



# A STUDY ON CONSUMER FACTORS INFLUENCING USE OF E-WALLETS WITH SPECIAL REFERENCE TO RAMANATHAPURAM DISTRICT

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**Abstract:** This study investigates the factors influencing consumer adoption of e-wallets in Ramanathapuram District, Tamil Nadu, using a sample of 50 respondents. The study utilizes a survey-based approach, gathering data on demographic characteristics, awareness and usage of e-wallets, perceived benefits and risks, and the influence of social networks and government initiatives. The data is analyzed using weighted arithmetic means to understand the relative importance of various factors and correlation analysis to explore the relationships between these factors and consumer adoption. The findings reveal the key drivers and barriers to e-wallet adoption in the region, highlighting the role of factors such as awareness, trust, security concerns, and the influence of social networks. The study provides valuable insights for policymakers and e-wallet providers to develop targeted strategies for promoting financial inclusion and digital payments in Ramanathapuram District.

**Index Terms - Consumer preference, E-wallet adoption, Digital Payments and Awareness.**

## INTRODUCTION

The term payment is as old as human civilization, since then the payment industry has undergone a drastic transition from barter system to virtual payments (E-wallets). Barter system an old age method of exchange which has been used for centuries long before money was invented, people exchanged goods and services for other goods and services in return. The trading system expanded its boundaries towards exchanging precious metals like copper, bronze, gold, etc. With advent of the industrial revolution in the 18<sup>th</sup> century, banking system was adopted as standard payment and as a monetary regulating body. This led to the development of other models like loans, savings a/c, withdrawals, etc. After the success of banking system, our cash-based society evolved through internet, this led to building up of various electronic payment systems like Debit card, Credit card, E-cheques and is now pushing into the digital frontier of virtual wallet (mobile platform). In Ramanathapuram District, the adoption of e-wallets has witnessed growth but remains influenced by unique socio-economic and demographic factors. While some consumers have embraced the convenience and benefits of e-wallets, others remain hesitant due to concerns about security, lack of technical knowledge, or limited access to resources. This study aims to explore the various factors that influence consumer behavior in using e-wallets, identify the challenges faced, and analyses the potential for further growth in this digital payment ecosystem. By understanding these dynamics, the study seeks to provide insights that can guide e-wallet service providers and policymakers in enhancing the adoption of digital payments in the region

## STATEMENT OF PROBLEM

Despite the rapid growth of digital payment systems, the adoption of e-wallets in certain regions, including Ramanathapuram District, remains uneven. Consumers face various challenges such as concerns about security, lack of awareness, inadequate technical knowledge, and limited access to reliable internet connectivity. Additionally, factors like trust issues, resistance to change, and inconsistent user experiences further hinder widespread usage. This study seeks to address these issues by identifying the key factors influencing e-wallet adoption and usage in the district, exploring consumer preferences, and examining the barriers that limit their acceptance. Understanding these aspects is crucial for enhancing the adoption of e-wallets and promoting a seamless transition to digital payment systems.

## OBJECTIVES

- To study the demographic profile (Age, Gender, Education Level, Income level) of consumers using e-wallets in Ramanathapuram District.
- To find the key factors influencing consumer adoption of e-wallets in Ramanathapuram district.

- To analyse the consumer preferences for different e-wallet services and features.
- To study the challenges faced by consumers in using e-wallets in Ramanathapuram District.

### SCOPE OF THE STUDY

The scope of this study is centered on understanding the consumer factors influencing the adoption and usage of e-wallets in Ramanathapuram District. It examines various demographic groups, including students, professionals, and homemakers, to identify the key drivers and challenges associated with e-wallet usage in this region. The study focuses on factors such as ease of use, security, convenience, and promotional benefits while also addressing barriers like trust issues and lack of awareness. By providing insights into consumer preferences and behavior, this study aims to assist e-wallet service providers in improving their offerings and help policymakers promote digital payment systems effectively in Ramanathapuram District.

### RESEARCH METHODOLOGY

Data for the study have been collected from primary and secondary. The survey was done to pool the primary data with the help of well-designed questionnaire. The detailed questionnaire was prepared to elicit information on various aspects required for the study. The secondary data was also extensively used to fortify the result in the study. It was gathered from the published books, journals, dailies, research publication and internet.

#### TOOLS FOR ANALYSIS

- Weighted Arithmetic Mean
- Correlation coefficient

### REVIEW OF LITERATURE.

**(Ramli and Hamzah, 2021)** An e-wallet is a virtual wallet that allows customers to preload a set amount to their accounts registered with the e-wallet's service providers and spend it online and offline to pay for goods and services.

**Lew et al. (2020)** work, we adopted perceived enjoyment to measure the flow level of e-wallet customers. An e-wallet is defined as "a mobile device-based platform that facilitates cashless payments of a sales transaction—either in proximity or remotely, between consumers and merchants or service providers.

**Chawla and Joshi, 2019** Scholars have paid the most attention to e-wallet adoption for several reasons, such as the e-wallet being one of the most recognizable Fintech inventions with significant growth among users.

### FINDINGS

#### The following are the findings of the study

- ✓ Majority (60%) of the respondents belongs to the age group of 21-30 years.
- ✓ Majority (58%) of the respondent are female.
- ✓ Majority (70%) of the respondents are unmarried.
- ✓ Majority (64%) of the respondents are nuclear family.
- ✓ Majority (56%) of the respondent family size is more than 4.
- ✓ Majority (72%) of the respondents are under graduate.
- ✓ Majority (64%) of the respondents are students.
- ✓ Majority (40%) of the respondents having their monthly income below Rs.10,000.
- ✓ Majority (36%) of the respondents replied that the primary reason for using an e-wallet is cashless transactions.
- ✓ Majority (54%) of the respondents prefer using an e-wallets over cash is for easy to use.
- ✓ Majority (50%) of the respondents replied the factors influence their decision to use an e-wallets are money transfer, recharge, utility and bill payment.
- ✓ Majority (56%) of the respondents get information about e-wallets from social media.
- ✓ Majority (32%) of the respondents use e-wallets daily.
- ✓ Majority (44%) of the respondents use e-wallets 5-10 times a day.
- ✓ Majority (80%) of the respondents do purchases by using e-wallets on online shopping.
- ✓ Majority (90%) of the respondents replied that they concerned about the security of their personal and financial information while using e-wallets.
- ✓ Majority (62%) of the respondents had satisfied with the customer support provided by e-wallet companies.
- ✓ Majority (70%) of the respondents will recommend e-wallets to non-E-Wallet users.
- ✓ Majority (68%) of the respondents are partially aware regarding the functionality on e-wallet.
- ✓ Majority (98%) of the respondents use smart phones for e-wallet transactions.
- ✓ Majority (56%) of the respondents are faced issues while using E-wallets.

- ✓ Majority (80%) of the respondents faced technical glitches while using E-wallets.
- ✓ On the basis of the weighted arithmetic mean towards the satisfaction of using E- Wallets indicates that the consumer satisfaction towards customer support provided by E- Wallet companies.
- ✓ On the basis of the weighted arithmetic mean towards the satisfaction of using E- Wallets indicates that the customer recommends e-wallets to non-E-Wallet users.
- ✓ It is referred that the Correlation  $r = +0.7159$  is positive, therefore there is significant relationship with Age and Usage of E-wallets.
- ✓ It is referred that the Correlation  $r = +0.9407$  is positive, therefore there is significant relationship with Monthly Income and Frequency of using E-Wallets.

## SUGGESTIONS

We have acknowledged from the study that most of the consumers give utmost importance to their own value of perception about E-Wallets and the reduction of risk in using cashless transactions and also sometimes they find hard to use it. So, the companies should provide security of customer personal and financial information and provide customer support to fulfill their expectations. And also, the company makes their website easy in use and risk reduction activities. Must be take care.

The customers feel to improve more transaction fee to use in QR basis. The study suggests that the customer value their security and privacy to generate trust. Privacy of consumer can be improved by ensuring that no point of time the customer is asked for irrelevant personal information. Customer's attitudes always look for extra benefit. They demand for the limitation for the day is Rs.50,000 to Rs.1,00,000 as it is more convenient for them. They felt to improve time management to avoid technical issues. Most of them expect to get a scratch for each cashback. So, the company should try to offer more cashbacks in order to create excitement among non-online shoppers. Further, some kind of legal Framework should be set up in order to check online frauds. More over the complaints related to e-wallets should be heard by setting up somebody.

## CONCLUSION

There exists a significant difference between the independent variables (Age, Gender, Monthly Income, Occupation and, Education) and factors that influence the adoption of e-wallets. It is seen that the older generation does not find e-wallets safe as compared to the younger generation. Likewise, it is analyzed that attraction towards discounts and cashback offers varies significantly among respondents of different occupations. Majority of people influenced by discounts and cashback offers. It is analyzed that in comparison to males, females consider using e-wallets risky for internet shopping. From the study, it is understood that the majority of consumers are satisfied with this technology and will continue to use this service in the future. The main aim of this research was to decide the factors that influence the adoption of e-wallet services among the users of Ramanathapuram District. According to the findings; ease of use, secure, and usefulness factors are positively related to the intention factor that consumers will prefer to continue using e-wallets. Moreover, the risk factor is negatively related to secure and usefulness factors which lead to the adoption of e-wallets. This study highlights that Google Pay is the most usable wallet application. Therefore, from this research, it can be concluded that this new technology is getting adopted slowly.

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