



Effectiveness of Digital Payment Applications in Patna - A Study with A Special Reference to Patna

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Abstract : *The last decade has seen tremendous growth in use of Internet. With this explosive growth, government took initiative such as Digital India acting as catalyst which leads to exponential growth in use of digital payment applications. Digital wallets allow an individual to make electronic transfer and are developing in-to mainstream mode of online payment. It has been said that every disruption creates opportunities, one such disruption was demonetization which created huge growth opportunities for digital wallet companies to expand their market share. Though there are various digital payment applications which gives almost same facilities like Paytm, Google Pay, Mobikwik and PhonePe, but Paytm is widely*

accepted by the respondents and has appeared to be ahead of its rivals and has focused towards building a robust and secure system and a concrete brand image in the running competition.

Keywords : *Digital payment application, Internet , digital wallet.*

Introduction:

Digital payment refers to electronic consumer transaction, which include payments for goods and services that are made over the internet, mobile payments at point-of-sale via smart phone applications (apps) such as Mobikwik, Paytm, PhonePe, Bhim, My Airtel and peer to peer transfer between private users. In digital payment, payer and payee both use digital modes to send and receive money. "A Digital wallet emulates the functionality of a regular wallet by authenticating the consumer, storing and transferring value, and securing the payment process from consumer to merchant" as reported earlier (Kamat Nitin et al 2017).

"Most of us are familiar with e-commerce as a digital medium for transacting business, whereas the convergence of digital media has opened up a wide range of business activities and revenue generation

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opportunities that are relatively recent origin” as reported earlier (Jain Shruti et al 2013).

“Paytm is revolutionizing payments in India and it is shining example of India’s digital future” as reported earlier (Gupta et.al. 2017). It is one of the well known digital payment app that allows the customers to transfer cash into the integrated wallet via online banking, debit cards and credit card or even by disposing cash via selected banks and partners.

While digital payment modes soared in the wake of demonetization, Paytm has rapidly evolved from being a wallet company to a full stack payment provider by offering multi-destination solution. The platform is used by millions of users for instant bank transfer where ever needed.

Objectives :

- To ascertain the level of acceptance of digital payment apps in Patna.
- To know whether people are aware of Paytm as a digital payment application.
- To find out the reasons behind the acceptance of digital payment.
- To find out whether Paytm is easily available at stores or not.
- To find out the satisfaction level regarding usage of Paytm.

Hypotheses :

- Most of the people in Patna uses digital payment app.
- Paytm is the most preferred digital payment app among the respondents in Patna.
- Paytm is available at most of the places for digital payment.
- Digital payment apps are used by people for ease of handling payments.
- People are satisfied with the usage of Paytm.

Limitation :

The major limitations of the research study were:

- As sample size was limited to Patna, the findings cannot be concluded for the rest of the country. So, it has a limited validity.

- It was also observed that the respondents found it inconvenient to respond as they had busy schedule.

Methodology:

The research type has been exploratory as well as descriptive. The data have been collected from both primary and secondary sources. For primary data, the public of Patna was approached. For changes that have occurred over the years secondary sources in terms of archives have been referred.

The sample of 300 respondents was selected and given a set of questionnaire. Simple random sampling was used for the type of sampling.

Findings:

Table 1. Preference of making payment through digital payment app

Most of the respondents prefer making payment through digital payment app.

Table 2. Most preferred digital payment app

Majority of the respondents prefer Paytm as their favourite digital payment app.

Table 3. Reasons for the preference of digital payment

Maximum respondents use digital payment app as it saves their time, handle payments easily and for security reasons.

Table 4. Purpose of using digital payment app

Majority of the respondents use digital payment app for recharging phones, money transfer, bill payments and ticket bookings.

Table 5. Easy availability of digital payment app at stores

A large number of respondents believe Paytm is easily available at stores.

Table 6. Frequency of digital payment app used by people

Maximum number of respondents use digital payment app on a monthly basis.

Table 7. Digital payment app which provides maximum cash back

Almost all the respondents agreed that Paytm provides maximum cash back.

Table 8. Opinion of respondents about security of digital payment app

Maximum number of respondents believe digital payment apps are secure.

Table 9. Satisfaction level among respondents for Paytm app

This analysis establishes that most of the respondents are satisfied with Paytm.

Table 10. Opinion of respondents about digital payment app

Almost half of the respondents think that both the modes of payment i.e. conventional and digital payment will co-exist.

Suggestions:

On the rigorous study analysis of the data, the following suggestion could be made:

- Process of online payment system should be made easier as some people are facing problem related to digital payment.
- People should be made aware about the offers and incentives provided by the Paytm.
- The digital payment system has to take necessary steps to overcome delay in processing of payments.
- Paytm application should be built-in in new phones so that people do not have to worry about downloading it.

Conclusion:

With the soar in technology there is a great inclination towards digital payments. Paytm is widely accepted by the respondents and they prefer it for money transfer, bill payments, recharge and ticket bookings, hence reducing the workload of user as anyone can transfer or pay utility bills anytime anywhere without being dependent on the recharge shops and standing in queues for a long time. One can easily pay the shopkeeper via Paytm- QR code, as it has been concluded from survey that Paytm is widely accepted in shops. It also offers the maximum cashback to the users in comparison to other digital payment applications. Majority of respondents feel secure while using digital payment applications and are satisfied with it. Almost half of the respondents believe that use of digital payment will replace the cash transaction altogether however, other half believe that both modes of payment will co-exist.

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Table 1. (a) Preference of making payment through digital payment app.

Views	No. of respondents	Percentage
Yes	195	65%
No	105	35%
Total	300	100%

(b) If no, chances of switching over to digital payment mode in future

Views	No. of respondents	Percentage
Yes	57	54%
No	48	46%
Total	105	100%

Table 2. Most preferred digital payment app.

Name of digital payment app	No. of respondents	Percentage
Paytm	126	64.60%
Mobikwik	27	13.84%
PhonePe	18	9.23%
Bhim	10	5.12%
Freecharge	8	4.10%
My airtel	1	0.52%
Any other	5	2.60%
Total	195	100%

Table 3. Reasons for the preference of digital payment

Reasons	No. of respondents	Percentage
Saves time	58	30%
Handles payment easier	28	14%
security	10	5%
All of the above	99	51%
Total	195	100%

Table 4. Purpose of using digital payment app

Purposes	No. of respondents	Percentage
Money transfer	35	18%
Recharge	26	14%
Bill payment	22	11%
Ticket booking	12	6%
All of the above	100	51%
Total	195	100%

Table 5. Easy availability of digital payment app at stores

Name of digital payment app	No. of respondents	Percentage
Paytm	168	86%
Mobikwik	15	8%
PhonePe	6	3%
Bhim	4	2%
Freecharge	2	1%
My airtel	0	0%
Any other	0	0%
Total	195	100%

Table 6. Frequency of digital payment applications used by respondents

Frequency	No. of respondents	Percentage
Daily	26	13%
Weekly	65	33%
Monthly	81	42%
Rarely	23	12%
Total	195	100%

Table 7. Digital application which provides maximum cash back in opinion of respondents

Name of digital payment app	No. of respondents	Percentage
Paytm	130	68%
MobiKwik	22	11%
PhonePe	13	6%
Bhim	6	3%
Freecharge	16	8%
My Airtel	3	1%
Any other	5	3%
Total	195	100

Table 8. Opinion of respondents about security of digital payment app

Views	No. of respondents	Percentage
Yes	163	84%
No	32	16%
Total	195	100%

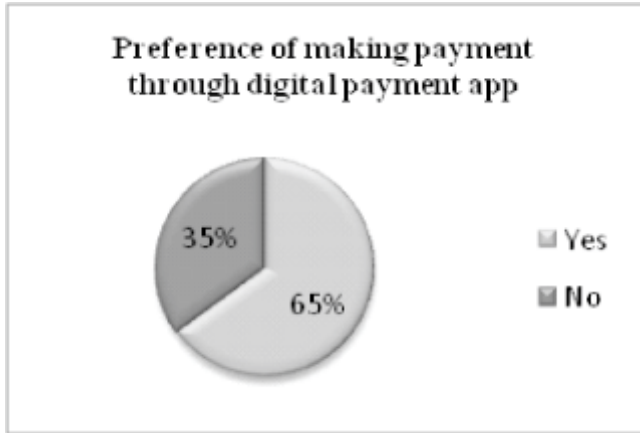
Table 9. Satisfaction level among respondents for Paytm app

Views	No. of respondents	Percentage
Yes	165	85%
No	30	15%
Total	195	100%

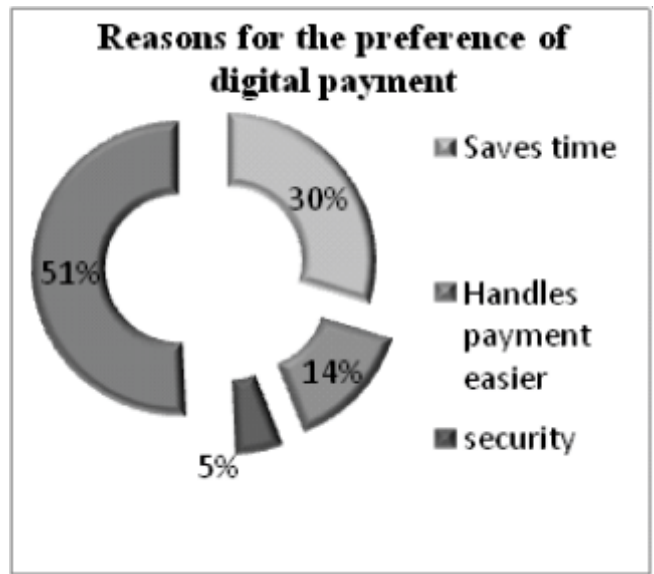
Table 10. Opinion of respondents about digital payment app

Opinion	No. of respondents	Percentage
It will replace cash transaction altogether	88	45%
Both will co-exist	100	51%
It will die out in long run	7	4%
Total	195	100%

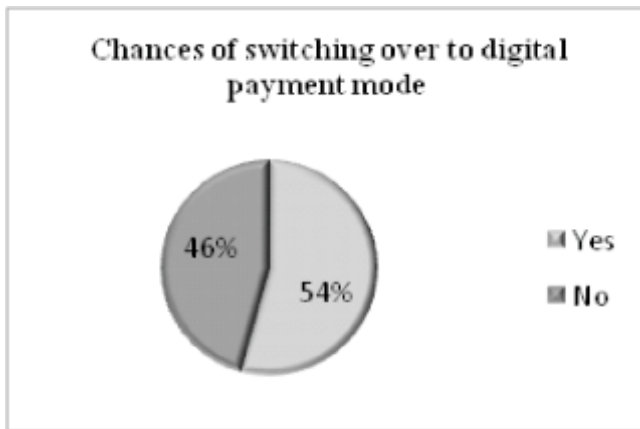
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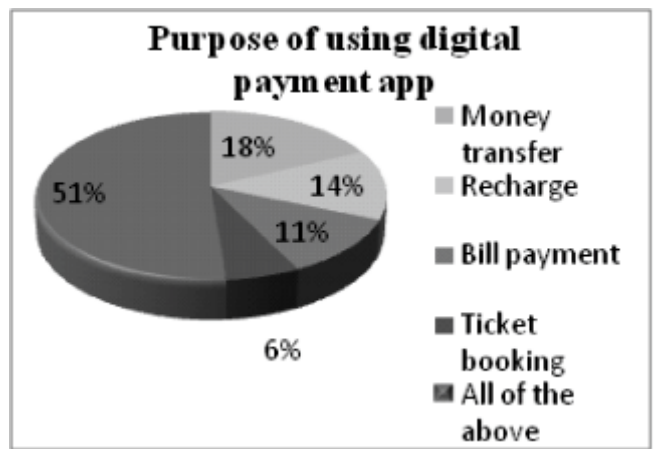
Graph 1(a)



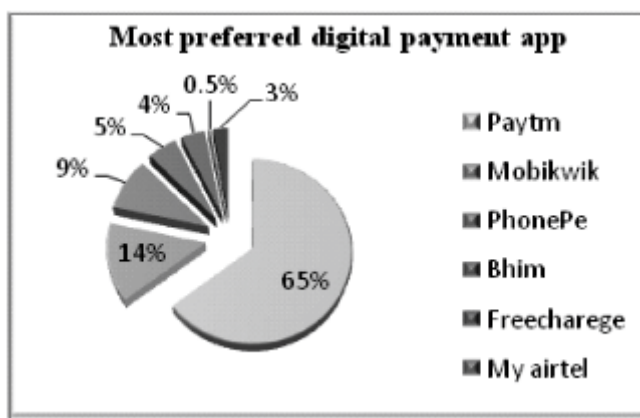
Graph 3



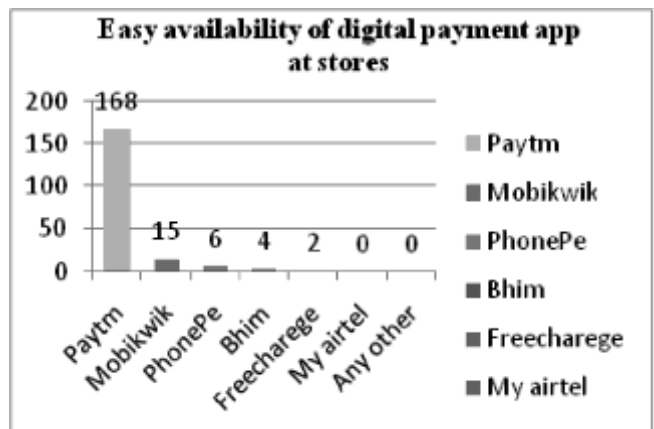
Graph 1(b)



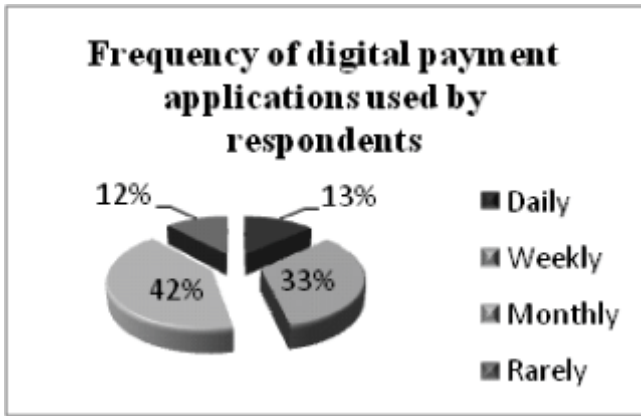
Graph 4



Graph 2



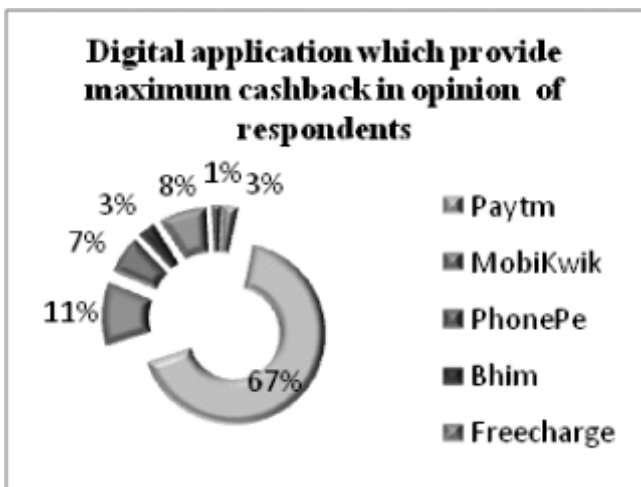
Graph 5



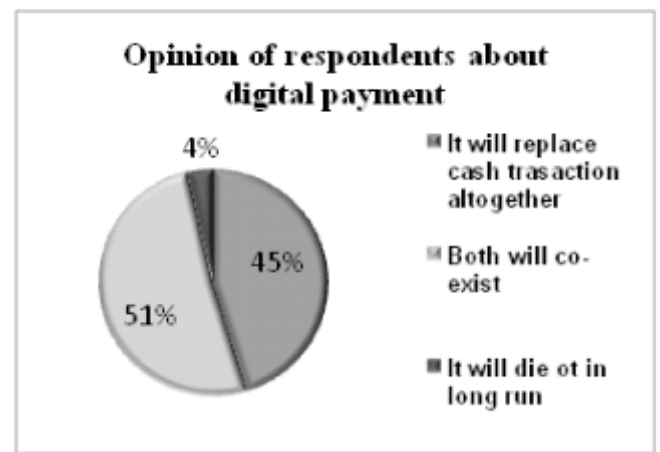
Graph 6



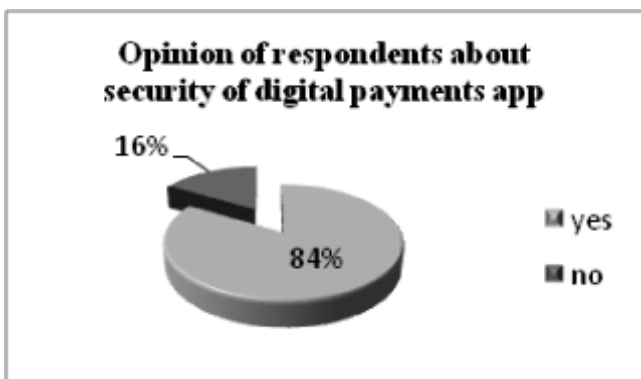
Graph 9



Graph 7



Graph 10



Graph 8

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