

# Digital Wallet Development in India: A Learning on Consumers' Pleasure.

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**Abstract:** In today's fast-moving lifestyle people need to adopt more convenient and secure gadgets to make their life more comfortable. To achieve this goal, there is an innovative application called Digital Wallet. The digital wallet refers to an electronic device or service provided to persons enabling them to conduct electronic transactions. It is also known as e-wallet. Virtual cash or Cashless Transaction is an upcoming technology that has seen a tremendous growth in the past year. Cashless payments are now becoming a popular trend in almost every field. Demonetization has forced a lot of places to accept digital payments. Use of e-wallets helps in moving away from cash based economy. In the process, all the transactions get accounted in the economy, which has the effect of reducing the size of the parallel economy. The presence of mobile wallet spreading from urban to rural areas on a large scale. Hence, wallet money sees a high bright future in near time. It is concluded that India's digital payments industry will grow to more than 300% of its current size by 2025. The growth arc of digital payments is impressive, especially considering India's previously large unbanked population.

**Keywords:** Digital wallet, Cashless transaction, Technology.

## 1. Introduction

Digital-wallet is a type of electronic card which is used for transactions made online through a computer or a smartphone. Its utility is same as a credit or debit card. A digital-wallet needs to be linked with the individual's bank account to make payments. Digital wallets are small electronic packages that automatically supply information such as credit card numbers and shipping addresses for use in conducting Internet transactions. Also known more broadly as Internet payment services, they provide a means by which customers may order products and services online without ever entering sensitive information and submitting it via e-mail or the World Wide Web, where it is vulnerable to theft by hackers and other cyber-criminals. Digital wallets thus allow consumers to make online purchases easily and securely, safeguarding the privacy of purchasing habits and financial information alike. Digital wallets are applications designed to take advantage of the abilities of mobile devices to improve access to financial products and services. Digital wallets essentially eliminate the need to carry a physical wallet by storing all of a consumer's payment information securely and compactly. Digital wallets use a mobile device's wireless capabilities like Bluetooth, wifi, and magnetic signals to transmit payment data securely from your device to a point of sale designed to read the data and connect via these signals.

Currently, the technologies used by mobile devices and digital wallets are:

- **QR codes:** Quick response codes are matrix bar codes that store information. You use your device's camera and the wallet's scanning system to initiate payment.
- **Near field communication (NFC):** NFC is a technology that allows two smart devices to connect and transfer information using electromagnetic signals. It requires two devices to be within about an inch and a half (4 centimeters) from each other to connect.
- **Magnetic secure transmission (MST):** The same technology used by magnetic card readers that

read your card when you swipe it through a slot on a point of sale. Your phone generates this encrypted field that the point of sale can read.

The card information you've stored in your wallet and choose to use for a transaction is transmitted from your device to the point of sale terminal, which is connected to payment processors. Then, through the processors, gateways, acquirers, or any other third parties involved in credit and debit card transactions, the payment is routed through the credit card networks and banks to make a payment.

## **2. Review Of Literature**

**Saviour F (2019)** in this study on “A Study on Customer Satisfaction of Mobile Wallet Services Provided by Paytm”, Aims to study the factors influence consumers in adoption of mobile wallets. The required data for the study have been collected primarily in nature through issue of structured questionnaire. 120 customers have been selected by using simple random sampling method. Simple Percentage and Multiple regression analysis have been used to analyze the data. He identifies that utmost of the people are apprehensive about the colorful services of Paytm and they use it in outside extend. Customers are largely satisfied with the overall services of paytm.

**TanzilaAyaz Sayed and VaibhavPatil (2018)**, “A Study of Customer Satisfaction Level and Customer Perception of E-Payment App Services with special reference to Pune City”, aims to study the satisfaction level of customers for convenience in payment transfer using Epayment App. The required data for the study have been collected through issue of questionnaire. Data from a sample of 200 respondents has been collected by adopting convenient sampling technique. Tools like t-test and ANOVA (Analysis of Variance) test have been used to findout the relationship between variables. They find that the maximum respondents of Pune city are satisfied with the PAYTM App Services.

**Shamsher Singh and Ravish Rana (2017)**, “Study of Consumer Perception of Digital Payment Mode”. The objective of the study was to find out the customer perception and impact of demographic factors on adoption of digital mode of payment. Primary data was collected from 150 respondents in Delhi. ANOVA and frequency analysis was used to analyze the responses. They find that majority of respondent said it is important or highly important to associate with brand, convenient in use, secured transactions, save time, acceptance of digital walletsat different stores and pricing of transaction.

**Manikandan.Set.al (2017)** this study explained “an empirical study on consumer’s adoption of mobile wallet”. The study concentrated on explaining the use of digital money supported by different companies & also the numerous factor that decide consumer wish to borrow mobile wallet. The study was grounded on primary data source with the questionnaire issued to 150 repliers. It revealed the numerous threat & challenges that mobile walletstoner face. The author concluded that Mobile money operation mindfulness as spread among the people in India due to government policy of demonetization and this as strongly convinced the operation of mobile wallet and also he said that threat factors are reduced considered which will insure relinquishment and tremendous growth of mobile hold all in the coming times.

## **3. Objective of the study**

1. To measure the level of satisfaction among Digital wallet.
2. To ascertain the level of awareness of digital wallet.
3. To determine the problems faced by digital wallet users.

## **4. Research Methodology**

The current study is based on primary data collected from 100 respondents from digital wallet users. A well-structured questionnaire was designed to collect the information from the respondents the questionnaire was designed to “Study on customer satisfaction towards Digital wallet. This research design would help the researcher to gather the primary and secondary data to analyze the various aspects of the study.

### **Data collection tools**

To conduct the study both primary and secondary data has been collected and Simple Percentage, method has been adopted for the purpose of data analysis.

**Area of the Study**

For this study the respondents will be randomly selected from Tamilnadu.

**Research Approach**

For this study, questionnaire method is used for collecting data.

**Sampling Technique and Sample Size**

Convenience sampling method is be used and sample size is 100 respondents.

**Research Instrument**

The data is collected through a structured questionnaire. Secondary data is collected from websites, e-books,newspapers etc.

**Tools for Analysis**

In this study percentage analysis were used for analyzing the data.

**5. Data Analysis And Interpretation**

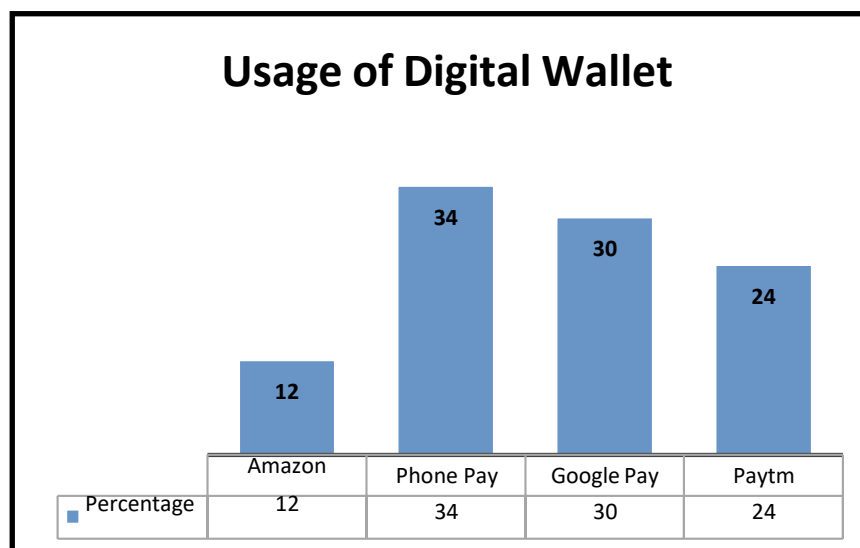
**Table 1:** Which Digital wallet does you using more for transferring your transaction?

S.No	Digital wallet	No. of respondents	Percentage
1	Amazon	12	12
2	Phone Pay	34	34
3	Google Pay	30	30
4	Paytm	24	24
5	Total	100	100

Source: Primary data collection

From the above table 1 shows “which digital wallet services do you using more”. Out of 100 respondents the majorities 34% of the respondent are using Phone pay, remaining 12% are using Amazon Pay, 30% of the respondents are using Google pay, and 24% of the respondents are using Paytm for transferring their amount through digital wallet.

**Chart 1:** Usage of Digital wallet



**Table 2:** What are the purposes of using Digital wallet?

S.No	Purpose of using Digital wallet	No. of respondents	Percentage
1	Money Transfer	10	10

2	Recharge	24	24
3	Utility and bill payment	32	32
4	Shopping	34	34
5	Total	100	100

Source: Primary data collection

From the above table 2 shows “The purpose of using Digital wallet”. Out of 100 respondent the majority 34% of the respondent are using Digital wallet for shopping purpose, 10% of the respondents are using transfer of money to third parties, 24% of the respondent are using for the purpose of Recharging phone, DTH and so, and 32% of the respondent are using digital payment for settle down the payment bill.

Chart-2: Purpose of using Digital wallet

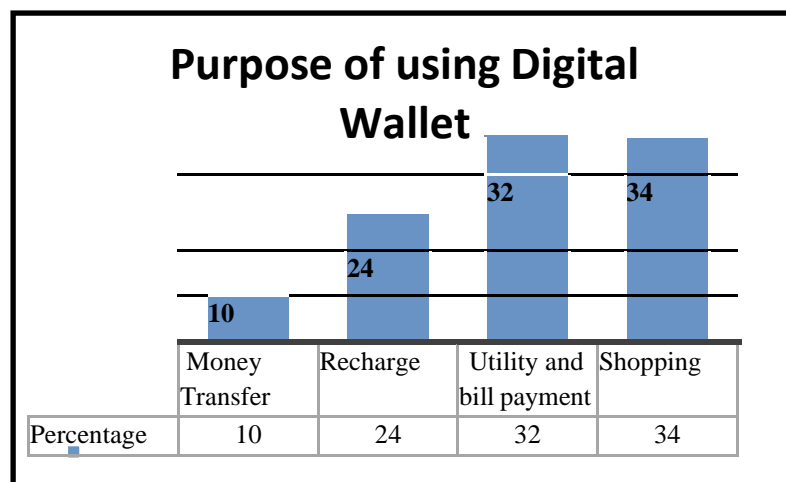
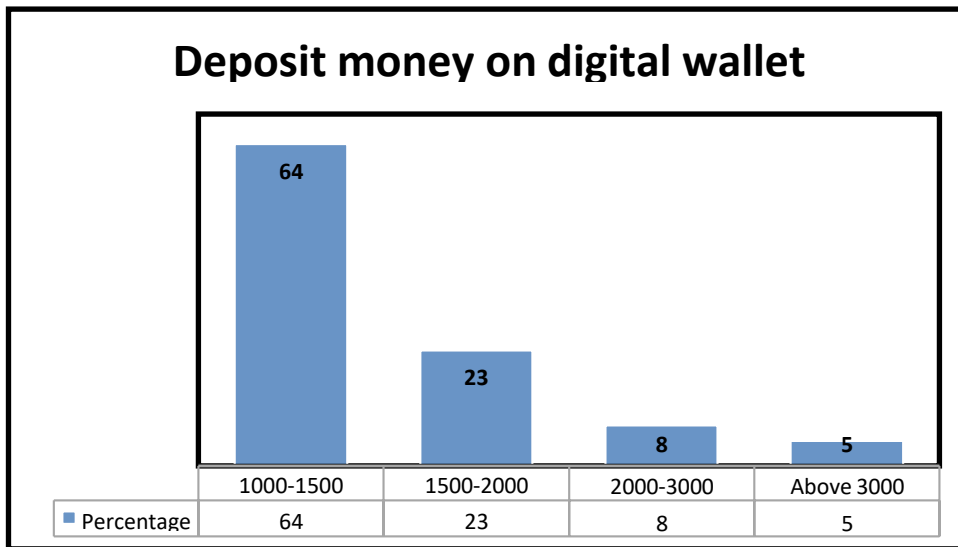


Table 3: How much money do you deposit in digital wallet on a monthly basis?

S.No	Deposit money on digital wallet	No. of respondents	Percentage
1	1000-1500	64	64
2	1500-2000	23	23
3	2000-3000	8	8
4	Above 3000	5	5
5	Total	100	100

Source: Primary data collection

From the above table 3 shows “Deposit money on Digital wallet”. Out of 100 respondents the majority 64% of the respondents are deposit their amount up to 1000 to 15000, 23% of the respondents are deposit their money to digital wallet nearly 1500 to 2000, 8% of the respondent are enrolled their amount up to 2000 to 3000, and only few i.e., 5% of the respondent are deposit their amount more than 3000.



**Chart 3:** Deposit money on digital wallet

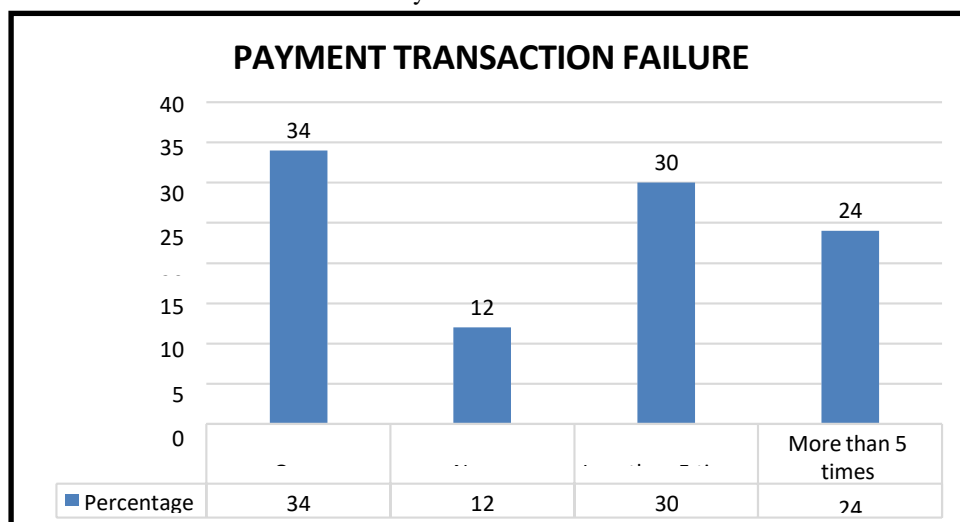
**Table 4:** Do you face payment transaction failure.

S.No	Transaction failure	No. of respondents	Percentage
1	Once	34	34
2	Never	12	12
3	Less than 5 times	30	30
4	More than 5 times	24	24
5	Total	100	100

Source: Primary data collection

From the above table 4 shows “failure in payment transaction”. Out of 100 respondents the majority 34% of the respondent are faced problem in transaction once a time, still now 12% of the respondents are never faced a problem during their transaction, 30% of the respondent are faced transaction failure less than 5 times, and 24% of the respondent are faced transaction failure more than 5 times.

**Chart 4:** Payment transaction failure.



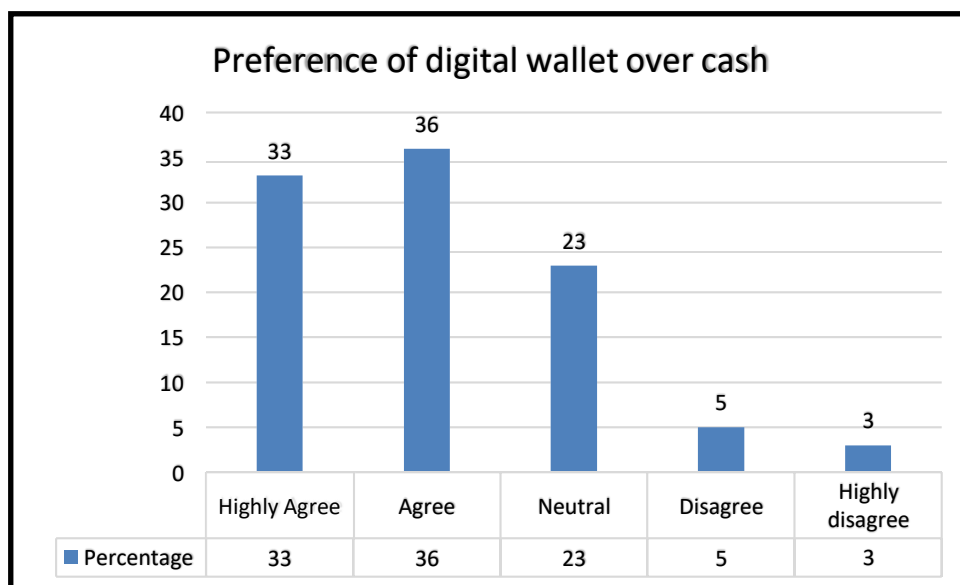
**Table 5:** Do you prefer digital wallet over cash.

S.No	Prefer digital wallet over cash	No. of respondents	Percentage
1	Highly Agree	33	33
2	Agree	36	36
3	Neutral	23	23
4	Disagree	5	5
5	Highly disagree	3	3
	Total	100	100

Source: Primary data collection

From the above table 5 shows “prefer digital wallet over cash”. Out of 100 respondents the majority 36% of the respondent are prefer digital wallet over cash were highly agree, 33% of the respondents are agree with prefer digital wallet over cash, 23% of the respondent are prefer digital wallet over cash neutrally, 5% of the respondent are disagree for digital wallet over cash and 3% of the respondent are prefer digital wallet over cash highly disagree.

**Chart 5:** Preference of digital wallet over cash.



## 6. Findings Of The Study

- The majority 34% of the respondent are using Phone pay.
- The majority 34% of the respondent are using Digital wallet for shopping purpose.
- The majority 64% of the respondents are deposit their amount up to 1000 to 15000.
- The majority 34% of the respondent are faced problem in transaction once a time.
- The majority 36% of the respondents are prefer digital wallet over cash were highly agreed.

## 7. Suggestion

A digital wallet is important for keeping all personal belongings, travel documents, money and cards protected from theft, damage or weather exposure. There are multiple layers of security for digital wallet transactions. Digital wallets use one of the more secure payment methods. In this article the researcher suggest that the digital wallet user should have awareness about money transfer and deposit to consume less time, fast

and safety transaction. Several digital wallets are available, In this study Amazon digital wallet users are minimalist so, the company concentrate more on customer convenience.

## **8. Conclusion**

A digital wallet is a type of electronic device or software that allows users to make transactions digitally or electronically. This can include sending or receiving money, or making payments at online and offline stores. Digital wallets are often even safer than traditional payment methods. Each transaction is protected by the app, retail outlet, credit card Company, and the bank or credit union that issued the card.

Digital and mobile wallet issuers protect platform users with a variety of access management and cyber security tools. The standard digital ID wallets of the future will store payment information along with other essential documents, including state IDs, SSNs, passports, citizenship information, medical records, home and office keys, and even biometric information such as fingerprints and face scans. It is estimated that India's digital payments industry will grow to more than 300% of its current size by 2025. The growth arc of digital payments is impressive, especially considering India's previously large unbanked population.

## **Reference**

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