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Impact of Mobile Payment with Special Reference to Youths at Erode

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ABSTRACT: As customers become used to the technology and retailers start accepting contactless transactions, mobile payments are growing in popularity. By 2024, it is anticipated that mobile payments in India would have grown five times. Digital payments have a significant effect on the economy of India. Although the government's attempts to make India cashless are doing well, additional obstacles will need to be overcome before the country can become fully cashless. The impact of smart phones on mobile payments, their acceptance, and the influence of age on online payment methods are all examined in this study. Survey and questionnaire approaches are used to collect data for this study, which is based on descriptive research. Utilized statistical methods include data analysis, Anova, and the Chi-Square test.

KEYWORDS: Mobile Payment, Digital Transformation, Swift Transactions, Payment Gateway, Online Payments, Peer-to-peer Payments

I. INTRODUCTION

Mobile payments through digital wallets were already becoming more popular as consumers grew accustomed to the technology and as more merchants started offering terminals that take mobile payments from devices at the point of sale. The continuous advancement of technology and digitalization is leading to a noticeable enhancement in the human quality of life. This positive impact is also evident in the realm of payments. Mobile phones are not just used for communication; they may also be used for entertainment, socializing, as an internet-connected device, and, most importantly, as a means of payment. India has a competitive telecommunication market and well-developed financial markets. In addition, it is a lead exporter of technology services. With the introduction of financial technology (Fin-Tech), consumers have huge options for making payments through digital channels such as debit cards, credit cards, mobile banking, the Internet, or online or digital banking. All these channels enable the payment for the purchase and transactions to become more convenient and accessible. Thus, these factors support the growth of cashless payments.

Mobile Payments

The emergence of new retail channels made possible by mobile and internet technologies has increased the demand for creative payment solutions that facilitate simple and quick transactions.

BENEFITS OF MOBILE PAYMENTS

Mobile payments offer various benefits to businesses and young consumers. Key advantages include:

- Elimination of physical wallets
- Enhanced security features
- Two-factor authentication (2FA)
- Speedy transactions
- Easy setup and convenience

II. STATEMENT OF THE PROBLEM

An extensive literature analysis on the subject found that India is one of the first countries to rapidly adopt the mobile wallet system as a form of payment. While numerous studies have investigated user perceptions of mobile wallets, only a limited number have explored the diverse services offered by these digital platforms. Lack of interoperability between



networks restricts reach and makes transactions cumbersome. It requires app to be installed which is not available in all the mobile phones. Smart phones are needed for this purpose. It is advisable not to provide passwords and other details to anyone. Failing to do so will lead to scam and theft. Consequently, this research aims to assess the different types of digital wallets utilized by young individuals, assess their level of understanding of mobile wallets, and examine their preferences.

III. OBJECTIVES OF THE STUDY

- To know about the impact of mobile payment faced by youths
- To suggest measures to become completely cashless due to other challenges and make the Indian economy in huge growth

IV. RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It explains the various steps that are generally adopted by research problem with logic behind them. The researcher studying them. The data was collected by the researcher himself by using questionnaire method.

SIZE OF THE SAMPLE

- Sample Size Determination is the act of choosing the number of observations or replicates to include in a statistical sample. The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample.
- The Sample size is 120.

TOOLS USED

The Tools used in the Study,

1. Chi-square
2. Anova

V. REVIEW OF LITERATURE

Humbani and Weise, (2015) Mobile payments are the preferred choice for youth in India. Moreover, a recent survey (2020) conducted by FIS, a technology service provider to the banks and merchants in India, revealed that Youths is the heaviest mobile payments user. Much research has been done on mobile payment adoption. However, there is a lack of agreement on factors that affect the adoption of different mobile technologies. Thus there is a need for further exploration of mobile payment adoption.

Heinonen & Standvik (2015) This study focuses on the adoption of mobile payment systems by merchants and studied the nature and scope of mobile payments systems. How do they adopt the system and is it beneficial? To implement Digital payments in this business world. He found that major factors affected merchants while adopting Mobile payment systems and the level of awareness about mobile payments systems

Bowen and Pistilli, (2019) The report by (mobile Pymnts, 2019) indicates the comfort of Youths, that is, the generation born between smartphones as indispensable financial management tools. It is further reported that above 90% of customers aged between 18-22 years download mobile payment apps which is much higher than the other generations. This indicates that this generation is likely to become a trendsetter in adopting new technologies, which will only grow in the future. For these reasons, the youth can be the most suitable target for promoting mobile payments.

Mrs. J Salomi Backia Jothi, et.al., (2019) Impact of Payment methods among youth and its Pros and Cons, in their paper he tries to exhibit that A single mobile device gives enormous applications to the end-users. The aim of this study was to analyze the factors motivating the use of UPI and Digital payments over other modes of payment and also to study the purpose for which UPI has been used by Youth. This study also gives an awareness about the security factors of UPI payments and mobile payments. There are various modes of data collection that proves that youth are the group of people who are attached with the usage of digital payments.

(Yan et al., 2021) Applying to the context of mobile and contactless payments, this theory predicts that an intention of



using mobile payments derived from attitudes towards behavior, which is influenced by perceived usefulness of m-payments and perceived ease of use of this technology. As the behavior is influenced by social norms, even having a favourable attitude to adoption of mobile payments, consumer behavior will be shaped by suitability to the industry and distribution channel to comply with their beliefs. A substantial body of recent publications uses modifications of the Technology Acceptance Model framework to study mobile payment services. The extended model with four other factors, namely Perceived Transaction, Optimism, Personal Innovativeness, and Perceived Transaction Speed, was applied to study QR code payment in the retailing sector.

CHI-SQUARE ANALYSIS

TABLE NO – 1

NULL HYPOTHESIS

H₀: There is no significant relationship between the monthly income of the respondents and frequency of mobile payment usage.

ALTERNATIVE HYPOTHESIS

H₁: There is a significance relationship between monthly income of the respondents and frequency of mobile payment usage.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
MONTHLY INCOME OF THE RESPONDENTS * FREQUENCY OF MOBILE PAYMENT USAGE	120	100.0%	0	.0%	120	100.0%

MONTHLY INCOME OF THE RESPONDENTS * FREQUENCY OF MOBILEPAYMENT USAGE

Count	FREQUENCY OF MOBILE PAYMENTUSAGE				Total
	Daily	Weeklyonce	Weeklytwice	Monthly	
MONTHLY INCOME Less than Rs.10,000 OF THE RESPONDENTS	21	0	0	0	21
Rs.10,001 –Rs.15,000	31	4	0	0	35
Rs.15,001–Rs.20,000	0	28	0	0	28
Rs.20,001- 30,000	0	3	16	0	19
Above Rs.30,000	0	0	2	15	17
Total	52	35	18	15	120



**Cross tabulation
Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.883E2 ^a	12	.000
Likelihood Ratio	250.133	12	.000
Linear-by-Linear Association	105.500	1	.000
N of Valid Cases	120		

a. 10 cells (50.0%) have an expected count of less than 5. The minimum expected count is 2.13.

Symmetric Measures

	Value	Asymp. Std. Error	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	1.000	.000	28.200	.000
Measure of Agreement Kappa	c			
N of Valid Cases	120			

- a) Not assuming the null hypothesis.
- b) Using the asymptotic standard error assuming the null hypothesis.
- c) Kappa statistics cannot be computed. They require a symmetric 2-way table in which the values of the first variable match the values of the second variable.

INTERPRETATION

From the output through the Chi-square test, it is obtained that the asymptotic significance is 0.000 which is less than 0.05 (i.e., $0.00 < 0.05$) and describes that there is no relationship between the monthly income of the respondents and the frequency of mobile payment usage. The value obtained is less than 0.05 which means that the null hypothesis (H_0) is accepted.

ANOVA

TABLE NO –2

NULL HYPOTHESIS

H_0 : There is no significant relationship between the educational qualification of the respondents and mobile payments to enable quick and seamless transactions.

ALTERNATIVE HYPOTHESIS

H_1 : There is a significant relationship between the educational qualification of the respondents and mobile payments to enable quick and seamless transactions.



Descriptives

EDUCATIONAL QUALIFICATION OF THE RESPONDENTS	N	Mean	Std. Deviation	n	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	Between-Component Variance
						Lower Bound	Upper Bound			
Strongly agree	54	1.61	.492		.067	1.48	1.75	1	2	
Agree	41	2.93	.412		.064	2.80	3.06	2	4	
Neutral	13	4.00	.000		.000	4.00	4.00	4	4	
Disagree	7	4.00	.000		.000	4.00	4.00	4	4	
Strongly disagree	5	5.00	.000		.000	5.00	5.00	5	5	
Total	120	2.60	1.103		.101	2.40	2.80	1	5	
Mode Fixed Effects			.413		.038	2.53	2.67			1.563
Random Effects					.726	.59	4.61			

Test of Homogeneity of Variances

EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

Levene Statistic	df1	df2	Sig.
22.292	4	115	.000

ANOVA

EDUCATIONAL QUALIFICATION OF THE RESPONDENTS	Sum of Squares	df	Mean Square	F	Sig.
Between Groups (Combined)	125.186	4	31.297	183.498	.000
Linear Unweighted Term	59.192	1	59.192	347.052	.000
Weighted					
Deviation	116.569	1	116.569	683.471	.000
Within Groups Total	8.617	3	2.872	16.841	.000
	19.614	115	.171		
	144.800	119			



HOMOGENEOUS EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

MOBILE PAYMENTS ENABLE QUICK AND SEAMLESS TRANSACTIONS	N	Subset for alpha = 0.05			
		1	2	3	4
Student-Newman-Keuls ^a Strongly agree	54	1.61			
Agree	41		2.93		
Neutral	13			4.00	
Disagree	7			4.00	
Stronglydisagree	5				5.00
Sig.		1.000	1.000	1.000	1.000

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 10.806

INTERPRETATION

From the above analysis, we find that the calculated value of the F-value is a positive 183.498 value, so H1 is accepted. Since the P value, 0.000 is less than < 0.05 there is a significant relationship between the educational qualification of the respondents and mobile payments that enable quick and seamless transactions. The results are significant at a 4% level

VI. CONCLUSION

“Driven by the utility of mobile payment systems, companies consider factors such as comfort, ease, accessibility, and financial incentives. Beyond income, education and awareness play a role in the adoption of digital payment methods. India is rapidly transitioning from a cash-centric to a cashless economy, where traceable transactions reduce black money. E-payment systems are gaining traction, and even street vendors now accept electronic payments.”

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