

Consumer Preference towards E-Wallets

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Abstract: India has seen an extraordinary increase in the number of digital wallets and is gradually moving towards being a cashless country. And with the transaction limit on digital wallets being increased to Rs 20,000, it just keeps getting better. E-Wallet allows you to store multiple credit card and bank account numbers in a secure environment, and get rid of the need to enter in account information when making your payment. Once you have registered and created E-Wallet profiles, you can make payments quicker and with less typing. E-Wallet provides the facility to store multiple credit cards, debit cards and bank account information for making faster payments. This study focuses on examining the usage and preference of E – Wallets. The data collection is done through questionnaire with a sample size of 200 respondents using Convenient Random Sample technique. Study is confined to respondents of Madhapur, Hyderabad. Using the respondents data calculated descriptive statistics and based on that individual ranking is given based on their preferences. Using Chi Square analysis it is proved that there is a significant influence of age and Occupation of consumers with reference to e-wallets.

Key Words: E-Wallet, Credit cards, E-Payments, Debit cards, Demonetization.

1. INTRODUCTION:

There are different methods for making payments through electronic modes, for example, E-wallets, Smartcards, Plastic cards, net banking and that's only the tip of the iceberg. Smartphone are used as a source of communication device, socialized tool, entertainment, internet and even payment tool. Mobile wallet with the support of mobile technology as allowed the owners of smartphone to carry out many financial transaction and identification implements. In the current scenario, Smartphone has become one of the vital parts of our daily life. As it becomes more important the users of smart phone has also increased drastically. Sardar, R.(2016)¹ in his article “Preference Towards Mobile Wallets Among Urban Population Of Jalgaon City” studied awareness and preference towards the usage of Mobile wallets in Jalgaon. Study also focused on impact of various demographic factors on the usage of mobile wallets. The outcome states that majority respondents preferred to use Mobile wallet payment to transfer money followed by recharging mobile or DTH payment. Rathod, H.(n.d)² studied “Adoption of Digital Wallet By Consumer” from Bharati Vidyapeeth's Institute of Management Studies & Research, Navi Mumbai. The study focuses on identifying factors that affect customer decision to adopt digital wallet as a mode of online payment. The study considered 9 factors that affect selection of m-wallet namely pricing, convenience, ease of use, Brand loyalty, Security, Privacy, utility of innovation, usefulness of digital wallet and discount offer. and found that the most important factor that affect consumer to use m-wallet was convenience in buying product online followed by Brand loyalty. While security and safety of fund at the time of transaction found to be challenging issue for users. Poonam Painuly and Shalu Rathi (2016)³ in their research paper “Mobile wallet :An upcoming mode of business transaction “have analysed that ease of transaction ,secured profile and convenience in handling application put forth the benefits of wallet money and also concluded that business sectors like banking ,retail, hospitality etc., are making use of wallet money and mobile payment instruments including contactless and remote payment in the customers –business and customers to customers areas. Dr.Hem Shweta Rathore (2016)⁴ in her research paper “Adoption of Digital wallet by consumers “have analysed about the factors that influence consumers in adoption of digital wallet and also analysed the risk and challenges faced by consumers in usage of digital wallet and concluded that shoppers are adopting digital wallet largely due to convenience and ease to use and in the future years digital wallet will gain more widespread acceptance. Ambarish Salodkar et al(2015) discusses that there are numerous applications like Paytm, free charge, mobiquick etc. These applications can be downloaded and used for different purposes like making bill payments, online shopping and recharging phones etc. Some of these applications have their own portals a person can perform all the above mentioned and many more tasks via app itself. In all the applications a person has to link his credit/ debit card number with the application to make use of services provided by app. This paper focuses on different characteristics, various needs and risks of electronic payments. The author agrees on the fact that e-wallets allow the users to enjoy comfortable and easy going platform to shop and pay, that too in minimal possible time.

2. RESEARCH METHODOLOGY:

The objective of the study is to examine the consumer preferences towards E – Wallets with reference to age and Occupation. The primary data collection is done through questionnaire with a sample size of 200 respondents at Madhapur, Hyderabad using Convenient Random Sample technique. To analyse the data a comparative analysis is done with ranking method among Paytm, Mobikwik, Free charge, Phonepe, Airtel Money by considering ten Important factors and chi square test is done to know the significance of Age and Occupation on the e-Wallets Preference.

Table No: 1

S. No	Factor	N	PAYTM		MOBIKWIK		FREECHARGE		PHONEPE		AIRTEL MONEY	
			Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank
1	Time saving	200	3.9	5	3.1	6	3.4	7	3.76	6	2.5	8
2	Convenient	200	2.89	10	2.67	8	3.7	6	3.9	5	3.1	6
3	Security	200	3.5	9	2.54	9	2.8	9	4.2	4	2.8	7
4	Technology updates	200	3.87	6	2.89	7	2.7	10	3.5	8	2.1	10
5	Financial Transactions	200	4.51	1	2.34	10	3.2	8	4.5	3	4.2	2
6	Movie Tickets	200	4.02	4	4.01	4	4.4	2	3.1	9	2.3	9
7	Mobile echarge	200	4.32	2	3.89	5	4.6	1	4.6	1	4.5	1
8	Hotel Bookings	200	3.8	7	4.41	2	4.4	4	3.6	7	3.5	5
9	Cashback offers	200	4.15	3	4.60	1	4.2.	3	4.5	2	4.1	3
10	Travel tickets	200	3.6	8	4.15	3	3.9	5	2.9	10	3.8	4

Table No 1 shows the ranking of variables among select top e- Wallets.

- **PAYTM:** Financial transactions is ranked top because of its huge network and then followed by mobile recharges and cash back offers at second and third. Convenience is ranked tenth due to frequent errors during the process of payments page.
- **Mobikwik:** Exciting cash back offers is given top rank by the respondents, hotel bookings and travel tickets shared second and third places. Whereas Financial transactions in the Mobikwik is at last rank the reason being it doesn't have more network of acceptability of Payments through Mobikwik.
- **Free charge:** Mobile recharge secured first rank then movie tickets and cash back offers are at second and third places where as technological updates is at last position as people feel that Free charge is lagging behind the competition.
- **Phone Pe:** Mobile recharges and cash back offers are at first and second positions for their outstanding and faster process. Cash back offers not only confined to recharges but also to pay bills like electricity, gas and many more. When it comes to travel tickets respondents are not much satisfied comparing with other E-Wallets which made them to give last rank to it.
- **Airtel money:** Mobile recharges and financial transactions are at first and second ranks, where as cash back offers and given technological updates as last rank.

3. ANALYSIS:

Table No: 2

		Preferences					Total
	Age	Paytm	Phonepe	Mobikwik	Free charge	Airtel Money	

	18-25	84	0	5	15	0	104
	26-35	35	24	0	0	0	59
	36-45	0	6	8	0	23	37
Total		119	30	13	15	23	200

Table No: 3

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Significant/InSignificant
Pearson Chi-Square	203.974 ^a	8	.000	Significant
Likelihood Ratio	213.409	8	.000	-
Linear-by-Linear Association	64.365	1	.000	-
N of Valid Cases	200	-	-	-

From the table no:2 it is observed that out of a sample of 200 respondents 104 respondents fall under the age group of 18-25 of which 84 Prefer Paytm, 59 Respondents fall under the age group of 26-35 Years out of which 35 prefer PAYTM and 24 prefer Phonepe.

Table no: 3 indicates Chi Square test is done to examine the significant influence of age on E-Wallet preference. It is observed that there is a significant influence. As the calculated (p) significant value is 0.000 is less than 0.05 Null **hypotheses is rejected.**

From the table no: 4 it is observed that out of a sample of 200 respondents, 116 are employees and 84 are students. All the 84 students Prefer Paytm. Whereas among employees 35 respondents prefer Paytm, Phonepe is preferred by 30 respondents and 23 by Airtel Money.

Table no: 5 indicates Chi Square test is done to examine the significant influence of occupation on E-Wallet preference and it is observed that there is a significant influence. As the calculated (p) significant value is 0.000 is less than 0.05 Null **hypotheses is rejected.**

4. CONCLUSION:

Digital wallets or e-wallets have changed the way consumers pay for various goods and services After Demonetization the usage of the E-Wallets has increased because of cash scarcity in ATM's .People felt that E Wallets have replaced cash. Paytm's dominance is clearly seen as market Leader with regard to the preference by both students and Employees compared to other E-Wallets because of its huge business network, Financial Transactions Security, Mobile e- charge and multiple, affordable Promotional offers.

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