

## **A Study on Effectiveness of Digital Wallets in Bengaluru City during COVID-19 Pandemic (With Respect to Paytm, Google Pay, Amazon Pay & PhonePe).**

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### **Abstract:**

Nowadays Digital Wallets are a convenient way of making payment at any time anywhere. Though it is very useful in making payment instantly without carrying cash, but still Digital Wallets are having its own disadvantages. This study has been conducted on the consumers of Digital Wallets in Bengaluru regarding their perceptions towards the efficacy of E-Wallets (With Respect to Paytm, Google Pay, Amazon Pay & Phone Pe). The survey method has been adopted through Digital Questionnaire and total 110 customers review has been considered for the study. The study has shown that 78% respondents are aware of the functionality of E-Wallets and most of them are Male in Gender wise. The research also conferred that 80% of the respondents are falling in the age group of 16-25 years and most of the users received information regarding the usage of E-Wallets from their friends. The Survey also shows that 39% of the total users are using Google Pay to save their time as well as for rewards and bonus. Instead of the comfortability 61% respondents are facing Server related problems during making the payments and furthermore 84% respondents wish to use both Digital Wallets as well as Cash for their daily transactions.

*Keywords: Digital Wallets, Respondents, Digital Questionnaire.*

### **I. Introduction:**

In this digital era with the changes in shopping pattern a new payment platform system has been evolved. Though shopping by using E-Commerce sites is a matured perception but the payment through digital wallets are an advanced conception in India. The payment through Digital wallets have replaced the cash payment as well as Debit, Credit cards and Net Banking Transfers. By using E-Wallets, customers not only can make payment without carrying cash but also can transfer money to anyone anytime. As definition concerns, Digital Wallets refer to a service that enables customers to make payment digitally. In recent years, India has seen a sharp increase in the number of users of Digital Wallets. Some of the popular Digital Wallets in India are:

i. Google Pay:

Google Pay as the name suggest, is a payment application of Google which is currently the key player in Indian E-Wallets market. The Google Pay came up with a new concept which allows customers to make transactions directly from their bank accounts rather than creating any separate wallet account and transfer money into it like others. Current Google Pay has more than 25 million active users in India.

ii. PayTm:

PayTm has launched in India in 2010 where a user has to create a separate E-Wallet account and transfer money into it to make transactions. But currently like Google Pay, PayTm is providing the option where customer can make transaction directly from their bank account.

iii. Amazon Pay:

As the name suggests, the concept of Amazon Pay has been evolved by the global giant Amazon which was launched in 2007 worldwide. But in India it has been launched in the year 2017. Like other E-Wallets, Amazon Pay also provides various discounts and cashback which attracts the customer more.

iv. PhonePe:

PhonePe is another popular Digital Wallet in India Which has currently more than 100 million users in India. This application is powered by Yes Bank but it is launched by Flipkart in India. One of the most attractive features of PhonePe is the availability of this application in local languages which makes it popular among Indian citizens.

v. Jio Money:

Jio Money is launched in the year 2016 in India. Like other Digital Wallets, Jio Money also facilitates various discounts and cashback to their customers.

## **II. Research Methodology:**

This research has been conducted based on Survey method by using Digital Questionnaire. During the research, acknowledgement of 110 respondents (age between 16 years to 40 years and above) of Bengaluru City has been considered as sample size. The analysis of this research has been made based on the effective use of Digital E-Wallets with respect to Google Pay, PhonePe, Amazon Pay and PayTm. The study has been conducted during the time period of March-April, 2020.

- **Limitations of the Study:**

- I. The Study is limited to the respondents of Bengaluru City only.
- II. The research is based on Survey Method which has its own limitations.

### III. Data Analysis:

The analysis of this research has been done based the questionnaire as below:

#### i. Users of E-Wallets Gender wise:

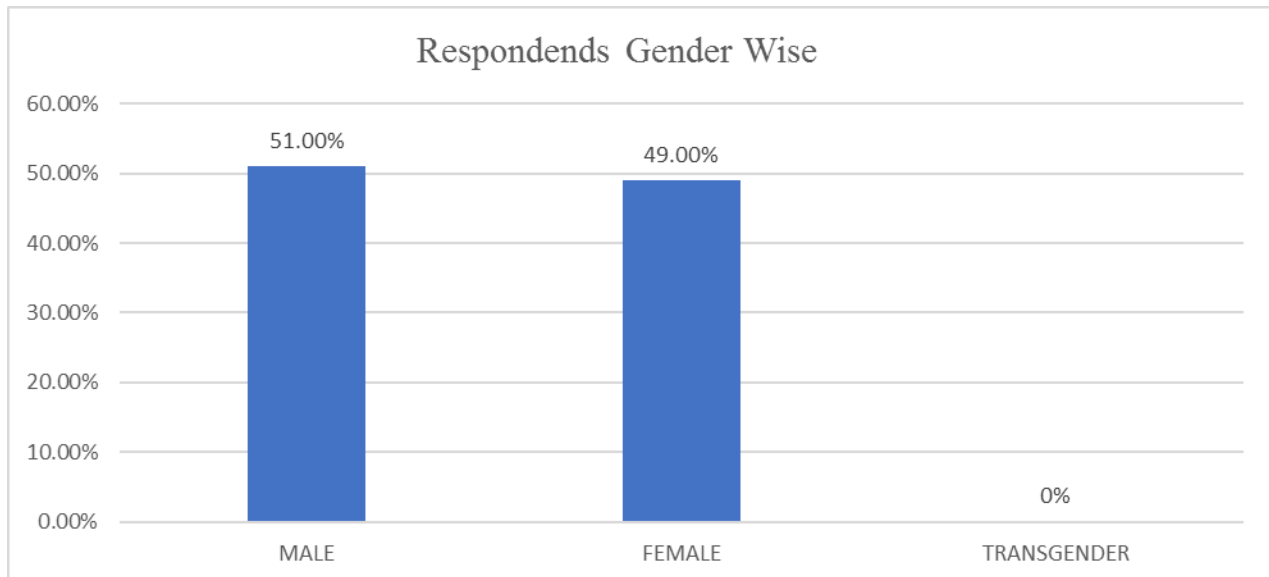
The underneath table has shown the result of users of E-Wallets gender wise. The result shown that out of 110 respondents 51% respondents are Male and 49% are Female. Though in the questionnaire as a respondent Trans Gender has been consider but during research no Trans Gender has responded towards survey.

Table 1: The table showing results about Gender:

| Gender       | No. of Persons | %   |
|--------------|----------------|-----|
| Male         | 57             | 51% |
| Female       | 54             | 49% |
| Trans gender | 0              | 0%  |

Source: Primary Data.

Chart1: Gender wise users of Digital Wallets :



**ii. Users of Digital Wallets Age Wise:**

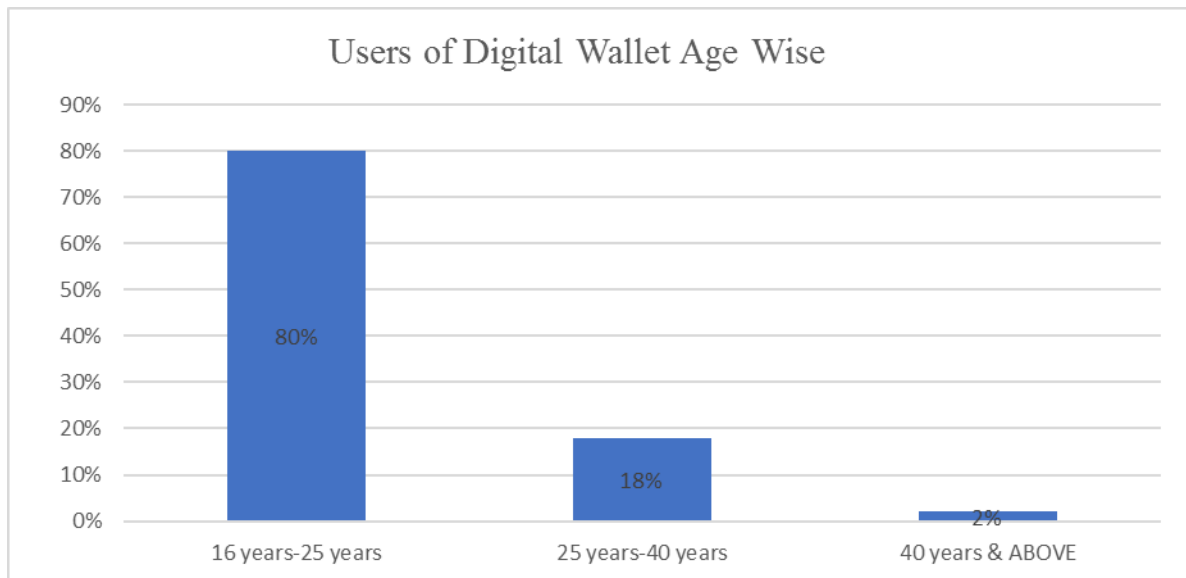
The below table is showing the result that out of 110 respondents 88 respondents fall into the age group of 16 years to 25 years which accounted 80% of the total respondents. Though the respondents of the age 30 years are also using the E-Wallets but Middle age and Senior aged respondents are not much aware of the concept of E-Wallets.

Table 2:Age wise users of Digital Wallets:

| Particulars          | No. of Persons | Percentage (%) |
|----------------------|----------------|----------------|
| 16 years to 25 years | 88             | 80%            |
| 25 years to 40 years | 20             | 18%            |
| 40 years & above     | 2              | 2%             |

Source: Primary Data.

Chart 2: Age wise users of Digital Wallets:



**iii. Respondents knowledge about Functionality of E-Wallets:**

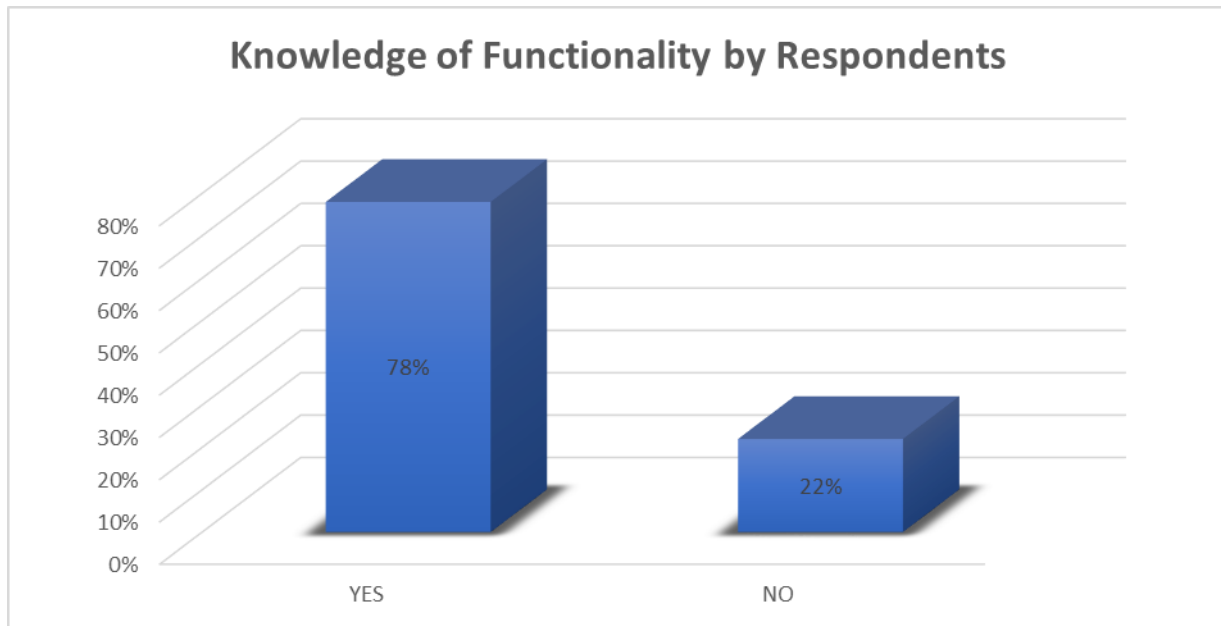
According to the research result it is clearly reflecting that 78% of the total respondents are well aware of the functionality of the Digital Wallets. Whereas remaining 22% of the respondents are still unaware of the functionality of the E-Wallets.

Table 3: The results of knowing all the functionality in E-wallets by Respondents:

| Particulars | No. of Persons | Percentage (%) |
|-------------|----------------|----------------|
| Yes         | 86             | 78%            |
| No          | 24             | 22%            |

Source: Primary Data.

Chart 3: Showing the results of knowing all the functionality in E-wallets by Respondents:



**iv. Source of Information about E-Wallets by Respondents:**

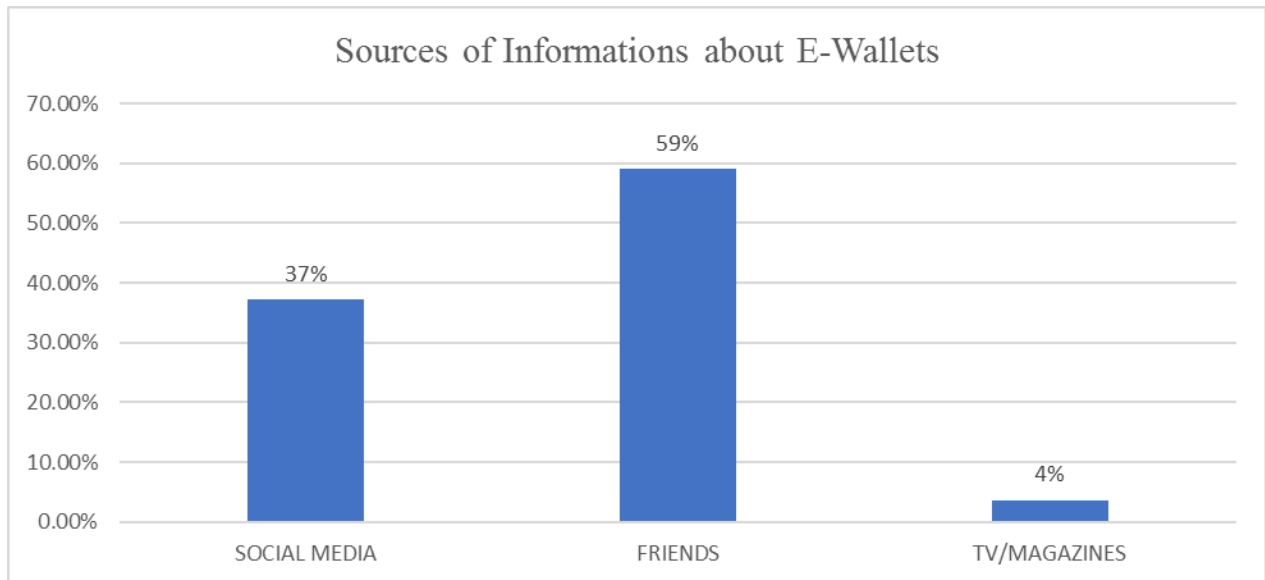
The followed table is showing the main source of information’s about E-Wallets. The data clearly shows that 59% respondents are getting information about E-Wallets from their friends whereas 37% users are referring social media.

Table 4: Source of the informations about the E-wallets:

| Particulars  | No. of Persons | Percentage (%) |
|--------------|----------------|----------------|
| Social Media | 41             | 37%            |
| Friends      | 65             | 59%            |
| Tv/Magazines | 4              | 4%             |

Source: Primary Data.

Chart 4: Source of the informations about the E-wallets:



**v. Most Trendy Digital Wallets in Bengaluru City:**

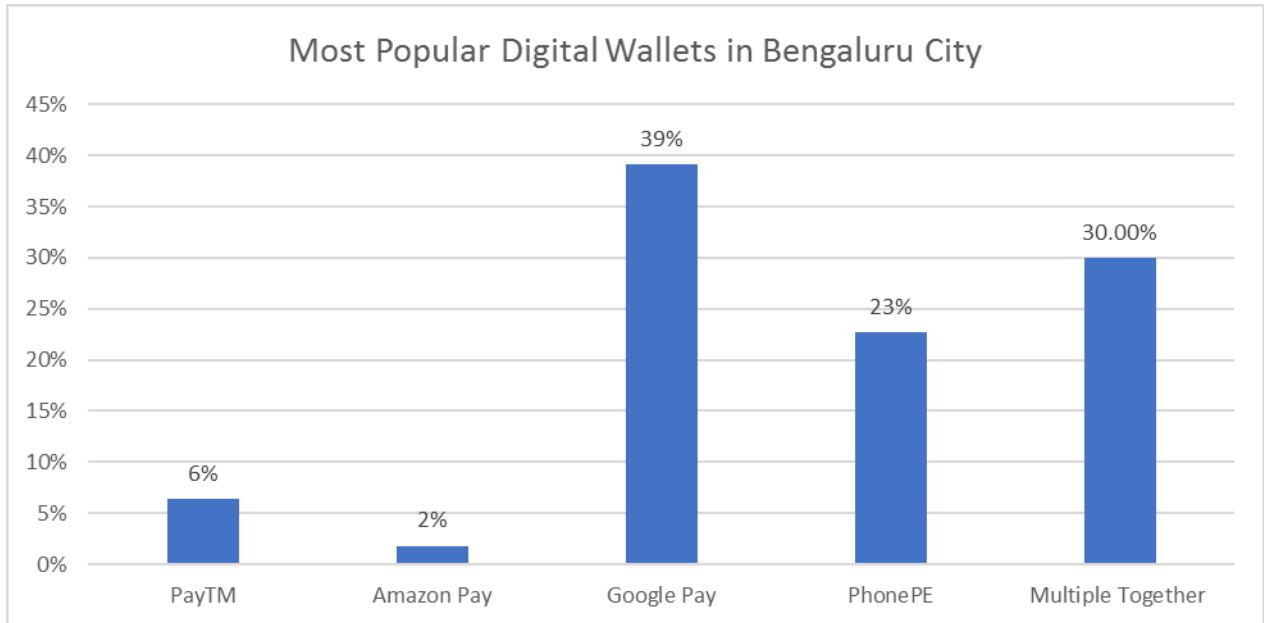
The underneath table is showing the most popular Digital Wallets in Bengaluru City among the selected E-Wallets for research purpose. The survey clearly shows that 39% respondents are using Google Pay whereas 23% respondents are using PhonePe. But during the survey it is also clearly found that 30% respondents are using multiple E-Wallets together for their transactions.

Table 5: Most Popular Digital Wallets in Bengaluru City:

| Particulars       | No. of Persons | Percentage (%) |
|-------------------|----------------|----------------|
| PayTM             | 07             | 6%             |
| Amazon Pay        | 02             | 2%             |
| Google Pay        | 43             | 39%            |
| PhonePe           | 25             | 23%            |
| Multiple Together | 33             | 30%            |

Source: Primary Data.

Chart 5: Most Popular Digital Wallets in Bengaluru City:



**vi. No. of Respondents who are the frequent users of Digital Wallets:**

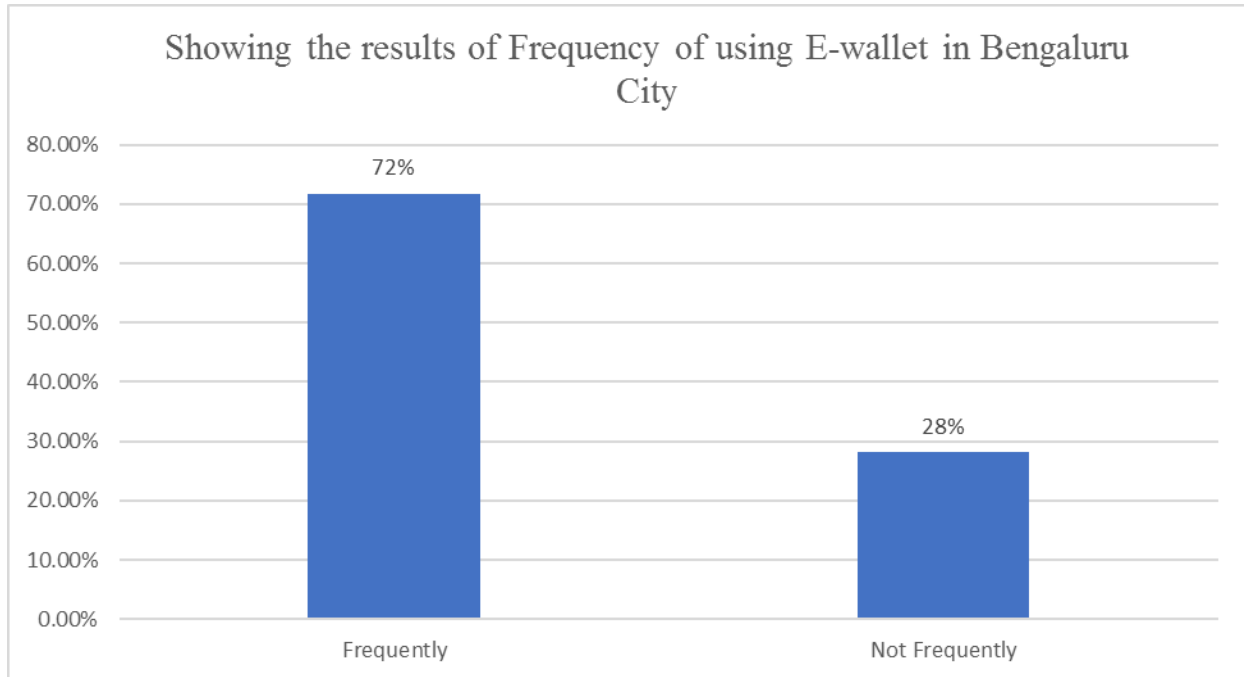
According to the underneath table the data shows that 72% of the total respondents are using Digital Wallets frequently whereas remaining 28% users are using Digital Wallets infrequently.

Table 6: Frequency of using E-wallet in Bengaluru City by the Respondents:

| Particulars    | No. of Persons | Percentage (%) |
|----------------|----------------|----------------|
| Frequently     | 79             | 72%            |
| Not Frequently | 31             | 28%            |

Source: Primary Data.

Chart 6: Frequency of using E-wallet in Bengaluru City by the Respondents:



**vii. Analysis the reasons behind the Popularity of Digital Wallets among respondents:**

The below table is showing the main reasons behind the popularity of Digital Wallets among the respondents. The survey resulted that 36% respondents are using the Digital Wallets to save their time although only 9% users are adopting most Digital Wallets because of rewards. But 55% of the total users are availing E-Wallets due to save time as well as for rewards also.

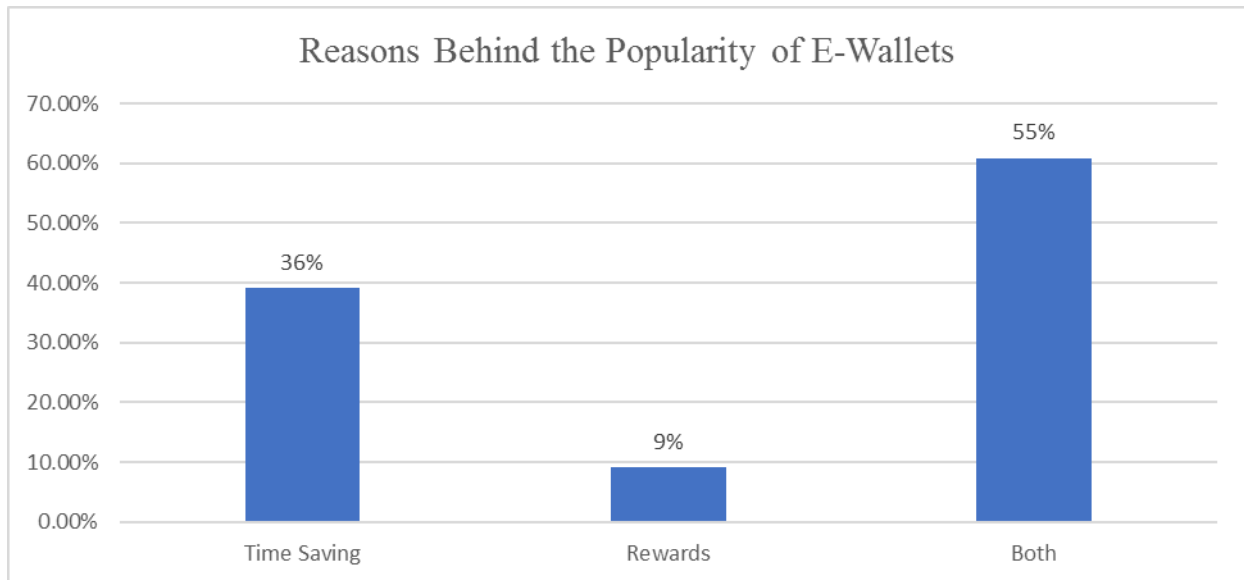
Table 7: Reason behind the Popularity of Digital Wallets among respondents:

| Particular  | No. of Persons | Percentage (%) |
|-------------|----------------|----------------|
| Time Saving | 40             | 36%            |
| Rewards     | 10             | 9%             |
| Both        | 60             | 55%            |

Source: Primary Data.



Chart: Reasons behind the Popularity of Digital Wallets among respondents:



**viii. Main Reason for using E-Wallets:**

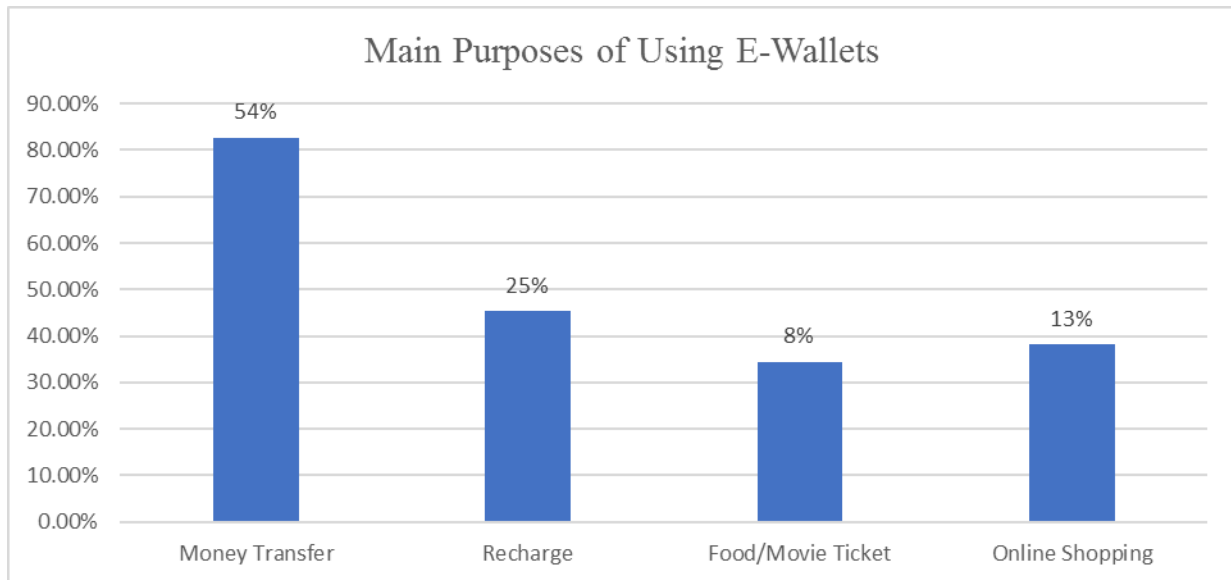
The underneath table is showing the analysis of the main purpose of using E-Wallets by respondents. The survey shows that 54% respondents are using Digital Wallets to transfer their money and secondly 25% respondents are using for of various recharge purposes. Another main reason of using Digital Wallets is Online Shopping which attracts 13% of the total respondents.

Table 8: Purposes of Using E-Wallets by the Respondents:

| Particulars       | No. of Persons | Percentage (%) |
|-------------------|----------------|----------------|
| Money Transfer    | 59             | 54%            |
| Recharge          | 28             | 25%            |
| Food/Movie Ticket | 9              | 8%             |
| Online Shopping   | 14             | 13%            |

Source: Primary Data.

Chart 8: Purposes of Using E-Wallets by the Respondents:



**ix. Problems facing by respondents while using E-Wallets:**

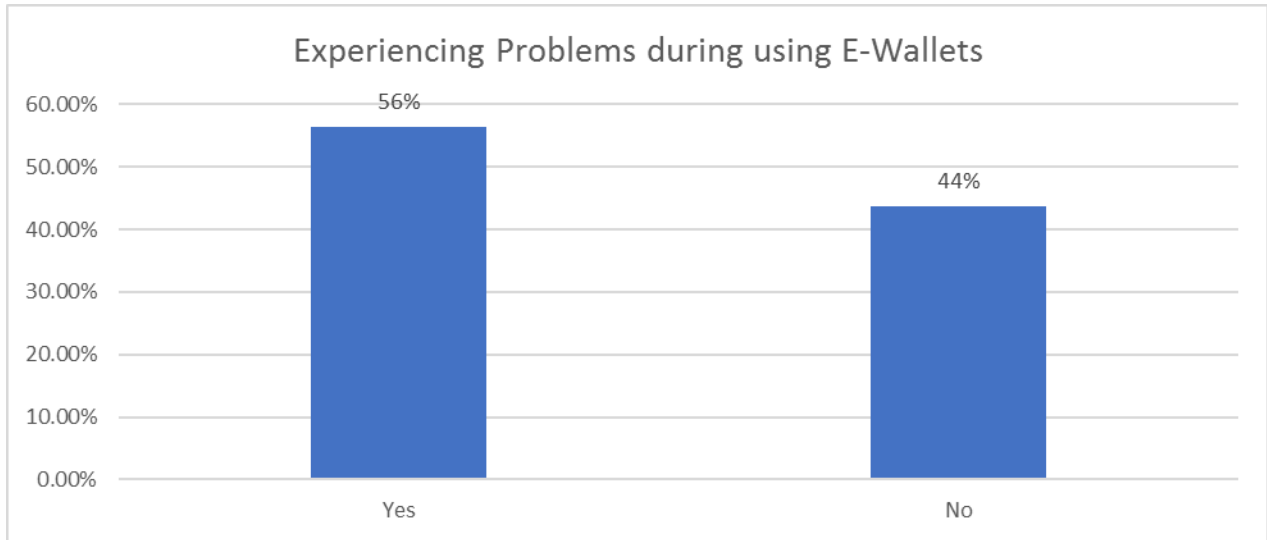
The below table is showing that though Digital Wallets are very much popular among the respondents but still 56% users are facing several problems while using E-Wallets.

Table 9: Problems are facing by the Respondents during the usage of E-Wallets:

| Particulars | No. of Persons | Percentage (%) |
|-------------|----------------|----------------|
| Yes         | 62             | 56%            |
| No          | 48             | 44%            |

Source: Primary Data.

Chart 9: Problems are facing by the Respondents during the usage of E-Wallets:



**x. Different kinds of Problems facing by Respondents:**

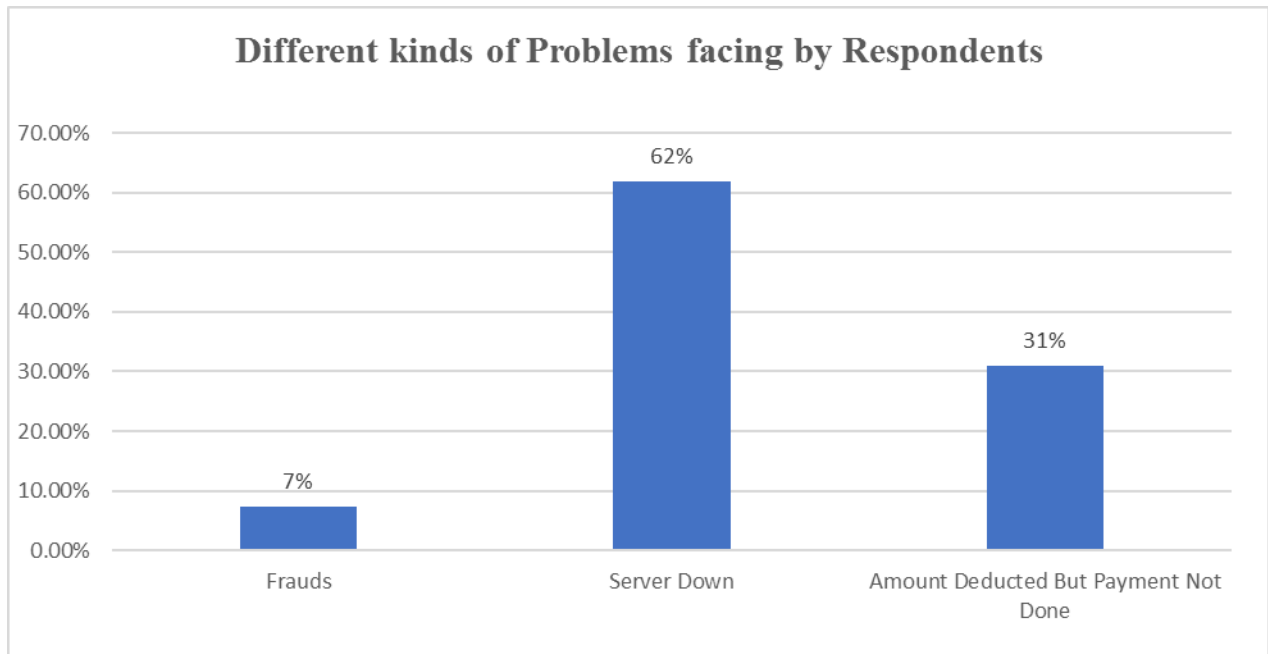
The underneath table is showing the various types of problems which are facing by the respondents during using the Digital Wallets. The survey resulted that most of the users are facing server related problems (62%) while using it. And, secondly 34 respondents are also facing that amount already deducted but payment is pending while making the transactions. But only 7% respondents are facing security related problems which is less as compare to other ways of making payments.

Table 10: Different kinds problems are facing by the Respondents during transaction:

| Particular                           | No. of Persons | Percentage (%) |
|--------------------------------------|----------------|----------------|
| Frauds                               | 08             | 7%             |
| Server Down                          | 68             | 62%            |
| Amount Deducted But Payment Not Done | 34             | 31%            |

Source: Primary Data.

Chart 10: Different kinds of Problems facing by Respondents:



**xi. Gratification of using E-Wallets among respondents:**

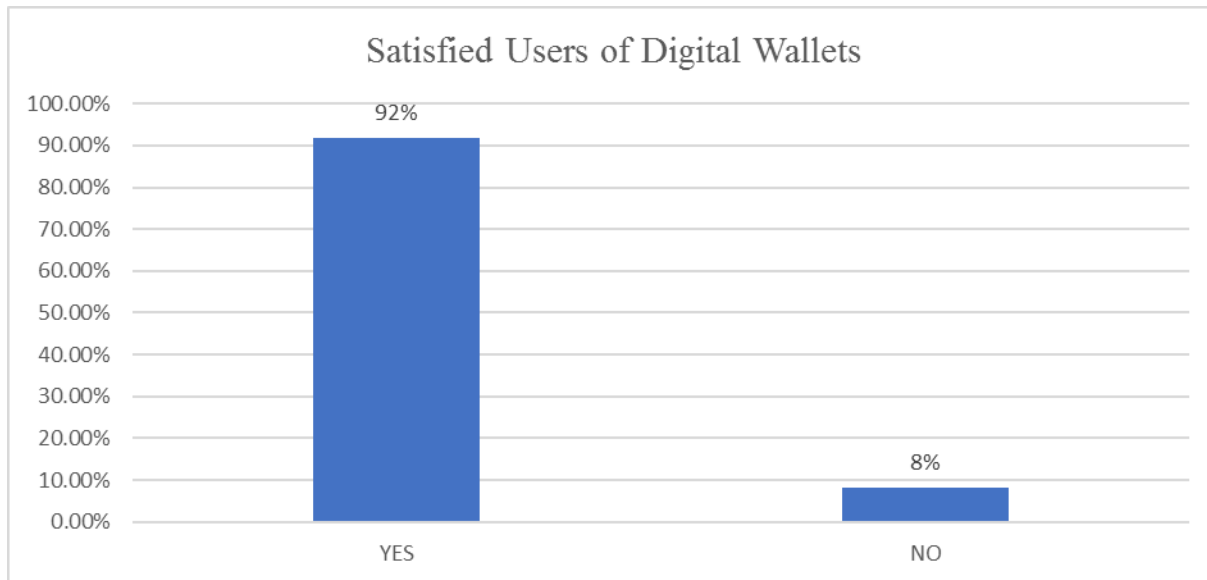
The below table is showing whether respondents are satisfied with the selected Digital Wallets or not during making payments. The survey resulted that 92% respondents are using Digital Wallets adequately. But 8% of the total respondents are not happy with selected E-Wallets.

Table 11: Usefulness of Digital wallets among Respondents:

| Particulars | No. of Persons | Percentage (%) |
|-------------|----------------|----------------|
| Yes         | 101            | 92%            |
| No          | 09             | 8%             |

Source: Primary Data.

Chart 11: Usefulness of Digital wallets among Respondents:



**xii. Complete Digitalization of transactions:**

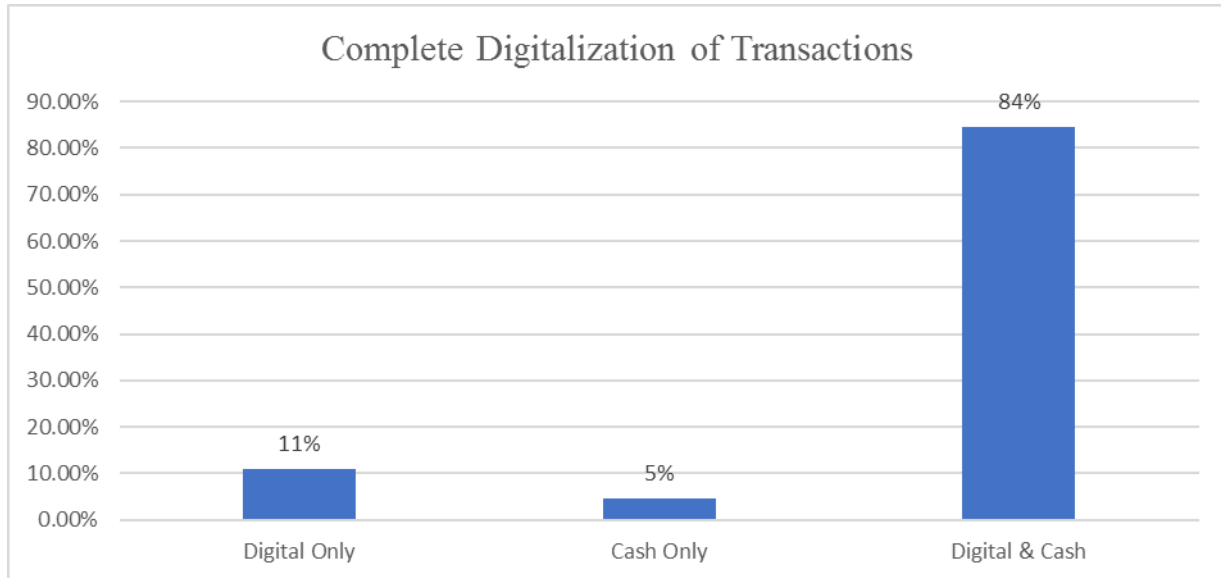
The below table is showing the recommendations of the respondents for considering Digital Wallets for future transactions. During the survey it is found that 84% respondents want to use Digital Wallets as well as cash for future transactions, whereas only 11% users want to depend on E-Wallets only for payment purposes. But the survey also found that though E-Wallets are a comfortable option to make payment but still 5% respondents want to use cash for transaction purpose because of various problems of Digital Wallets that they have faced during the use.

Table 12: Responds towards supporting the digitalization of transaction:

| Particulars    | No. of Persons | Percentage (%) |
|----------------|----------------|----------------|
| Digital Only   | 12             | 11%            |
| Cash Only      | 05             | 5%             |
| Digital & Cash | 93             | 84%            |

Source: Primary Data.

Chart 12: Responds towards supporting the digitalization of transaction:



### xiii. Future Prospective of E-Wallets:

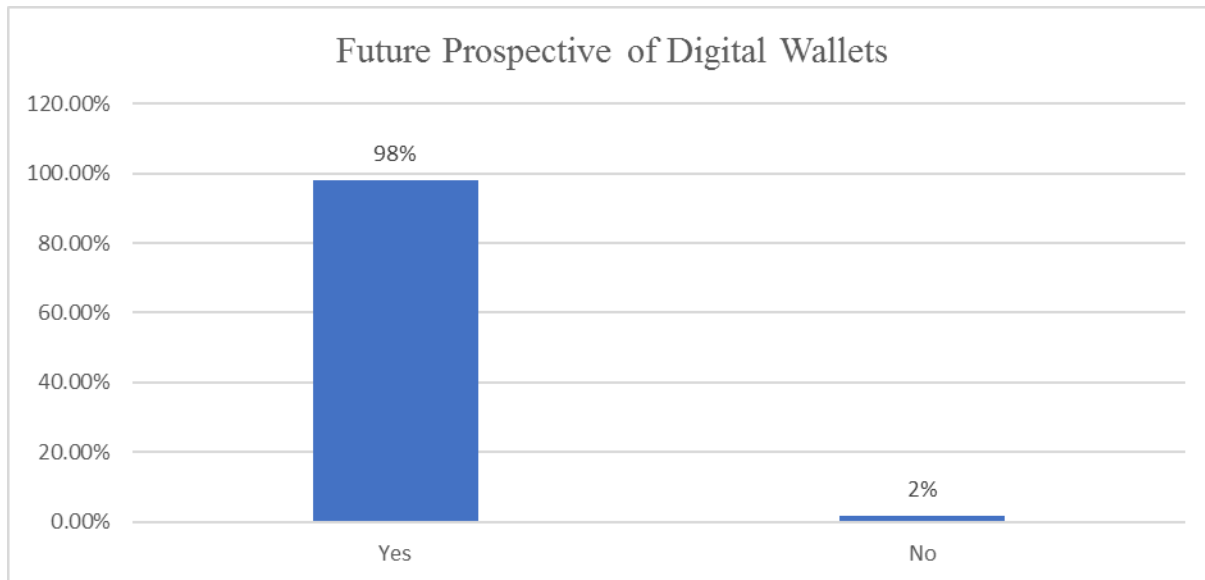
The underneath table shows that 98% respondents want to continue with E-Wallets for their future transactions, whereas 2% respondents are not willing to continue with Digital Wallets for their future payment purposes.

Table 13: Future Prospective of E-Wallets:

| Particulars | No. of Persons | Percentage (%) |
|-------------|----------------|----------------|
| Yes         | 108            | 98%            |
| No          | 02             | 2%             |

Source: Primary Data.

Chart 13: Future Prospective of E-Wallets:



#### IV. Conclusions:

This research has made to find out the usefulness of the Digital Wallets in Bengaluru City. The survey method has conducted with the sample size of 110 respondents of the Bengaluru city. The survey has considered four selected E-Wallets i.e. on Google Pay, Amazon Pay, PhonePe and PayTm of which Google Pay is the most popular one. The survey shows that though Digital Wallets are a convenient way of making payments, but still some of the respondents are still supporting cash payments as they are facing several problems while using E-Wallets. The most common problem is related with server issues while making transactions. Irrespective of several problems 98% of the total respondents want to continue with Digital Wallets for their future payment purposes. Though E-Wallets are now a popular way of making payment but still respondents are not willing to accept full digitization of transactions.

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