level of consumer towards digital payment systems or mode. A Sample size is 189 selected using the convenience sampling. Structured questionnaires are used for collecting data. The responses from the respondents were analyzed using the Chi Sqare Test and simple percentage analysis etc,. The end in this study indicate that the majority of all the respondents wasn't conscious of all the modes of digital payments. Government should make their consumer aware of and educate them regarding different digital payment modes and will organize seminars and conference to educate them. The study gives emphasis to the proportion of awareness on maximum utilization of technology. Government should take effective measures in creating awareness towards the effective usage of technology and security.***

Key Words: Consumer, Awareness, Digital Payment System, Digital Payment Mode

INTRODUCATION

India is moving on the trail of a serious digital revolution. Digitalization of the payment mechanism are going to be considered as milestone within the era of digital future economy. the expansion of the Indian digital payments space is predicted to be driven by four trends that also are likely to impact how this industry looks within the future. India going digital, favourable regulatory environment, emergence of next generation payment service providers and enhanced customer experience are the four drivers contributed to the expansion of Indian digital payment systems. The Digital India programme is a prestigious programme of the Govt of India with a vision to transform India into a digitally empowered society and to become a knowledge economy. "Faceless, Paperless, Cashless" is one among professed role and slogan of Digital India. As a part of promoting digital transactions and converting India into cash less society, various modes of digital payments are available. These modes are banking cards like Debit and Credit, Unstructured Supplementary Service Data (USSD), Aadhaar Enabled Payment System (AEPS), Unified Payment Interface (UPI), Mobile wallets point of sales, Mobile Banking and Internet Banking etc. Adoption of digital transaction has been significantly pushed by Prime Minister Shree Narendra Modi as a part of state reforms after demonetization of high value currency of Rs. 500 and 1000 (86% of money circulation).

The demonetization resulted in unprecedented growth in digital payment.

LITERATURE REVIEW

K. Suma Vally and K. HemaDivya (2018)1 studied on "Digital Payment in India with Perspective of Consumer's Adoption". The objectives of this study were to examine the age of respondents impact, to analysed the impact of customers education and income status on usage of digital payments. This study was conducted in Hyderabad City. 200 sample size was selected using the convenience sampling. Out of which 183 were responded. This represents a response rate of 92%. Structured questionnaires are used for collecting data. The responses from the respondents were analyzed using the simple percentage analysis and Chi square test. The results in this study indicate that the deployment of technology for digital payments have improved the performance of banking sector and able to achieve the motive cash less country. The study gives emphasis to the percentage of awareness on maximum utilization of technology. Banks should take effective measures in creating awareness towards the effective usage of technology and security

Deepak Mathur (2017)2 research on "A Survey of Awareness about Security in E-payment System." He used descriptive survey research method for the

study. Data was collected using structured questionnaire. The relevant data was collected on 68 questions based on various aspects related to e-payment system. 384 respondents participated in the survey. Out of 384 samples 219 males and 165 were females. Major chunk of the users of e-payment system was below 40 years of age. The data was then examined using statistical techniques of analysis such as frequencies and percentages for the descriptive part of the study. They were used to determine the percentage of respondents for each of the variables tested. The study reveals that the peoples are not so aware about the security concerns while making e-payments. There is a need to have awareness programs by the various agencies in this regard.

Dr. PralhadRathod, Vidyashree D.V. and Seema Joseph (2017)3 research on " Customer Awarness on Payment Banks, the latest IT-enabled Indian Banks Connecting people- An Empirical Study". He used both Primary and Seconday data. Primary data collected by interacting with the customers and secondary data was collected by Catalogues, Internet, Magazine and News paper. The researcher has adopted the probability sampling method for collecting data. A sample of 135 respondent has been taken through quota sampling. They use statistical tools like ANOVA, Post hoc tests for analyzed the data. This study observed that all the respondents are not aware of Payment Banks. As per the study, there is a necessity to create awareness particularly with middle-age group of people about the benefits of Payment Banks. Even though Payment Banks are approved by Government, people tend to think it's purely private companies and a sort of hesitation to keep their huge deposits (i.e. upto 1 lakh) in Payment Banks. Hence the companies can create a complete awareness about Payment Banks which helps for digitalized India

Savdeep Vasudeva (2017)4 research on, "Customer Perception Towards Mobile Banking in Punjab- A Study of Personal Banking." The main aim of this study was to analysed the perception of customers towards m-banking service. The sample size used in this study was 600 respondents above 18 years from the three districts of the state of Punjab. In this study, data was collected through both secondary and primary methods. Primary data collected through questionnaire. The sampling technique used in this study was non-probability based convenience sampling. The data was analyzed using statistical tools like descriptive statistics, Correlation Analysis, Factor Analysis and ANOVA. It was found in this study that mbanking service was growing in India and majority of the respondents were aware about different m-banking services. It has also been found that respondents perceive m-banking as a service that generates efficiency, supports during customer problems, maintains service availability, fulfills customer requests, provides ease of contact and ensures security of information. It is also revealed that respondents feel high level of satisfaction in carrying out personal banking transactions using mobile phone.

STATEMENT OF THE PROBLEM

Digital Payments are growing at a highest rate ever. Having card has become the need of every person because in the age of High Technology cash strives to endure the competition with electronic money and more and more. People prefer to have virtual wallets. It has variety of pros in comparison to traditional payment system like innovative idea, reliable technology, effective business practice, smart marketing, good usability, time saving, user friendly, convenience and what not ? And so the researcher has attempted and analysed the Consumer's awareness towards Digital Payment in Bangalore City.

OBJECTIVES OF THE RESEARCH

- The main objective of the study is to find the effect of the demographic factors on consumer's awareness for digital payment system.

RESEARCH HYPOTHESES

To achieve the above objectives, following hypotheses have been framed:

H0: There is no association between awareness of different mode of digital payment systems and the Gender of the respondents.
H0: There is no association between awareness of different mode of digital payment systems and the age of the respondents.
H0: There is no association between awareness of different mode of digital payment systems and the Education of the respondents.
H0: There is no association between awareness of different mode of digital payment systems and the Profession of the respondents.
H0: There is no association between awareness of different mode of digital payment systems and the Annual Income of the respondents.

RESARCH METHODOLOGY

DATA COLLECTION:

The data collection for the proposed research will be based on both primary and secondary data. The Primary data will be carried out by survey method through administration of structured questionnaire for obtaining information from Bangalore city. Secondary Data was collected from Internet, Magazine, Newspaper and different data sources.

SAMPLE SIZE:

The population consists of Bangalore City. A Sample size of 189 selected using the convenience random sampling. For purpose of the study non-probability sampling technique has been adopted.

STATISTICAL TOOLS:

The data were analysed with percentage method, frequencies and correlation, chi-square tests and tables are also prepared.

LIMITITATION OF THE STUDY:

Some respondents were hesitating to give true responses.

The data was collected within 2 month time period.

The inferences apply only to the respondents of Bangalore and are not applicable to any other place and cannot be generalized.

ANALYSIS AND INTERPRETATION

Table 1: Frequency distribution of the respondents on the basis of their personal profile:

Profile	Groups	Frequency	Percentage
Gender	Male	92	48.68
	Female	97	51.32
Age	Under 18	12	6.35
	18-30	80	42.33
	31-50	23	12.17
	Above 50	74	39.15
Education	Matriculation or below	24	12.70
	12th Pass	20	10.58
	Diploma	0	0.00
	Graduate	62	32.80
	Post Graduate	69	36.51
	Professional	14	7.41
Profession	Student	33	17.46
	Private Sector Employee	55	29.10
	Govt. employee	42	22.22
	Self Employed	24	12.70
	Other	35	18.52
Annual Income	Below 2.5 Lacs	46	24.34
	2.5 Lac- 5 Lac	52	27.51
	5 Lac- 7.5 Lac	38	20.11
	7.5 Lac – 10 Lac	8	4.23
	Above 10 Lac	2	1.06
	No Income	33	17.46

(Table 1)

The respondent profile as displayed in above table replicate the population generally engaged in awareness of digital payment system. There are 49% male and 51 % are female. 42% respondents are in the age group of 18-30 years followed by 39% percent in above 50 age, 32% are graduate and 37% are post graduate, 29% respondents are Private Sector Employee and 22% are in Govt. Sector employee. there are 24% respondents having annual income less than Rs2.5 Lac, Where as there are 27% respondents

are in the range of 2.5 Lac- 5 Lac and 20% respondents are in the range of 5 lac- 7.5 lac. This is the ideal profile for awareness of digital payment consumers who are educated, employed and having decent income.

1. Gender:

H0: There is no association between awareness of different mode of digital payment systems and the Gender of the respondents.

H1: There is an association between awareness of different mode of digital payment systems and the Gender of the respondents.

Table 2: Result of Analysis by Gender

Digital Payment Mode	Female		Ma	le	P Value	Result
	No	Yes	No	Yes		
Banking Cards	0	97	0	92	--	--
USSD	87	10	78	14	0.311	Accepted
Internet Banking	0	97	0	92	--	
UPI	71	26	60	32	0.235	Accepted
Mobile Wallets	8	89	2	90	0.062	Accepted
IMPS	63	34	45	47	0.026	Rejected
PoS	33	64	29	63	0.715	Accepted
AEPS	63	34	63	29	0.607	Accepted
Mobile Banking	0	97	0	92	--	--
BHIM app	33	64	26	66	0.393	Accepted

(Table 2)

USSD, UPI, Mobile Wallets, PoS, AEPS, and BHIM app their P-Value of tested statistics is greater than 0.05 Thusnull hypothesis is accepted which reveals that there is no association between gender and this digital Modes of payment. P-Value of IMPS tested statics is 0.026 which is less than 0.05 it means null hypothesis is rejected it means there is there is an association between awareness of different mode of digital payment systems and the Gender of the respondents. Baking Cards, Internet Banking and Mobile Banking have no statistics are computed because value is a constant it means all respondents are aware of this mode of payment.

2. AGE:

H0: There is no association between awareness of different mode of digital payment systems and the Age of the respondents.

H1: There is an association between awareness of different mode of digital payment systems and the Age of the respondents.

Table 3: Result of Analysis by Age

Digital Payment Mode	Under 18		18-30		31-50		Above 50		P Value	Result
	No	Yes	No	Yes	No	Ye s	No	Yes		
Banking Cards	0	12	0	80	0	23	0	74	--	--
USSD	8	4	71	9	19	4	67	7	0.116	Accepted
Internet Banking	0	12	0	80	0	23	0	74	--	--
UPI	7	5	54	26	17	6	53	21	0.749	Accepted
Mobile Wallets	0	12	2	78	0	23	8	66	0.053	Accepted
IMPS	3	9	47	33	15	8	43	31	0.122	Accepted
PoS	1	11	26	54	7	16	28	46	0.243	Accepted
AEPS	9	3	54	26	16	7	47	27	0.845	Accepted
Mobile Banking	0	12	0	80	0	23	0	74	--	--
BHIM app	0	12	26	54	8	15	25	49	0.118	Accepted

(Table 3)

USSD, UPI, Mobile Wallets, IMPS. PoS, AEPS, and BHIM app their P-Value of tested statistics is greater than 0.05 Thus null hypothesis is accepted which reveals that there is no association between age and this digital Modes of payment. Baking Cards, Internet Banking and Mobile Banking have no statistics are computed because value is a constant it means all respondents are aware of this mode of payment.

3. Education:

H0: There is no association between awareness of different mode of digital payment systems and the Education of the respondents.

H1: There is an association between awareness of different mode of digital payment systems and the Education of the respondents.

Table 4: Result of Analysis by Education

Digital Payment Mode	Matriculation or below		12th Pass		Graduate		Post Graduate		Professional		P Value	Result
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes		
Banking Cards	0	24	0	20	0	62	0	69	0	14	--	--
USSD	18	6	18	2	54	8	63	6	12	2	0.35	Accepted
Internet Banking	0	24	0	20	0	62	0	69	0	14	--	--
UPI	15	9	13	7	42	20	49	20	12	2	0.621	Accepted
Mobile Wallets	0	24	0	20	2	60	7	62	1	13	0.176	Accepted
IMPS	9	15	12	8	34	28	45	24	8	6	0.213	Accepted
PoS	5	19	7	13	21	41	24	45	5	9	0.770	Accepted
AEPS	17	7	13	7	42	20	46	23	8	6	0.936	Accepted
Mobile Banking	0	24	0	20	0	62	0	69	0	14	--	--
BHIM app	4	20	4	16	24	38	23	46	4	10	0.253	Accepted

(Table 4)

USSD, UPI, Mobile Wallets, IMPS. PoS, AEPS, and BHIM app their P-Value of tested statistics is greater than 0.05 Thus null hypothesis is accepted which reveals that there is no association between Education and this digital Modes of payment. Baking Cards, Internet Banking and Mobile Banking have no statistics are computed because value is a constant it means all respondents are aware of this mode of payment.

4. Profession:

H0: There is no association between awareness of different mode of digital payment systems and the Profession of the respondents.

H1: There is an association between awareness of different mode of digital payment systems and the Profession of the respondents.

Table 5: Result of Analysis by Profession

Digital Payment Mode	Students		Private Sec.Emp		Govt. Emp.		Self Employed		Other		P Value	Result
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes		
Banking Cards	0	33	0	55	0	42	0	24	0	35	--	--
USSD	26	7	48	7	38	4	20	4	33	2	0.352	Accepted
Internet Banking	0	33	0	55	0	42	0	24	0	35	--	--
UPI	20	13	39	16	28	14	16	8	28	7	0.503	Accepted
Mobile	0	33	2	53	0	42	0	24	8	27	0.000	Rejected

Wallets												
IMPS	14	19	28	27	26	16	18	6	22	13	0.100	Accepted
PoS	9	24	18	37	16	26	6	18	13	22	0.744	Accepted
AEPS	23	10	37	18	29	13	16	8	21	14	0.917	Accepted
Mobile Banking	0	33	0	55	0	42	0	24	0	35	--	--
BHIM app	6	27	21	34	14	28	9	15	9	26	0.300	Accepted

(Table 5)

USSD, UPI, IMPS, PoS, AEPS, and BHIM app their P-Value of tested statistics is greater than 0.05 Thus null hypothesis is accepted which reveals that there is no association between Profession and this digital Modes of payment. P-Value of Mobile Wallets tested statics is 0.000 which is less than 0.05 it means null hypothesis is rejected it means there is there is an association between awareness of different mode of digital payment systems and the Profession of the respondents. Baking Cards, Internet Banking and Mobile Banking have no statistics are computed because value is a constant it means all respondents are aware of this mode of payment. 5. Annual Income :

H0: There is no association between awareness of different mode of digital payment systems and the Annual Income of the respondents.

H1: There is an association between awareness of different mode of digital payment systems and the Annual Income of the respondents. Table 6: Result of Analysis by Annual Income

Digital Payment Mode	Below 2.5 Lacs		2.5 Lac-5 Lac		5 Lac-7.5 Lac		7.5 Lac – 10 Lac		Above 10 Lac		No Income		P Value	Result
	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes		
Banking Cards	0	46	0	52	0	38	0	8	0	12	0	33	--	--
USSD	40	6	46	6	34	4	7	1	12	0	26	7	0.530	Accepted
Internet Banking	0	46	0	52	0	38	0	8	0	12	0	33	--	--
UPI	32	14	34	18	28	10	8	0	9	3	20	13	0.345	Accepted
Mobile Wallets	0	46	2	50	0	38	8	0	0	12	0	33	0.000	Rejected
IMPS	28	18	30	22	24	14	4	4	8	4	14	19	0.499	Accepted
PoS	15	31	17	35	13	25	4	4	4	8	9	24	0.905	Accepted
AEPS	31	15	35	17	23	15	5	3	9	3	23	10	0.941	Accepted
Mobile Banking	0	46	0	52	0	38	0	8	0	12	0	33	--	--
BHIM app	14	32	22	30	12	26	3	5	2	10	6	27	0.225	Accepted

(Table 6)

USSD, UPI, IMPS, PoS, AEPS, and BHIM app their P-Value of tested statistics is greater than 0.05 Thus null hypothesis is accepted which reveals that there is no association between Annual Income and this digital Modes of payment. P-Value of Mobile Wallets tested statics is 0.000 which is less than 0.05 it means null hypothesis is rejected it means there is there is an association between awareness of different mode of digital payment systems and the Annual Income of the respondents. Baking Cards, Internet Banking and

Mobile Banking have no statistics are computed because value is a constant it means all respondents are aware of this mode of payment.

CONCLUSION

The banking sector in India is go through major changes and challenges due to competition and the new technologies. The consumer is looking for quality services which can provide their satisfaction. The consumer had to physically visit the bank office in order to carry out banking operations. Digital banking is playing a vital role in today's banking field. This study reveals that the demographic conditions of the consumer are very important in creating the awareness level among the consumer of the Bangalore city. The study has shown that people in generally are aware of the concept of Digital Banking System. As digital banking is still relatively new in India, the intention to use digital banking is still very limited because of Security and Privacy. The finding reveals that people know about the services but still many are not aware of all the services and do not use them. Banks should ensure that digital banking is safe and secure for financial transaction like as traditional banking. Therefore the banks should make some potential strategies to create awareness of digital banking services.

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