



Perception of consumers towards the adoption and diffusion of e-wallets: An empirical study with special reference to Delhi- NCR

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Abstract

The term "e-wallet" stands for electronic wallet. It is an emerging term in the context of digital transactions or digital payments. It is becoming a new trend in online payment system. Now a days, with just one app, consumer can use all the methods of payments available to them based on where their money is kept (in mobile or card). Paytm, free charge, Mobi Kwik, ola, Uber, book my show etc. are some of the examples of e-wallets. Since the adoption of e-wallets is increasing day by day, this study will study the applicability of the variables of the Technology Acceptance Model on the adoption of mobile wallets. This study will give an insight about mobile wallets payment gateway services in the current economic environment on account of the growing need of mobile payment transactions. The study also focuses on whether e-wallets made people to spend more on food, entertainment, and travel. The study will also focus on the awareness of mobile wallets and its use and will throw light on the consumer adoption with regard to the mobile wallets using technology acceptance model.

Keywords: e-wallet, electronic wallet, digital transactions, digital payments, payment gateway

Introduction

An "e-wallet" refers to an electronic wallet. An e-wallet enables the users to save money for online transactions. A password is used to secure an e-wallet. An E-wallet is used to pay the bills for groceries, online shopping and air tickets etc. All the cards of the users are stored electronically in the e-wallet enabling them to buy things electronically, i.e. online. A number of various cards such as driving license, identification cards and other health cards that are usually kept in physical wallets can be stored in e-wallets. An e-wallet also enable people to store their cryptocurrencies. Ethereum, Litecoin, dogecoin etc. are some of the examples of the cryptocurrencies. A digital wallet is another name used for e-wallet. Therefore, e-wallet is a form of digital card which is utilised for online transactions via a desktop, laptop or smartphone and functions like a credit card or debit card. For making payments, users should link their bank accounts to their e-wallets. Paytm, amazon, Mobi Kwik etc. are some of the examples of e-wallets.

E-wallets comprise of two components: Data and Software. The term "Data" refers to sum of the information provided by the user of a digital wallet like user's name, address, credit card or debit card information etc. "Software" refers to the computer programmes which are used in ensuring that the wallet retains all of the data correctly and the data is protected by the programme which encrypts it. This component also provides data security and encryption. The information component is a record of the user's information, such as their shipping address, payment amount, name, payment method, and so on. To create an e-wallet account, the user must first of all fill the required information by downloading the software to his or her device and then input his password to start an E-wallet.

Objectives of the study

- To study the problems faced by the consumers in the adoption of mobile wallets.
- To examine the reasons and barriers for E-wallet adoption among various consumers
- To determine the E-wallets users prefer the most.
- To determine the level of awareness of e-wallets among consumers.

Literature Review

S. Manikandan and J. Mary Jayakodi (2017) ^[9] mentioned the beliefs and mindset of human beings in the direction of adoption of m-wallets. It has been analyzed that the cellular phones are turning into superior daily which in turn main to greater handy online transactions leading to extra convenient online transactions and utilization of extra m-wallets for payment decisions with the growing development in Technology.

S. Md. Shakir Ali, MD and S. K. Saifuddin (2017) This paper focuses on the challenges and possibilities for electronic payment system in the rural areas. The principal intention of this paper is to investigate the issues confronted via way of human beings in rural regions referring to the digital payments. It's been analysed through the paper that a lot of development is taking place for enhancing the virtual transactions within the rural segment.

Madhu Chauhan and Isha Shingari (2017) ^[7] This paper focuses on the emergence and function of cellular wallets. It's been concluded that more youthful era paperwork the important part of the customers of cellular wallets in today's era and are contributing a predominant percentage in making India digital.

Bhabani Shankar Gupta (2017) ^[3] This study targets at expertise the regulations and motives whilst the use of e-wallets. It has been concluded through this paper that the

mobile phones as well as internet service contribute a major role in the effective implementation of e-wallets.

Varsha, and M. Thulasiram (2016) [8] reports the degree to which humans are aware and has acknowledged the m-wallet services. It analyses the elements which effect the consumer purchase of e-wallets. The paper specializes in the quantity to which this innovation is fairly appropriate through clients and research in element why it's far being favoured provider providers.

Hem Shweta Rathore (2016) [4] This study focused on that the cellular phones have elevated the degree of acceptance of e- wallets. It is because of automation humans are becoming close to applications and are able to smoothly accept the new techniques.

Kunal Taheam and Rahul Sharma (2016) [6] this paper underlines that there are various elements which are answerable for driving the acceptance of electronic wallets. The paper figures out the elements which gave boost to the rise in the market share of e- wallets.

Roopali Batra and Neha Kalra (2016) It determines the hurdles and threats in the acceptance of e-wallets. It probes how e-payments are an emerging approach. It explores the acceptance figures of e- wallets by the respondents.

Evolution of e-wallets

Coca-Cola initiated SMS vending machines in Helsinki in 1997, allowing customers to shop a can through the use of text messages. This is said to be the most important aspect of internet transactions. The mobile phones were soon being used to buy movie tickets, plane tickets, hotel reservations, and food orders. By the year 2003, about 95 million mobile phone users had made purchases using their cell phones. During 2011, Google became the only large firm to launch an m-wallet. Apple debuted Passbook in 2012, following the Apple Pay two years later.

Types of E-Wallets

In India, there are three types of mobile wallets:

- a. open wallet
- b. semi-closed wallet
- c. closed wallet.

a. Open wallets

Only banks are allowed to issue these types of wallets. It enables a user to avail various services and facilities like purchasing various products and services, withdrawing cash from ATMs and transferring funds. For instance, practically every Visa card, Master Card, or Rupay card issued by various banks in India. These are the most practical and adaptable wallets.

b. Semi-closed wallets

It entails a special agreement with the issuer to accept the payment instrument, and it allows for the purchase of goods and services as well as the performance of financial services at clearly specified merchant locations. These instruments do not allow the bearer to withdraw cash or redeem them. Paytm is an example of semi-closed wallet. Other players in this category include Mobi Kwik, Airtel money etc.

c. Closed Wallets

These are accounts that a company issues to a customer for the exclusive purpose of purchasing goods and service s from that firm. A fixed amount of money is held in trust

with the company in the event of an or der cancellation or return, as well as gift cards. For instance, Free Charge credit, Ola money and many more.

Advantages of e-wallets

- a. It provides consumers with increased efficiencies.
- b. It offers access to several kinds of cards.
- c. It provides greater security.
- d. It may be used at most retailers and online stores.
- e. It calls for customers to authorize each transaction.

Disadvantages of e- wallets

- a. It isn't always absolutely to be had worldwide.
- b. It nevertheless calls for you to hold something.
- c. It does not caste off protection risks.
- d. It should inspire reckless spending.
- e. It may also rate you extra to method payments.

Research methodology

Research methodology is a systematic way of solve the research problem. It may be described as a science of studying how research is done scientifically. It describes the various steps and procedure adopted by a researcher in solving his research problem.

The data used in this paper are of secondary nature collected from the various published resources. The data used in this paper are gathered from multiple financial websites, articles, national and international journals, books and research papers which are based on the increasing awareness and adoption of mobile wallets and e- wallets.

Data analysis and interpretation

Table 1: Which E wallet do you use more for your transaction?

| S. No | Digital wallet | No. of respondents | Percentage (%) |
|-------|----------------|--------------------|----------------|
| 1 | Amazon | 12 | 12 |
| 2 | Phone Pay | 34 | 34 |
| 3 | Google Pay | 30 | 30 |
| 4 | Paytm | 24 | 24 |
| 5 | Total | 100 | 100 |

Source Paper- Digital Wallet Scenario in India: A Study on Customers Satisfaction

The above table shows “the type of e wallet users prefers most”. The majority of 34% are using Phone pay, remaining 12% are using Amazon Pay, 30% are using Google pay, and 24% are using Paytm for transferring their money via e wallet.

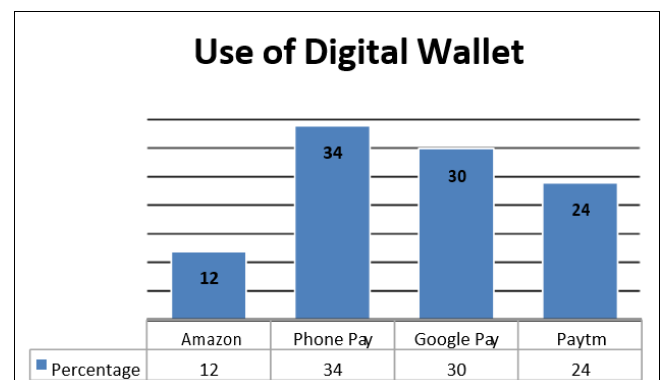


Fig 1: Use of E-Wallet

Table 2: Do you face payment transaction failure?

| S.No | Transaction failure | No. of respondents | Percentage (%) |
|------|---------------------|--------------------|----------------|
| 1 | Once | 34 | 34 |
| 2 | Never | 12 | 12 |
| 3 | Less than 5 times | 30 | 30 |
| 4 | More than 5 times | 24 | 24 |
| 5 | Total | 100 | 100 |

Source Paper- Digital Wallet Scenario in India: A Study on Customers Satisfaction

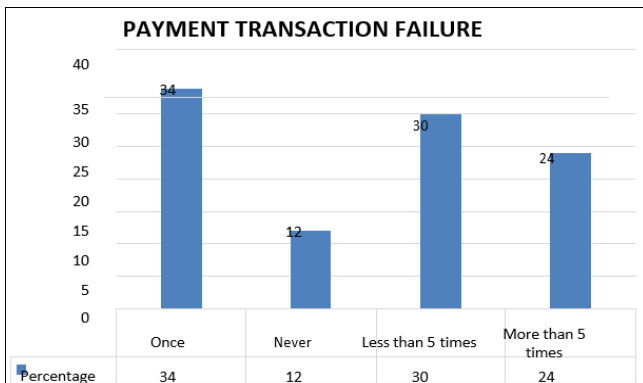


Fig 2: Payment Transaction Failure

The above table shows that “failure in payment transaction” is one of the challenge or problem faced by the users in using e wallets. The majority 34% faced problem in transaction once a time, 12% never faced a problem while doing any transaction, 30% faced for less than 5 times, and 24% faced for more than 5 times.

Table 3: What are the purposes of using Digital wallet?

| S. No | Purpose of using Digital wallet | No. of respondents | Percentage (%) |
|-------|---------------------------------|--------------------|----------------|
| 1 | Money Transfer | 10 | 10 |
| 2 | Recharge | 24 | 24 |
| 3 | Utility and bill payment | 32 | 32 |
| 4 | Shopping | 34 | 34 |
| 5 | Total | 100 | 100 |

Source Paper- Digital Wallet Scenario in India: A Study on Customers Satisfaction

The above table shows “The purpose of using Digital wallet”. The majority 34% of the users are using e wallet for the shopping purpose, 10% for transfer of funds, 24% for the purpose of recharging DTH, phones and 32% are using digital payment to clear their bills of payments.

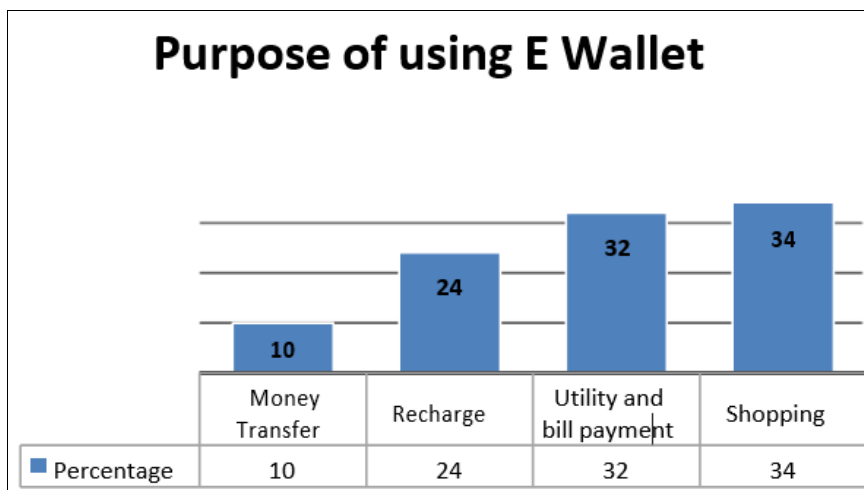


Fig 3: Purpose of Using E Wallet

Conclusion

On the basis of above study, it can be concluded that the use and adoption of e-wallets is increasing day to day not only among consumers but various countries are also adopting e-wallets in their financial system as a method of digital payments. E-wallet is a young concept that has taken on consumer psyche rapidly. With the growth of e wallets, digital transactions are alarmingly increasing and consumers are provided greater convenience. Consumers can buy goods and services with more convenience and payments are made hassle free. The administration division organizations like Uber, Ola, book my show, etc. additionally lean towards E-wallet. This study also found that e-wallets made people to spend more on food, entertainment, and travel while not much change was noted in spending on education or healthcare. Several countries have adopted e wallets on a large scale. Post

Demonetization resulted in sudden surge in the customer base of e wallet companies. In the current scenario, it is easy for individual to download an e wallet app to make their e-payments conveniently. Since the transactions are done through mobile, it is preferred by most of the people for their online and offline cash transactions. It is gaining the attention due to its unique advantageous features.

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