

Research Article

# An Empirical Study on Digital Wallet Preference among Students with Special Reference to Gwalior City

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## I N F O

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## A B S T R A C T

The rapidly advancing technology of today has led to the development of various helpful and trustworthy devices, such as digital wallets, which are intended to make people's lives easier. There are a several names for the digital wallet, including e-wallet and electronic wallet. The majority of transactions made with these digital wallets take place online. We may avoid carrying cash by storing it in a digital wallet and transferring it, as well as making payments with it, by utilising a QR code, a contact number, or our bank account number. This research is carried out among students in Gwalior by gathering data via the use of a questionnaire from a sample size of one hundred students. Undergraduate students, graduate students and students working toward their doctoral degrees are all represented in this research. The purpose of this research is to determine the level of student awareness and adoption of digital wallets in the city of Gwalior. The findings are analysed using SPSS Software and a conclusion is formed indicating that the majority of the students are open to adopting digital wallets since rapid payment is an advantage. In comparison to postgraduate students, students still in their undergraduate studies know far less about digital wallets. Later on, it is proposed that it is vital to promote awareness among students about numerous applications that may be used as digital wallets, particularly for undergraduate students.

**Keywords:** Digital wallet, Students, E-payments, Awareness and Adoption

## Introduction

The financial banking was one of the first to adopt new technologies in the 1950s. Internet banking, mobile banking, SMS banking and digital wallets are all examples of digital banking options available in our nation. The banking industry has been presented with a wide variety of options as a result of the technological upgradation that occurred from 2G to 3G and then from 3G to 4G. This was caused by the significant expansion in the number of

mobile service providers. The year 2014 was the year when smartphones overtook desktop and laptop computers as the primary device used to access the internet across the world. By 2020, there are expected to be 2.6 billion connected smartphones in use around the globe. These days, as a result of demonetization, the relevance of digital wallets, as well as their usage, has increased. As a result of this digitization, people in India are also becoming more computer aware, which saves them the time, money and effort of going to the bank for simple transactions. These

dealings can be completed with simply the press of a button on a smartphone.

A mobile wallet is a technique to save digital card information on a mobile device in a digital format. This information may be accessed and used on the go. A mobile wallet is a kind of mobile payment service that enables users to send and receive money using their mobile device. This service is available to both people and companies. Apple and Google are the industry leaders when it comes to mobile wallets. The first significant corporation to provide a mobile wallet to consumers was Google, which introduced its Google Wallet product in 2011. There are several different types of digital wallets accessible now in India, including Paytm, Google Pay, Amazon Pay, PhonePe, Jiomoney and others. Paytm is expected to be the most popular digital wallet service in India in the year 2020.

The demonetization of the Rs.500 and Rs.1000 notes was announced by the Government of India on November 8, 2016 and Prime Minister Narendra Modi made the announcement. The move was made in an effort to combat black money. Before 2016, debit cards were most often used to withdraw cash from ATMs. However, immediately after demonetization, the usage of prepaid payment devices like as wallets increased significantly. In the year 2015, the percentage of digital purchases made in India using a digital wallet was 8%; this percentage is increased to climb to 15% in the year 2020.

## Literature Review

In their article "An Empirical Study On Consumers Adoption Of Mobile Wallet With Special Reference To Chennai City," R.S.Manikandan and J.Mary Jayakodi.(2017) examined the customer perspective, variables that impact consumers in adoption of wallets and challenges experienced by consumers. Primary data from the city of Chennai were collected from a total of 150 participants for this study. According to the findings of the study, the age range of 26 to 35 years old has the biggest usage of mobile wallets. According to new study, more people than people are using digital wallets and those whose annual income falls in the region of 10,000 to 20,000 dollars are the most likely to do so. According to the findings of the study, the public should be educated about the benefits of using mobile wallets by the government and there will be a significant increase in the number of people using mobile wallets in the years to come.

The authors of the article "A Study on Customer Satisfaction of Mobile Wallet Services Provided by Paytm" by Saviour F have evaluated the degree of satisfaction among Paytm customers as well as the elements that impact consumers in their adoption of mobile wallets. Primary data were used in the research for the study. According to the findings of the study, the vast majority of people are familiar with the

many services that paytm concludes. The usage of Paytm has increased, particularly following the demonetization of Rs.500 and Rs.1000 notes; as a result, Paytm has been able to raise its market share in a very short amount of time.

In their research paper titled "A Study On Paytm Services In Promoting Cashless Economy After Demonetization In India And An Outline On Its Support Towards Making India Digital," S NazimSha and Dr. M. Rajeswari examined the acceptance level of Paytm in India as well as the role played by Paytm in the process of digitising India. The study was conducted using the convenience sampling approach and the sample was comprised of responses from fifty people from all throughout India. According to the findings of the study, Paytm is able to provide services that are adaptable and supportive of the cashless economy and Paytm also plays a significant part in the process of digitalizing India.

## Research Methodology

The main data for this study were gathered from a total of one hundred structured respondents via the use of a questionnaire. Only five different digital wallets specifically, "Amazon Pay, Google Pay, Airtel Money, Paytm and Phonepe" were analysed for this study. The Chi-square test and the ANOVA were chosen as the appropriate statistical tools to use in this study for the aim of performing data analysis. In order to do statistical analysis, the SPSS software was used.

## Objectives of the Study

- In order to study research on the respondents' demographic profiles
- To determine whether or not students in Gwalior are familiar with digital wallets
- To determine which of the specified digital wallets in the study is used the majority of the time
- To determine the elements that play a role in the students of Gwalior using digital wallets as a payment method
- To get an understanding of the primary motivations for students' use of digital wallets in Gwalior

## Data Analysis and Interpretation

Table 1. Demographical Profile of the Respondents

| Variable | Categories   | Frequency | % of Respondents |
|----------|--------------|-----------|------------------|
| Gender   | Male         | 27        | 27               |
|          | Female       | 73        | 73               |
| Age      | 18-20        | 17        | 17               |
|          | 20-25        | 80        | 80               |
|          | Above 25     | 3         | 3                |
| Status   | Days Scholar | 29        | 29               |
|          | Hosteller    | 71        | 71               |

|            |      |    |    |
|------------|------|----|----|
| Studing at | UG   | 23 | 23 |
|            | PG   | 74 | 74 |
|            | Ph.D | 3  | 3  |

From the data shown in the table above, it is apparent that just 27% of the respondents were formed of male applicants, whilst 73% of the respondents were composed of female candidates.

17% of the respondents fall into the age bracket of 18-20 years old, 80% of the respondents fall into the age bracket of 20-25 years old and just 3% of the respondents fall into the age bracket of above 25 years old.

Out of a total of 100 respondents, 29 are day scholars and 71 percent are hostellers.

23% of the respondents had completed undergraduate qualifications, followed by 74% who had completed graduate studies and the remaining 3% had a doctoral degree.

### Awareness of Students about Digital Wallet

$H_0$ : There is no discernible correlation between the students' ages and the level of awareness they have about digital wallets.

$H_1$ : There is a significant correlation between students' ages and the level of awareness they possess about digital wallets.

**Table 2.AGE Cross tabulation**

| Are you aware about digital wallets? Cross tabulation |                                    |     |       |
|---|------------------------------------|-----|-------|
| Count   |                                    |     |       |
| Age   | Are you aware about digital Wallet |     | Total |
|   | No                                 | Yes |       |
| 18-20   | 6                                  | 11  | 17    |
| 20-25   | 17                                 | 63  | 80    |
| Above 25  | 0                                  | 3   | 3     |
| Total   | 23                                 | 77  | 100   |

### Chi-Square Tests

|                    | Value  | df | Asymp. Sig. (2-sided) |
|--------------------|--------|----|-----------------------|
| Pearson Chi-Square | 3.618a | 2  | .164                  |
| Likelihood Ratio   | 3.307  | 2  | .191                  |
| No. of Valid Cases | 100    |    |                       |

The chi-square test was performed as a test of significance at a level of significance of 5% and as can be seen from table 2, the test result is not significant since the p-value (.164) is more than the level of significance that was defined (0.05). Therefore, we conclude that there is no statistically

significant difference between age and awareness an accept the null hypothesis.

### Most Used Digital Wallet among students in Gwalior City

$H_0$ : Students do not have an indifferent opinion towards the various types of digital wallets.

$H_1$ : Students expressed a preference for a certain digital wallet out of the five options that were shown to them.

**Table 3.AGE Cross tabulation**

| Which digital wallet service do you take? Status |              |           |       |
|--|--------------|-----------|-------|
| Cross tabulation                                 |              |           |       |
| Which digital wallet service do you take?        | Status       |           | Total |
|  | Days scholar | Hosteller |       |
| Phonepe  | 12           | 31        | 43    |
| Airtel Money                                     | 2            | 2         | 4     |
| Paytm  | 5            | 11        | 16    |
| Amazon Pay                                       | 1            | 2         | 3     |
| Google Pay                                       | 9            | 25        | 34    |
| Total  | 29           | 71        | 100   |

### Anova

#### Status & Digital Wallet

|                | Sum of Squares | df | Mean Square | F     | Sig.  |
|----------------|----------------|----|-------------|-------|-------|
| Between Groups | 1.49           | 4  | 0.373       | 2.995 | 0.022 |
| Within Groups  | 11.82          | 95 | 0.124       |       |       |
| Total          | 13.31          | 99 |             |       |       |

To determine which digital wallet is most popular among students, an ANOVA was carried out. Because  $P < 0.05$ , we cannot accept the null hypothesis in this case. Therefore, the students had specific preferences with regard to the five digital wallets that were selected for the study.

### Students' Reasons for using Digital Wallets and the Factors that Influence their Decision to use e-Wallets

$H_0$ : Students have a neutral attitude regarding the many different kinds of digital wallet transactions as well as the many distinct elements that influence students' adoption of electronic wallets.

$H_1$ : Students expressed a preference for a particular digital wallet, which was a specific factor in their adoption of e-Wallets.

**Table 4. The most Common types of Transactions Carried out using Digital Wallets and the factors that Influence Students' decisions to use them**

| Cross Tabulation   |             |    |           |   |             |           |       |
|--|-------------|----|-----------|---|-------------|-----------|-------|
| Count  |             |    |           |   |             |           |       |
|  | Status      |    | Total     | Status  |             |           |       |
| Which of the following transactions are you using E-Wallet | Day Scholar |    | Hosteller | Which of the factor influence you more in adoption of digital wallet? | Day scholar | Hosteller | Total |
| Recharge   | 2           | 15 | 17        | Instant Payment   | 15          | 29        | 44    |
| Books  | 4           | 6  | 10        | Instant Refund  | 1           | 8         | 9     |
| Transfer Money   | 17          | 38 | 55        | Offers and Rewards  | 10          | 26        | 36    |
| Clothes  | 1           | 8  | 9         | One Shop Stop   | 2           | 4         | 6     |
| Movie Tickets  | 5           | 4  | 9         | Queue Avoidance   | 1           | 4         | 5     |
| Total  | 29          | 71 | 100       | Total   | 29          | 71        | 100   |

## Anova

### Purpose, Factors and Status that influence in adoption of Digital Wallet

| Count                    |                |    |             |       |      |
|--------------------------|----------------|----|-------------|-------|------|
|                          | Sum of Squares | df | Mean Square | F     | Sig. |
| Table: 4A Between Groups | .250           | 4  | .062        | .454  | .769 |
| Within Groups            | 13.060         | 95 | .137        |       | 29   |
| Total                    | 13.310         | 99 |             |       | 8    |
| Table: 4B Between Groups | 1.060          | 4  | .265        | 2.055 | .26  |
| Within Groups            | 12.250         | 95 | .129        | 2.055 | .093 |
| Total                    | 13.310         | 99 |             |       |      |

In Table 4A, the ANOVA test is performed to determine which digital wallet transaction is utilised the most often by students. Given that P is greater than 0.05, we accept that the null hypothesis is correct. Therefore, the students' attitude on the use of the various kinds of digital wallet transactions is indifferent.

The results of an ANOVA test are shown in Table 4B. This test was conducted to determine the variables that impacted the usage of digital wallets by students in the city of Gwalior. Given that P is greater than 0.05, we accept that the null hypothesis is correct. Therefore, the students' attitudes about the use of digital wallets may be described as indifferent.

## Finding

- The study found that the majority of the respondents were students in the age group of 20 to 25 and that the majority of the respondents were female
- The vast majority of students, or 82%, are aware with digital wallets, while just 18% are only somewhat aware of the services provided by digital wallets

- Out of the five digital wallets that were selected, the majority of students use Google Pay (47%), followed by Phonepe (42%), Airtel Money (42%), Paytm (42%) and Amazon Pay (32%)
- The majority of the students' use of digital wallets is focused on the transfer of transferring money
- Instant payment, incentives and prizes are some of the primary motivating elements that led students to use digital wallets

## Suggestions

- The majority of students who are enrolled in postgraduate programmes are familiar with digital wallets. Therefore, it is vital for companies that supply digital wallets to conduct awareness campaigns targeting undergraduate students by organising awareness camps and publishing commercials
- The majority of respondents are doing their digital transactions using Google Pay and Phonepe respectively. The digital wallet service providers of other organisations, such as Airtel Money, Paytm

and Amazon Pay, should compete for the business of students by providing enticements such as prizes, cashbacks and other similar incentives

- The vast majority of students simply use their digital wallets to transfer money between their various bank accounts. Therefore, it is essential for the companies that supply digital wallets to educate students on all of the features of the service as well as how it operates
- It is essential for students to be familiar with how to make use of digital technologies in today's increasingly digital environment. It is helpful to students who are travelling and staying in hostels to keep their money secure while they are away

## Conclusion

The use of digital wallets as a common form of payment is becoming more common as our nation moves in the direction of full digitalization. In the not-too-distant future, the vast majority of financial transactions, including payments, will take place online rather than offline. It is essential to create pupils' levels of awareness about this issue. The younger folks are young to quickly and readily absorb technology and they too are moving toward digitalization. The service providers of digital wallets are responsible for ensuring their customers' privacy and safety. These are the reasons why people are starting to utilise digital wallets.

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