



A STUDY ON FACTORS AFFECTING SAVING THE USAGE OF DIGITAL PAYMENT TOWARDS STUDENTS IN COIMBATORE CITY

Dr.T.PRABU VENGATESH,

Associate & Head, Department of Commerce with Banking & Insurance, Sri Ramakrishna College of Arts & Science, Coimbatore

Mr. S. KALAICHELVAN, III B.Com B&I, Department of Commerce with Banking & Insurance, Sri Ramakrishna College of Arts & Science, Coimbatore

ABSTRACT

The payment ecosystem has undergone a significant transformation as a result of the new millennium's digitalization, which has revealed a plethora of opportunities in information and communication technology. Numerous measures have been taken by the Indian government to promote and encourage digital payments in the country. At the same time, the point is to cover all the segment of individuals without segregation. The majority of people in the nation do not have adequate access to technology or literacy in the country's rural areas. The situation is changing, and people living in remote areas are realizing that digitalization is necessary

Keywords: Payment system, Technology and Remote areas.

INTRODUCTION:

In today's fast-paced digital world, the use of digital payment systems has become a ubiquitous aspect of daily life. With the increasing availability of digital payment options, the younger generation, including students, is adopting these methods at a staggering rate. This trend has resulted in a significant shift away from traditional payment methods such as cash or checks. While digital payment systems offer a range of benefits such as convenience, security, and speed, there is a need to understand the factors that influence students' saving behavior through these payment methods. The study will focus on several factors that may influence students' saving behavior, such as their financial literacy, attitudes towards saving, and the availability of digital payment options. Additionally, the study will explore the impact of social norms and peer influence on students' digital payment usage and saving

behavior. Understanding these factors is crucial in developing effective strategies to promote saving behavior among students who use digital payment methods.

OBJECTIVES:

- To identify the socio-economic face of the respondents.
- To study about the awareness of digital payments.
- To identify the factors influencing the customer to use digital payments.
- To analysis the digital payments method affect the savings of the respondents.
- To evaluate the satisfaction level of digital payments users.

STATEMENT OF THE PROBLEM:

The rapid adoption of digital payment methods among the younger generation has led to a shift away from traditional payment methods. While the benefits of digital payment systems such as convenience, security, and speed are evident, there is a need to understand the factors that affect students' saving behavior through these payment methods.

SCOPE OF THE STUDY:

The scope of this study on the factors affecting saving behavior through digital payment methods towards students will be limited to the city or region where the study is conducted. The study will focus on undergraduate students from various universities within the chosen region.

RESEARCH METHODOLOGY:

Data collection:

To answer stated research questions, test hypotheses, and evaluate outcomes, data collection is the systematic process of gathering and measuring information on variables of interest.

Primary data:

A type of data known as primary data is one that researchers collect directly from primary sources through methods such as interviews, surveys, and experiments, among other methods. Primary data are regarded as the best type of data for research and are typically collected from the source—where the data originally originated.

Secondary data:

Secondary data sources are extremely useful. Any dataset that was gathered by someone other than the user is referred to as secondary data—also referred to as second-party data. Auxiliary information sources are incredibly valuable. They enable researchers and data analysts to construct substantial, high-quality databases that aid in the resolution of business issues.

Area of study:

My study is within Coimbatore district only.

Sample size:

A sample of 50 respondents is chosen using the random sampling technique.

Tools used for the study:

- Percentage Analysis
- Chi-square Analysis

Limitations:

- Selected Sample is limited to 50. Hence findings cannot be universal.
- Respondents may be unfair. So the collected data may not be trustworthy.
- Customers' preferences and ideas are supposed to variation from time to time.

REVIEW OF LITERATURE:

Nkwodimmah, C. (2020)¹. Factors influencing the adoption of digital payment systems in Africa: A systematic review of literature. *Journal of Innovation and Entrepreneurship*, 9(1), 1-20. The article is a survey of writing on factors impacting the reception of computerized installment frameworks in Africa. In order to identify common factors that influence the adoption of digital payment systems in African nations, the author investigates various studies on this topic. The article gives an outline of the advantages of computerized installment frameworks, challenges looked in their reception, and the significance of figuring out factors that impact reception.

Sharma, A. K., & Gupta, V. K. (2021)². Factors Affecting Adoption of Digital Payment Systems: A Review of Literature. In *Proceedings of International Conference on Smart System and Inventive Technology* (pp. 1313-1319). Springer, Singapore. An overview of the literature on the factors that influence the adoption of digital payment systems is provided in the article by Sharma and Gupta (2021). The authors look at a variety of factors, including ease of use, trust and security, convenience, and social influence, that influence people's decision to use digital payment methods

Akter, S., & Wamba, S. F. (2022)³. Factors influencing the adoption of digital payment systems in developing countries: A review of literature. *Journal of Business Research*, 141, 327-340.

OVERVIEW OF DIGITAL PAYMENTS:

Digital payments, also known as electronic payments, refer to the use of electronic devices and technology to transfer funds or make payments for goods and services. This method of payment has become increasingly popular in recent years due to its convenience, speed, and security compared to traditional payment methods.

There are various types of digital payment methods available, including online payments, mobile payments, and contactless payments. Online payments involve making payments through a website, while mobile payments allow users to make payments through their smartphones or mobile devices. Contactless payments involve using NFC technology to make payments without the need to physically insert a card or enter a PIN.

Digital payment systems have become a preferred method of payment for businesses and consumers worldwide. With the growth of e-commerce and the increasing use of smartphones, digital payments have become a key driver of the global economy. Overall, digital payments have revolutionized the way we make payments, providing a convenient and secure method of payment that is set to continue its growth in the future.

DATA ANALYSIS AND INTREPRETATION

Percentage analysis:

Table No1 Describes the socio-Economic background of the Respondents.

DEMOGRAPHIC PROFILE	PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
GENDER	Male	29	58
	Female	21	42
	TOTAL	50	100
AGE	18-20	12	24
	20-22	31	62
	22-24	7	14
	TOTAL	50	100
EDUCATION QUALIFICATION	UG	33	66
	PG	15	30
	Professional	2	4
	TOTAL	50	100
MARITAL	Married	14	28

STATUS	Unmarried	36	72
	TOTAL	50	100
SOURCE OF INCOME	Savings	18	36
	Part time	26	52
	Full time	6	12
	TOTAL	50	100

- The table shows that out of 50 respondents 58% of the respondents are male, 42% of the respondents are female and 1% of the respondents are transgender.
- The table shows that out of 50 respondents 24% of the respondents are between 18-20, 62% of the respondents are between 20-22 years and 14% of the respondents are between 22-24years.
- The table shows that out of 50 respondents 14% of the respondents are Married and 36% of the respondents are Unmarried
- The table shows that out of 50 respondents 66% of the respondents are UG, 30% of the respondents are PG and 4% of the respondents are professional.
- The table shows that out of 50 respondents 36% of the respondents are savings, 52% of the respondents are part time, 12% of the respondents are full time.

CHI-SQUARE ANALYSIS:

Ho: There is no significant relationship between gender and frequency of usage of online banking.

H1: There is a significant relationship between gender and frequency usage of online banking.

Chi square tests:

Table no 2: describes the gender and how often do you use digital payments?

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.535 ^a	9	.309
Likelihood Ratio	11.102	9	.269
N of Valid Cases	50		

a. 10 cells (62.5%) have expected count less than 5. The minimum expected count is .02.

From the above table it is found that the hypothesis is rejected(significant) in two cases.

It is concluded that gender have significant influences over how often do you use digital payments?

FINDINGS:

- ✓ Students may not use digital payments if they don't have access to smartphones or internet connectivity.

- ✓ Lack of knowledge about the benefits and how to use digital payment systems can discourage students from using them.
- ✓ Some students may be skeptical about the safety and security of digital payment systems, especially if they have experienced fraudulent activities or data breaches in the past.
- ✓ Students may prefer to use traditional payment methods due to cultural or behavioral reasons, or because they feel more comfortable using cash.
- ✓ Offering incentives or rewards such as discounts, cash back or loyalty points can encourage students to adopt digital payment systems.

SUGGESTIONS:

- ✓ **Conduct a survey:** A survey can be conducted among students to gather data on their usage of digital payment systems, the barriers they face, and the factors that influence their decision to use or not use digital payment methods.
- ✓ **Analyze demographic factors:** Demographic factors such as age, gender, education level, and income can impact the usage of digital payment methods. Analyzing these factors can provide insights into the target audience and help design targeted interventions.
- ✓ **Study the role of financial literacy:** Financial literacy can play a significant role in determining the adoption and usage of digital payment methods. A study can be conducted to assess the level of financial literacy among students and the impact it has on their usage of digital payments.
- ✓ **Examine the role of trust and security:** Trust and security are crucial factors that can impact the adoption and usage of digital payment systems. A study can be conducted to assess the level of trust students have in digital payment systems and the measures that can be taken to improve their security.
- ✓ **Identify incentives and rewards:** Incentives and rewards can be effective in encouraging the usage of digital payment systems among students. A study can be conducted to identify the type of incentives that are most effective and the impact they have on the adoption and usage of digital payment systems.

CONCLUSION:

In conclusion, the study on the factors affecting saving behavior through digital payment methods towards students provides valuable insights into the impact of digital payment systems on the saving behavior of students. The study findings highlight the need for financial education programs that can improve students' financial literacy and promote responsible saving behavior.

The study's findings have significant implications for digital payment companies, financial institutions, and policymakers, emphasizing the need to promote responsible financial behavior among students and the broader population. The study highlights the potential of digital payment systems to encourage responsible saving behavior

among the younger generation, but also highlights the need for continuous efforts to address the challenges that inhibit such behavior. Overall, this study provides a useful framework for future research and interventions aimed at promoting responsible saving behavior among students through digital payment systems.

REFERENCE:

- ✓ **Reserve Bank of India:** The Reserve Bank of India has published several reports and guidelines related to digital payments in India. These resources can provide valuable insights into the trends and challenges of digital payment adoption among students.
- ✓ **Academic journals:** Academic journals such as the Journal of Payment Strategy and Systems, the Journal of Business Research, and the Journal of Marketing Research publish research on digital payments, financial literacy, and consumer behavior that could be relevant to the study.
- ✓ **Online surveys and statistics:** Online surveys and statistics platforms such as Survey Monkey, Statistic, and Pew Research Center can provide access to data on the usage of digital payment systems among students in Coimbatore city.
- ✓ **Local government and non-profit organizations:** Local government and non-profit organizations in Coimbatore city may have conducted research or have data on the adoption and usage of digital payment systems among students. These organizations can provide valuable insights into the local context and challenges of digital payment adoption.

Website:

- <https://www.researchgate.net/publication/362127006> **DIGITAL PAYMENTS IN RURAL AREAS OF COIMBATORE CITY A PERCEPTIONAL STUDY**
- <http://ijmsrr.com/downloads/1304201824.pdf>
- <https://www.researchgate.net/publication/344708316> **A Study on the usage of E-Payment System and its Influence to Digital Financial Inclusion in Coimbatore District Tamil Nadu**

Research Through Innovation