



## A study on awareness and usage of e-wallet among college students (With Special Reference to Selected Colleges in Coimbatore)

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### Abstract

An E-wallet is a virtual cash wallet can be used for instant payments and other transactions through a mobile application. With the help of Smartphone one can do all the financial transactions now days. With the use of an E-wallet, it has become extremely convenient for a person to make cash less transactions. We can say it as a technology development, but it also gives a boost to business through the development of digital commerce and banking. Even though many companies have cropped up in India, offering consumers this product called 'e-wallet'. There is still a lack of awareness among the people about the concept and its utility. Young and relatively number of customers are surprisingly, more interested in E-wallets. This paper outlines the awareness level of E-wallets services among Management, Arts, and Engineering students. The study shows the awareness among the students who are using e-wallets. The study carries over the 120 respondents among college students of Coimbatore.

**Keywords:** customer awareness, e-wallet, virtual cash

### Introduction

The digital revolution continues to transform most aspects of our daily life. In particular, the digital revolution has resulted in the vertical convergence of business channel capacities. The digital revolution also continues to transform the public sector organizations and services.

A next step in the digital revolution is the transformation of the time honoured traditional physical wallet into the E-wallet.

Virtual cash or Cash less transaction is an upcoming technology that has seen a tremendous growth in the past year. Cash less payments are now becoming a popular trend in almost every field. Be it E- Commerce websites or DTH recharge. Cash less services are proving to be the future of transaction services, with minimum or no use of physical cash. It is also being considered an alternative to plastic cash.

### Statement of the problem

E-wallets are changing the tradition of making and receiving payments, doing shopping, paying bills etc. The generation has grown up in a world with technology, connected with social media networks using their smart phones and tablets. Though lot of research work has been conducted on the use of E-wallet extremely small amount of research has been done on the same with students as the respondents. This research study is a humble attempt in this direction to know the awareness and usage of E-Wallet among college students.

### Objective of study

- To study the socio-economic profile of the respondents.
- To study the awareness level of various E-wallet.
- To study the impact of demographic variables on the

future use of E-wallet.

- To know the factors influencing extensive use of E-wallet.
- To identify the problems faced by students in use of E-wallet.

### Research methodology

Research methodology is a systematically solve research problems, why the research has been undertaken, how the research problem has been defined and what data define and what data has been adopted, why particular technique of analysis for data has been used.

### Method of data collection

The data collected for this study is

- Primary data
- Secondary data

### Primary data

The primary data are those which are collected as fresh for the first time and they happen to be original in character. To analyze the study the research has adopted structured questionnaire, which contained choice to the possible.

### Secondary data

Secondary data means data are already available i.e. they refer data which have been already collected and analyzed by someone either published data or unpublished data. Secondary data for this study are collected through newspaper, journals and magazine.

### Sample Size

The sample size is 120 students selected from various colleges in Coimbatore City.

**Tools**

Data analyzing tools are Simple percentages, Chi-square test and Rank Correlation.

**Simple percentage**

Percentage means out of hundred. It is often referred by symbol “%”. It is used if there are not a hundred items. The number is then scaled so it can be compared to hundred.

$$\text{Simple Percentage} = \frac{\text{No of respondents}}{\text{Total no of respondents}} \times 100$$

**Chi – square**

A chi – square( $\chi^2$ ) statistic which is used to test the measures of expectations compare to actual observes (or) model result. The data used in calculate chi- square must be random, raw, mutually exclusive, draw from independent variable and also large enough sample.

$$\chi^2 = \sum \frac{(O_i - E_i)^2}{E_i}$$

**Limitations of the study**

- The study is limited to the college students in particular area and therefore the findings of the study cannot be extended to other areas.
- The study was aimed at understanding the influence of awareness, subjective norm, perceived security and cash crunch on the adoption of E-wallet by students.
- Convenience sampling has been used in the study and it has its own limitations.

**Review of literature**

Anjani kumar and Sai Prasad Seri (2014) [6], in their article discusses about the facts and trends of Mobile wallet and its importance to the bank. For banks, the mobile wallet presents an opportunity to increase their share of the customer’s wallet. As the number of players entering the mobile wallet fray increases by the day, the race for dominance in this space will only get more competitive. It would be a mistake for banks to look at the mobile wallet as just another alternative payment instrument. Also, banks must not go solo in their mobile wallets offerings undertaking. Collaborative partnership is the key.

Siddharth Gaurand Sonal Sapra (2015), Presented the paper Indian Mobile wallet Market in the entailing India expo. They said that, in the Indian market the competition for mobile will become more aggressive in future. Rising penetration of smart phones a long with increasing number of mobile wallet service providers in the Indian market is pushing the growth forward. If the banks do not focus on enabling excellent mobile wallet services forts customers, they will have to risk losing out to competition. On the other hand mobile operators must widen their services and influence the existing services to attract new customers and maintain their customer base.

Vidhya Ganesan and Ganesan Subramanian (2016) E-wallets (mobile money store and transfer facility) are fast emerging as a substitute for cash. Many credible players like Paytm, Oxygen, m-Rupee and Airtel Money now offer e-wallet. The Government has suggested use of e-wallets, but me re-suggestion won’t help, without the Government actively promoting it and hand-holding people in the early stage adoption. Also, since the Government is unable to offer enough cash to the public (through banks and POs), it is the Government which has to introduce this e- cash as a substitute for physical currency to willing public. Once this is done, it will mitigate the sufferings of people substantially.

Yogesh k dwivedi, kuttimani tamilmani.,(2016), This article explains about a link to digital Multi currency services, our systems have devised methods of payment from your E-Wallet to your debit card, as well as make email transfers to your checking or savings account. You can even transfer funds using your cellular-telephone in addition to these methods of fund transfers; our services also enable EFT (electronic fund transfers) and ACH (auto mated clearing house) transactions for approved customers.

Nava danwer, (2016), The big beneficiaries have been the E-Wallets and even among the E-Wallets, Paytm by its own admission is reaping rich rewards. The company on November21 said that it was doing over 7million transactions worth Rs120 chorine day. It said that it has served 45million users in the last10 days and now has over 150 million users. In a country like India these are big numbers. But then these have been two big weeks for the Indian technology companies that deal in the E-Wallet so re payments. In the subsequent days as people found them cash less and with ATM running out of hard currency, the Paytm wallets fattened. Nearly two weeks after that blog post, Paytm announced that it was processing over 7million transactions in a day, surpassing the number of credit and debit card transactions that are done in India.

Poonam Painuly and Shalu Rathi (2016), in their research Paper “Mobile wallet: An upcoming mode of business transaction “have analysed that ease of transaction, secured profile and convenience in handling application put forth the benefits of wallet money and also concluded that business sectors like banking, retail, hospitality etc., are making use of wallet money and mobile payment instruments including contact less and remote payment in the customers business and customers to customers areas.

Prof Trilok Nath Shukla in his paper “Mobile Wallet: Present and the Future” (June2016), has discussed about mobile wallet, working, types and its advantages and disadvantages. His analysis included perception of consumers and retailers about 14 mobile wallets. He concluded that mobile wallets will be used to engage with the customer by the marketers and digital businesses. Irrespective of the market status of these mobile wallets, marketers should take advantage of the emerging opportunities

**Analysis and interpretation**  
**Socio- economic profile of the respondents**

**Table 1**

S.No	Demographic	NO. Of Respondents	Percentage
1	Gender	Male	77 64 (%)
		Female	43 36 (%)
2	Age	17-20 years	11 9 (%)
		20-23 years	57 48(%)
		23-25 years	52 43(%)
3	Education qualification	Arts & science	52 43(%)
		Management	39 33(%)
		Engineering	29 24(%)
4	Living place	Hostel	33 27(%)
		Day-scholar	87 73(%)
5	Monthly income	Above 20,000	35 29(%)
		Above 40,000	68 56(%)
		Above 60,000	14 12(%)
		60,000 & Above	3 3(%)
6	Members of family	3	4 3(%)
		4	52 43(%)
		5	54 46(%)
		5 & Above	10 8(%)
7	Working members in family	1	17 14(%)
		2	75 63(%)
		3	27 22(%)
		4	1 1(%)

Source: primary data

Table 1 clearly states the demographic profile of the sample respondents. Majority of responds falls in the age group of 20-23 years Most of them are male. Majority of them are from Arts and science colleges Majority of them are Day

scholar. The monthly income of Majority of respondents above RS 40,000. There are 5& above members in the families of majority of respondents. The No of working members is 2 in case of majority of respondents.

**Rank correlation**

**Table 2**

Particular	Ranking value	Rank
Advertisement app	2.75	1
Application review	2.82	2
Charges of E-Wallet	2.90	3
Transaction speed	3.06	4
Easy accessibility	3.39	5

The above table show that advertisement in the app (mean=2.75) is ranked first as the services by E-Wallet,

application review (mean=2.82) is ranked second as the reason for services by E-Wallet, charges of E-Wallet

(mean=2.90) as the services by E-Wallet ranked third, transaction speed (mean=3.06) is ranked fourth as the services by E-Wallet, Easy accessibility ranked fifth (mean=3.39) as services by E-Wallet.

**Chi-square**

**HO:** There is significant relationship between gender and preference to use in E-Wallet in future.

**Table 3**

O	E	(O-E) <sup>2</sup>	$\frac{(O_i - E_i)^2}{E_i}$
66	65	1	0.001
36	37	1	0.002
11	12	1	0.08
07	6	1	0.16
		Total	0.27

There is significant relationship between gender and preference to use in E-Wallet in future.

Chi-square value = 0.27

Table value = 7.81

Significant level = 5%

**Result:** Calculated the  $\chi^2$  value is less than table value hence the null hypothesis is accepted. Therefore there is significant relationship between gender and preference to use in E-Wallet in future.

**H1:** There is significant relationship between monthly income and preference to use in E-Wallet in future.

**Table 4**

O	E	(O-E) <sup>2</sup>	$\frac{(O_i - E_i)^2}{E_i}$
30	29.7	0.009	3.03
56	57.8	3.24	0.05
13	11.9	1.21	0.10
3	2.55	0.20	0.07
5	5.25	0.06	0.01
12	10.2	3.24	0.31
1	2.1	1.21	0.57
0	0.45	0.20	0.44
		Total	4.58

There is significant relationship between monthly income and preference to use in E-Wallet in future.

Chi-square value = 4.58

Table value = 14.1

Significant level = 5%

**Wallet: Present and the Future** hence accepted the hypothesis. Therefore there is significant relationship between monthly income and preference to use E-Wallet in future.

**Findings**

1. Majority (64%) of respondents are male
2. Majority (48%) of respondents are 20-23 years.
3. Majority (43%) of respondents are from Arts and science colleges.
4. Majority (73%) of respondents are Day scholar.
5. Majority (56%) the monthly income of Above Rs. 40,000.
6. Majority (46%) there are 5 members in the family of major respondents.
7. The working members in family are 2 for majority (63%) of the respondents.

8. Majority (100%) of respondents are aware about the usage of E-wallets.
9. Majority (37%) of respondents use E-wallet since last one year.
10. Majority (40%) of respondents use E-wallets every weekly.
11. Majority (42%) of respondents transact between the value of Rs. 500- Rs.1000.
12. Majority (73%) of respondents use E-wallet through mobile.
13. Majority (32%) of respondents prefer payTm.
14. Majority (29%) of respondents use E-wallet for transferring money.
15. Majority (97%) of respondents are aware about E-wallet charges.
16. Majority(51%) of respondents opine that transaction speed satisfied
17. Majority (69%) of respondents opine that Charges of E-Wallets are normal.
18. Majority (57%) of respondents are advertisement in the app are highly dis satisfied
19. Majority (66%) of respondents opine that application review satisfied.
20. Majority (62%) of respondents opine that easy accessibility satisfied.
21. Majority of respondents advertisement in the app rank 1
22. Majority of respondents Google pay rank 1
23. There is significant relationship between gender and preference to use in E-Wallet in future.
24. There is significant relationship between monthly income and preference to use in E-Wallet in future.
25. Majority (8%) respondents do not prefer to use E-Wallets in the future due to limited retailers, services charges, limited access, safety and security

**Suggestion**

The following suggestion will be helpful for the mobile wallet’s services and also for the banks to promote their service among the customer.

1. Advertisement should be made in the social media net works which will capture young people to get into the usage.
2. Discount and offers should be made visible as promotional tools.
3. The more adored feature of E-Wallet is that it is a hassle free mode of making an online payment so E-Wallet is performing well in terms of privacy, transaction time, discounts, offers and customer satisfaction.

**Conclusion**

Customers are increasingly given the opinion or are being asked to provide Services for themselves through the use of Self-Service Technologies. It is Important for providers to understand the awareness level of customers particularly the youngsters since they are the target audience for every new technology. After the penetration of smart phones, service industry like banking and non-banking financial companies takes initiative to afford he Self-Service Technologies through mobile applications. This study also proves that every Respondent is having smart phone with them so it’s easy for the service Providers to capture this age group. This study has made an attempt to find out the awareness level

and usage of E-wallets among the college students in Coimbatore. Male respondents are having more awareness on various services when compared to the female. It is also, found that there is no significant relationship between gender and preference to use e-wallets in the future. The advertisement and discounts/offers should be made in the social media Networks which will capture young people to get into the usage.

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