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A Study of Students Perception towards Digital Payments - with Special Reference to Chikodi Education District

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Abstract: ***Technology has made advances in all fields of life. When it comes to the banking and finance sector, recent technological advances introduced us to paperless transactions that can be done via any mobile device online in the comfort of our home. The country felt the desperate need for paperless transactions during the demonetization in 2016. The need to shop anywhere digitally and not always carry paper cash made people of the country slowly shift from paper mode to digital mode of payments. This gave rise to different digital platforms like Gpay, Phonepay, PayTM and others. These platforms together with banks created a seamless infrastructure to have payments done digitally. The objective of this paper is to study the impact of digital payment systems keeping students in focus and how it benefits students. Data is gathered from 500 respondents from Chikodi education district through a questionnaire and the responses were analyzed using statistical techniques.***

I. INTRODUCTION

The major initiative of the Indian government, "Digital India," aspires to make the nation digital. Digital India will conduct "Faceless, Paperless, Cashless" activities in the future.

In order to boost the Indian economy, Prime Minister Mr. NarenderModi introduced the "Digital India" initiative in 2015 and demonetized the high-value currency of Rs. 500 and 1000 in November 2016.These actions have significantly improved the country's electronic payment system. Other government initiatives like BHIM and UPI help the use of digital payments move more smoothly. Digital payments are made by customers electronically at the point of sale (POS) for products and services using a smartphone, internet banking, or mobile banking.Customers can pay for goods and services at the point of sale (POS) via internet banking, mobile banking, or card payments made with a smart phone. The digital payment system has the following phases: 1. Registering 2. Invoicing 3.Optional payment 4.Payment confirmation. The three electronic payment methods that frequently make up this payment system are cash, checks, and credit cards. The gradual phasing out of Cash on Delivery in favor of other forms of payment like Card on Delivery, Net Banking, Debit Cards, Credit Cards, etc. is having an influence on the e-commerce sector after demonetization.

The demonetization of currency will boost India's e-commerce industry and raise public support for a cashless society.

As part of encouraging cashless transactions and transforming India into a less-cashsociety, various modes ofdigital payments areavailable.

1) Debit/CreditCard

These plastic cards may be used for online as well as offline transitions.

Transactionlimit is set by the card issuer depending on the creditworthinessof the cardholder. The main details required are the cardholder name, card number CVV and expiry date. The card issuer chargesfor transitions undertaken.

Real-time gross settlement systems/ Real-time gross settlement systems (RTGS/NEFT) RTGS is typically meant for larger value transactions and the minimum amount that can be sent via this mode is Rs.2 lakh. The details required are Account number, password, beneficiary, IFSC code, for this also banker charges some amount

2) Immediate Payment Service (IMPS)

This system is suitable for instant transfer. The transaction limit is Rs 2lakhper day. Details required: Account number, password, beneficiary registration IFSC code cost: Rs 5-15, depending on the transactionamount.

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3) Unified Payment Interface (UPI)

Suitable for instant transfer of Rs 1,00,000 limit. Details required are VPA (virtual payment ID) of the recipient, m-Pincost of this system is Less than 50 paise per transaction.

4) Unstructured Supplementary Service Data (USSD)

Suitable for feature phones without Internet connectivity Details required are only Aadhaar number, IFSC, or code allotted by banks on registration The Cost of this mode is aslevied bythe telecom operator. This is very much useful in areas with little to no internet coverage and ATM access.

5) E-Wallet

This is suitablefor small-tickettransactions. The transaction limit: Rs 20,000per month (Rs1lakh for KYC-compliant wallet holders) The details required are login details.

II. LITERATURE REVIEW

Sanghita Roy, Dr. Indrajit Sinha (2014) .stated that E- payment system in India,has shown tremendous growth, but still there has lot to be done to increase itsusage. Still 90% of the transactions are cash based. Technology Acceptance Model used for the purpose of study. They found Innovation, incentive, customer convenience and legal frame work are the four factors which contribute to strengthen the E-payment system.

E-payment systems are important mechanisms used by individual and organizations as a secured and convenient way of making payments over theinternet and at the same time a gateway to technological advancement in the field of world economy (Slozko & Pello, 2015).

Rakesh H M &Ramya T J (2014) in their research paper titled "A Study onFactors Influencing Consumer Adoption of Internet Banking in India" tried toexamine the factors that influence internet banking adoption. It is found thatinternet banking is influenced by its perceived reliability, Perceived ease of useand Perceived usefulness. In the process of internet banking services expertshould emphasize the benefits its adoption provides and awareness can also be improved to attract consumers "attention to internet banking services.

Kartikeya Bolar (2014) Inhis research paper "End-user Acceptance of Technology Interface In Transaction Based Environment "stated that Creators and investors of technology need information about the customers "evaluation of their technology interface based on the features and various quality dimensions to make strategic decisions in improving technology interfaces andcompeteon various qualitydimensions.

Nitsure(2014)inhispaperobservedthattheproblembeingfacedbydeveloping countries like India in the adoption of E-banking initiatives due tolowdisseminationofInformationTechnology.Thepaperhighlightedtheproblems such as security concerns, rules, regulation and management. In Indiathere is a major risk of the emergence of a digital split as the poor are excludedfromtheinternet and sofrom thefinancial system.

BalazsVinnai, general manager, Digital Channels, Misys(April 25, 2016), saysthat "It is critical for banks to consider new digital channels as part of anintegrated strategy and evolve from first to second generation digital banking: switching digital from a supporting role, to the primary sales and communication channel for banks," saysVinnai. "Reengineering processes around the customer is not easy, but banks must embrace digital banking toremaincompetitive and relevant."

A. Objective Of The Study

1) To examine the age of respondents impact on digital payments
2) To analyze the impact of customers education on usage of digital payments
3) To analyze the impact of Students expenditure status on use of digital payment.
4) To know the digital payment awareness among the students

B. Scope

The scope of study covers students and area

1) *Students:* The term students cover students studying pre university, Under graduate and post graduate
2) *Area of Study:* The study area cover seventaluks (Athani, Kagwad, Harugeri, Raibag, Chikodi, Nipani and Hukkeri) of chikodi education district.

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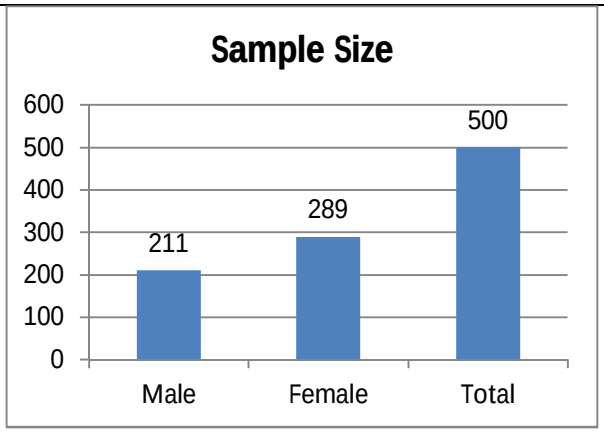
III.RESEARCH METHODOLOGY

The study is conducted by collecting date from primary and secondary sources.. The study is conducted by collecting primary date from 500 students of different faculties. Structured questionnaires are used forcollecting data. The responses from the respondents were analyzed using the simple percentage analysis and averages

IV. DATA ANALYSIS AND INTERPRETATION

A. Sample Size

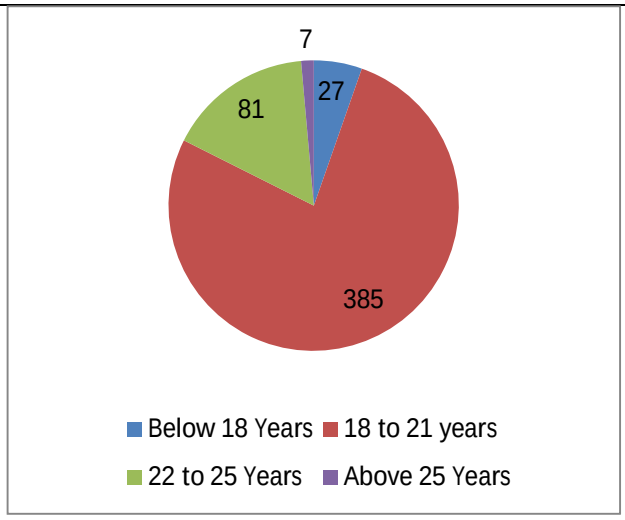
Gender	No	%
Male	211	42.20%
Female	289	57.80%
Total	500	100%



Respondents, 57.8%were female only 42.2% were male, engaged with digital banking. Previous studies shows that Gender does not make difference in adoption of technology in banking sector.

B. Age Limit of Respondents

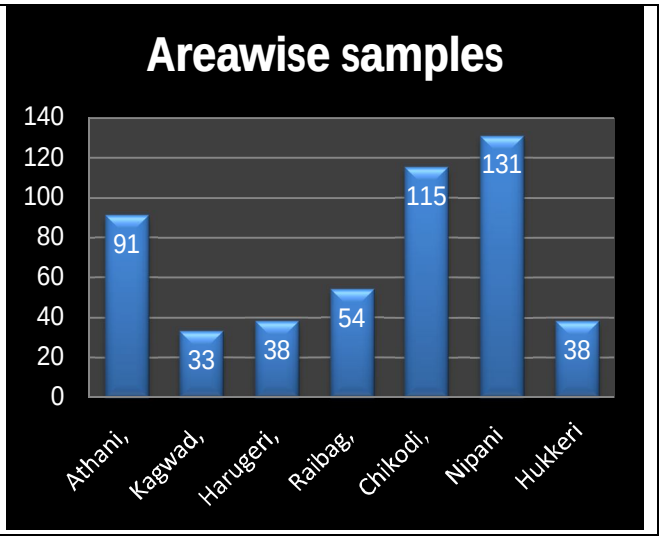
Age	No	%
Below 18 Years	27	5.40%
18 to 21 years	385	77.00%
22 to 25 Years	81	16.20%
Above 25 Years	07	1.40%
Total	500	100%



The above table shows the Demographic factors of the students of the banks. It is showing that 77% respondents were belonged to the agegroup of 18-21. Only 7% respondents' wereabove25yearsand5.40% respondents werebelow18years.

C. Geographical Area

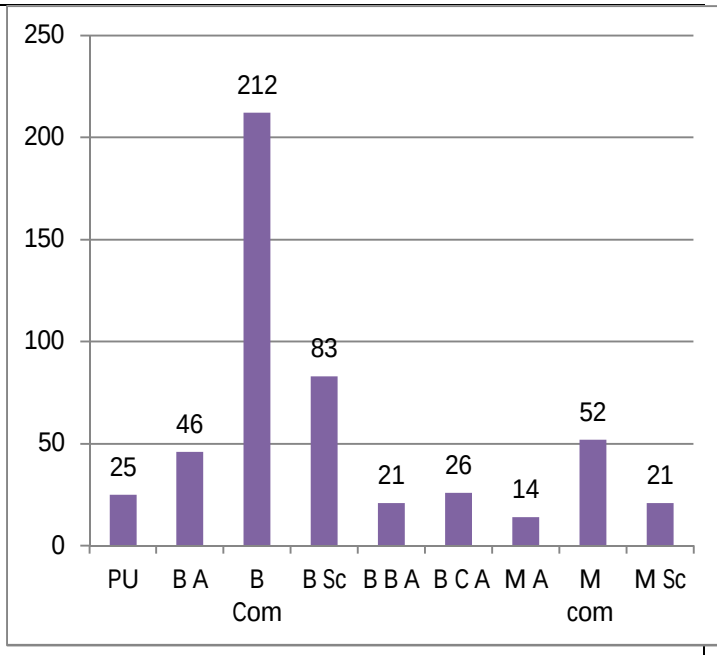
Sl No	Taluka	No	%
01	Athani,	91	18.20%
02	Kagwad,	33	6.60%
03	Harugeri,	38	7.60%
04	Raibag,	54	10.80%
05	Chikodi,	115	23.00%
06	Nipani	131	26.20%
07	Hukkeri	38	7.60%
Total		500	100%



The above table shows the Geographic factors of the students of the banks. It is showing that 23% respondents were belonged to Chikoditaluka . Only 6.60% respondents were responded from kagwadtaluka

D. Respondents of Different Faculty/Programme

S No	Prog	No	%
01	PU	25	5.00%
02	B A	46	9.20%
03	B Com	212	42.40%
04	B Sc	83	16.60%
05	B B A	21	4.20%
06	B C A	26	5.20%
07	M A	14	2.80%
08	M com	52	10.40%
09	M Sc	21	4.20%
Total		500	100%



The above table showsthat5% respondentswere Pre university students,23%and 77.60% were with under-graduate education respectively and 17.40%were with University education, and 18.6% of the respondents were with othereducation. The earlier studies proved that education plays the role in adoption oftechnology. The respondents of technical education of the study area shows thatthetechnologyadoptionwill bequiteencouraging.

1) Students Know About Digital Payment

Response	Male	Female	Total	%
Yes	197	260	457	91.40%
No	14	29	43	8.60%
Total	211	289	500	100%

From the above table it is observed that only 8.60% respondents do not know about digital payment.91.40% respondents undertake Digital payment

2) Appliance you use for Digital Payment

Response	Male	Female	Total	%
Laptop	03	07	10	2.00%
Mobile	207	269	476	95.20%
Plastic Card	01	13	14	2.80%
Total	211	289	500	100%

From the above table it is observed 95.20% respondents use mobile phone for digital payment. Now a days mobiles are the most useful appliance for digital payments

3) Mode of Digital Payment Frequently used

Response	Male	Female	Total	%
Internet	59	99	158	31.60%
Mobile App	150	175	325	65.00%
Plastic Card	02	15	17	3.40%
Total	211	289	500	100%

Fromtheabovetableitisobservedthat65% students use mobile app like Google pay, banking apps etc. Hence it proves that the usage of digital payments depends on Mobile apps.

4) The purpose of Digital Payment

Response	Male	Female	Total	%
Compulsion	00	09	09	1.80%
Safety	86	95	181	36.20%
Save Time	125	185	310	62.00%
Total	211	289	500	100%

62% of students use digital payment to save the time. 36.20% respondents considered the digital payment as safe mode and only 1.80% students use digital payment because of there is no alternative payment mode.

5) Nature of Digital Payment

Response	Male	Female	Total	%
Fund transfer	45	75	120	24.00%
Online Shopping	53	79	132	26.40%
Payment of fees	106	121	227	45.40%
Travelling	07	14	21	4.20%
Total	211	289	500	100%

The above table indicates that 45.40% students use digital payment for paying their fees. 4.20% students use this for travelling

6) Digital Payment system Increased Students Spending Habit

Response	Male	Female	Total	%
Yes	75	103	178	35.60%
May be	107	139	246	49.20%
No	29	47	76	15.20%
Total	211	289	500	100%

35.60% of students agree that digital payment increases the spending habits. But 49.20% students in doubt and 15.20% students not accept it.

7) Students Know the Digital Payments Fraudulent

Response	Male	Female	Total	%
Yes	103	132	235	47.00%
May be	70	79	149	29.80%
No	38	78	116	23.20%
Total	211	289	500	100%

47.00% of students know digital payments fraudulent, 29.80% students have not clearly understood the fraudulent and 23.20% students do not know the digital payments fraudulent.

8) Students Know the Safety Measures of Digital Payments

Response	Male	Female	Total	%
Yes	145	206	351	70.20%
May be	52	54	106	21.20%
No	14	29	43	8.60%
Total	211	289	500	100%

70.20% of students know the safety measures of digital payments.. 21.20% students have not clearly know thesafety measures of digital payments fraudulent and 8.60% students do not know the digital paymentssafety measures

9) Students Satisfied with Digital Payments System

Response	Male	Female	Total	%
Highly satisfied	30	37	67	13.40%
Satisfied	132	206	338	67.60%
Neutral	41	43	84	16.80%
Dissatisfied	06	02	08	1.60%
Highly dissatisfied	02	01	03	0.60%
Total	211	289	500	100%

81% of respondents are positively responded it means they are satisfied with digital payments System and only 2.2% students not satisfied withdigital payments System

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10) Digital Payment System Increases the Cashless Transaction.

Response	Male	Female	Total	%
Yes	154	210	354	70.80%
May be	48	51	99	19.80%
No	09	28	45	9.00%
Total	211	289	500	100%

70.80% of students agree with statement.9.00% students have disagree with the statement. This indicates the digital payment system increases the cashless transation in India

V. LIMITATIONS OF THE STUDY

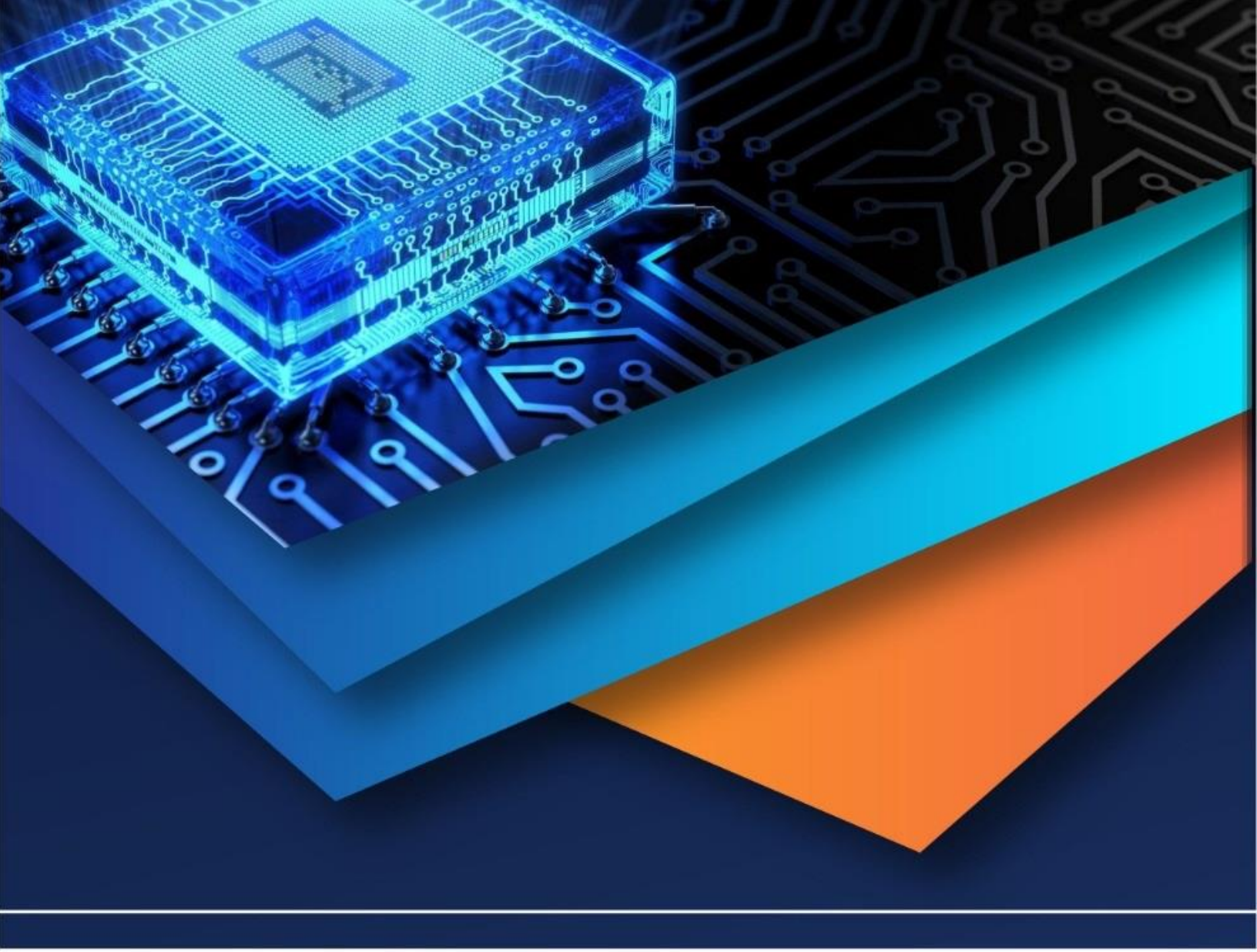
Theresearchwascarriedbasedonprimaryandsecondarydata.Theprimarydata for research objectives was collected from the samples. Though the area having more than 12,000 students only 500 samples selected so it is not a complete representation of all students of chikodi education district. However,theobjective ofthesurvey wastoverify thestudentperceptions on digital payments with regard to the concept of general banking.Thus, this may not create obstruction in achieving the desired objective

VI. CONCLUSION

The study examines the importance of using digital payments on students. The result put together gives us animportant policy direction towards whatcan enable the country toincreasecashless payments .The results indicate that the deployment of technologyfordigital payments have improved the performance of banking sector and able to achieve the motive cashless country. The study gives emphasis to the percentage of awareness on maximum utilization of technology. Students shouldtake effective measures to avoid frauds in digital payments and create awareness towards the effective usage oftechnologyand security

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