



Mobile Payments: Perceptions and Future Usage Intentions of Youth in Yamunanagar

Mona Saini¹, Dr. Manoj Kumar²

¹ Research Scholar, Department of commerce, Desh Bhagat University, Mandi Gobindgarh, Punjab, India

² Assistant Professor, Department of commerce, Desh Bhagat University, Mandi Gobindgarh, Punjab, India

Abstract

Mobile payment facilities are a panacea for achieving the goal of digitalizing India. India actively encourages people to use digital payment technology by inventing various schemes such as Digital India, Make in India, and Startup India. They are introducing multiple digital payment tools such as UPI, Debit Card, IMPS, BHIM App, USSD and Aadhaar Pay. This research paper an empirical which is based on primary data. The research design of the study is descriptive. This study focused on the expansion of digital payments in India and examine youth perception, future intention, security of transaction, and ease of use regarding the usage of mobile payments among youth in Yamunanagar. ANOVA and t-tests are used to finding out the conclusion based on the primary data. The digital payment sector continues to demonstrate vigorous growth, particularly in E-Commerce, highlighting a broader increasing trend to adoption of digital payment categories.

Keywords: Mobile payment, BHIM, UPI, IMPS, Digital India, and financial inclusion.

Introduction

Mobile payment applications are a panacea for achieving the goal of digitalizing India. India is a leading market for mobile users, With an enormous proportion of mobile subscribers. In 2020, there will be 748.32 million mobile phone subscribers, or 53.59% of the population. Additionally, as of 2022, the total number of Internet users has reached 840 million, representing 60% of the overall population. The rise in digital transactions in India corresponds to a growing number of people using smartphones and mobile phones.

The Indian government actively promotes the adoption of digital payment technologies through various initiatives such as Digital India, Startup India, and Make in India. These programs were designed to encourage citizens to embrace electronic payment methods. They launch digital payment platforms such as UPI, Debit Card, USSD, IMPS, BHIM App, and Aadhaar Pay.

Mobile payments, also known as mobile banking, mobile money, or mobile wallets, are a convenient and innovative payment method that allows users to use their smartphones or other mobile devices to conduct financial transactions. This technology is changing how individuals manage their financial affairs by leveraging the strength of digital platforms and mobile networks to enable secure, instant, and contactless transactions. The mobile payment ecosystem includes hardware, software and financial institutions. However, this was not a single system.

Mobile wallet users can connect various payment methods including bank accounts and credit cards to their digital wallets. This integration enables them to perform a range of financial activities such as transferring funds, making purchases, settling bills, and exchanging money with friends and relatives.

Mobile payments have grown in popularity in recent years, for several reasons. First, it offers extraordinary convenience by allowing users to transfer money or make purchases whenever and wherever they want, thus obviating the need for real currency or credit cards. Second, mobile payments enable people to join the digital economy by encouraging financial inclusion, which is especially important in areas with limited traditional banking services. In addition, new security measures and encryption processes ensure that mobile transactions are protected from unauthorized access.

Mobile payment ecosystems are expected to grow further as mobile technology advances. Further application of cutting-edge technology, such as biometric authentication and blockchain, promises to boost the efficiency and security of mobile payments, thereby increasing consumer acceptance. However, similar to any digital technology, protecting the privacy & confidentiality of users' financial data is an ongoing issue that requires to be solved and enhanced.

Peer-to-peer payment networks, such as Near Field Communication (NFC)-based contactless payment technologies, QR code-based payments, and mobile banking applications, are some of the services and applications arising from mobile payment technologies, which have paved the way for smoother financial transactions, supporting a cashless culture in many countries in the world. However, a substantial percentage of the population still uses cash for transactions, and the Indian government has worked hard to persuade individuals to switch to electronic payment methods. Offering incentives to retailers to use digital payment methods, such as tax incentives and financial assistance in purchasing point-of-sale (POS) terminals, is one of the key actions that can be taken.

Table1: shows the growth of digital payment in India (Transaction value by segment in billion USD)

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Digital Commerce	49.17	62.12	80.25	107.9	126.1	147.6	171.6	198.9	231.8	263.4
Digital Remittances	0.82	1.08	1.18	1.53	1.75	1.98	2.24	2.44	2.6	2.75
Mobile POS Payments	4.31	8.01	14.98	21.07	25.42	30.79	36.41	42.4	49.06	55.48
Total	54.29	71.21	96.41	130.5	153.3	180.4	210.2	243.8	283.4	321.7

(Source: Statista market insights April, 2023)

- **Digital Commerce:** The highest percentage increase was observed from 2021 to 2022, with an increase of 16.2 units.
- **Digital remittances:** Similar to Digital Commerce, Digital Remittances exhibit a general upward trend. The values showed a steady increase, with a slight decrease in the growth rate from 2026 to 2027.
- **Mobile POS payments:** The values for Mobile POS Payments also show a consistent increase. The highest increase of 6.09 units is observed from 2020 to 2021.

In conclusion, a consistently positive trend was observed across all categories, indicating strong growth in digital transactions.

Review of literature

Users' trust, social factors, and intention to use affect their attitudes and intentions. The behavior of mobile payment users positively influences GR and choice to use (Khan, S. at. al., 2023) ^[5]. Perceived ease of use, trust, facilitating conditions, perceived risk, perceived usefulness, social influence, convenience of use, perceived cost, consumer satisfaction, relative advantages, and performance expectancy. (Nguyen, Duong Nguyen, & Hang Le 2023) ^[10]. Although respondents know about the selected modes of digital payment, they do not know their functioning (Gupta & Asha, 2020) ^[3]. The awareness level was moderate for the selected e-wallet (Google Pay, Paytm, Phone Pe, SBI YONO, etc.), and its users were more concerned about cyber security (Shobha, 2021) ^[11]. The most significant correlations between the desire to utilize e-wallets and price value, hedonic motivation, enabling factors, and social impact accounted for nearly all unique variance. However, the three weakest antecedents still explain a sizable portion of the variance (Bommer *et al.*, 2022) ^[1]. Facilitating conditions, hedonic motivation, innovation, compatibility, observability, and relative advantages significantly impact consumers' intention to use mobile payments (Lin, Lin, & Ding, 2020) ^[6]. They used structural modelling equations and multi-group analysis. An empirical study found that UTAUT2 Innovation resistance theory (IRT) has a weak innovative power on BI (Migliore, Wagner, Cechella, & Liébana-Cabanillas, 2022) ^[9]. (Cham, T.H. and at. al. 2022) ^[2], said that psychological, functional, and risk, create hurdles for senior citizens to use mobile payment facilities. They further found a significant correlation between resistance and non-adoption intention of the elderly. However, the researchers did not examine other age groups. (Simorangkir and Afgani, 2021) ^[12] identified five factors: effort expectancy, performance expectancy, perceived security, trust, and social influence. However, perceived security is a variable that affects the usage behavior of most users.

Research Gap

(Cham, and at. al. 2022) ^[2], investigated the impact of psychological, functional, and risk barriers that create hurdles for elders (60 years or more than 60 age group) on the use of mobile payment services. (Gupta, K. P., Manrai,

R., & Goel, U. 2019) ^[4], study the factors affecting the adoption of payment bank services by India's underbanked and unbanked population. Various studies have been conducted on mobile payments. Previous literature has uncovered the perception and future intentions of youth regarding the use of mobile payment.

Research Problem

The youth are an essential and vital segment of the general population within every country. Among youth demographics, a significant majority utilized Android phones. However, despite the widespread use of smartphones, a noteworthy portion is yet to embrace mobile payment services. Therefore, the main objective of the present study is to investigate how young people perceive mobile payment systems.

Objective of the study

The aims of this study were as follows:

- To analyse the expansion of digital payments in India.
- To explore young people's perceptions, ease of use, and transaction security when using mobile payment services.
- To explore the future intent of mobile payment usage among youth in Yamunanagar.

Hypothesis

1. **H_{1a}**: The demographic variables (Gender, Age, Income) have a significant impact on the perception of youth towards usage of mobile payment.
2. **H_{1b}**: The demographic variables (Gender, Age, Income) have a significant impact on the future intentions of youth towards the usage of mobile payment.
3. **H_{1c}**: The demographic variables (Gender, Age, Income) have a significant impact on the security issue of youth towards usage of mobile payment.
4. **H_{1d}**: The demographic variables (Gender, Age, Income) have a significant impact on youth's ease of use towards usage of mobile payment.

Research methodology

1. **Research design:** A descriptive and analytical research design was used in this study to describe the phenomenon and examine the facts.
2. **Sample size:** To analyze the perception and future intentions of using mobile payments, 120 responses were collected, out of which 114 responses were used for analysis.
3. **Sampling technique:** To collect the primary data, convenience (non-probability) sampling technique was used.
4. **Data collection:** This study used both primary and secondary data. Secondary data were taken from national and international magazines, reports, and newspapers. Primary data was gathered from 114 Yamunanagar respondents during January, 2025.
5. **Data analysis technique:** The t-test and one-way ANOVA were used to analyze the primary data.

Analysis of the data

Table 2: Displayed the findings of the independent t-test based on gender

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	T	Df	Sig. (2-tailed)	95% Confidence Interval of the Difference	
							Lower	Upper
Ease of use	Equal variances assumed	1.42	.236	-1.35	112	.180	-.556	.106
	Equal variances not assumed			-1.35	108.25	.179	-.555	.105
Security	Equal variances assumed	.140	.709	-.92	112	.359	-.394	.144
	Equal variances not assumed			-.92	109.97	.358	-.394	.143
Satisfaction	Equal variances assumed	1.64	.203	-.55	112	.584	-.200	.113
	Equal variances not assumed			-.55	108.82	.585	-.201	.114
Perception	Equal variances assumed	.12	.725	-1.89	112	.061	-.398	.009
	Equal variances not assumed			-1.89	111.72	.060	-.398	.009

(Source: Primary data Jan., 2025)

1. Ease of Use

The p-value for the t-test was 0.180, above the threshold of 0.05, indicating no statistically significant difference in ease of use between genders.

2. Security

The t-test p-value of 0.359 shows no significant difference between genders in terms of perceived security.

3. Satisfaction

A p-value of 0.584 indicates no significant difference in

satisfaction scores based on gender.

4. Perception

The p-value is 0.061, which is slightly above the threshold of 0.05, suggesting a marginal (but not statistically significant) difference in perception based on gender.

Thus, none of the variables (Ease of Use, Security, Satisfaction, or Perception) showed a statistically significant difference based on gender, as all p-values were greater than 0.05.

Table 3: Displayed the findings of the ANOVA based on income

		Sum of Squares	Df	Mean Square	F	Sig.
Ease of use	Between Groups	.335	2	.168	.206	.814
	Within Groups	90.25	111	.813		
	Total	90.58	113			
Security	Between Groups	.451	2	.225	.424	.655
	Within Groups	58.96	111	.531		
	Total	59.41	113			
Satisfaction	Between Groups	.711	2	.356	2.039	.135
	Within Groups	19.34	111	.174		
	Total	20.07	113			
Future Intension	Between Groups	1.185	2	.592	1.956	.146
	Within Groups	33.62	111	.303		
	Total	34.80	113			

(Source: Primary data, Jan.,2025)

None of the four variables (Ease of Use, Security, Satisfaction, and Future Intension) showed a significant relationship with income in this analysis. All p-values are

above 0.05, indicating that income does not have a measurable effect on these parameters in this context.

Table 4: Displayed the findings of the ANOVA based on educational qualification

		Sum of Squares	Df	Mean Square	F	Sig.
Ease of use	Between Groups	.299	2	.150	.184	.832
	Within Groups	90.284	111	.813		
	Total	90.583	113			
Security	Between Groups	.840	2	.420	.796	.454
	Within Groups	58.573	111	.528		
	Total	59.413	113			
Perception	Between Groups	.131	2	.066	.365	.695
	Within Groups	19.939	111	.180		
	Total	20.070	113			

Future Intension	Between Groups	.268	2	.134	.431	.651
	Within Groups	34.536	111	.311		
	Total	34.804	113			

(Source: Primary data Jan.,2025)

For all factors, the p-values are above 0.05, indicating that their level of education does not significantly impact participants' perceptions in these areas (Ease of Use, Security, Perception, or Future Intension). This implies that perceptions in these categories are relatively consistent regardless of educational qualification level.

Findings of The Study

- None of the four variables (Ease of Use, Security, Satisfaction, and Future Intension) showed a significant relationship with income in this analysis. All p-values are above 0.05, indicating that income does not have a measurable effect on these variables.
- None of the variables (Ease of Use, Security, Satisfaction, or Perception) showed a statistically significant difference based on gender, as all p-values were greater than 0.05.
- Additionally, for all factors, the p-values were above 0.05, indicating that educational qualification did not significantly impact participants' perceptions in these areas (Ease of Use, Security, Perception, or Future Intension).
- All categories—Digital Commerce, Digital Remittances, and Mobile POS Payments—show consistent growth, with Digital Commerce experiencing the highest annual increase from 2021 to 2022. Although the growth rates are slightly tapered in some areas, the overall trend reflects a robust expansion in digital transactions.

Conclusion

Mobile payment services have made remarkable progress in India, with all categories showing a consistent upward trend, indicating a robust growth in digital transactions. Despite this, government efforts to remove barriers, combined with the dynamic mobile technology environment, present mobile payment services as a revolutionary means to achieve digitalization in India. The analysis indicated that demographic factors such as income, gender, and educational qualifications do not significantly influence perceptions of ease of use, security, satisfaction, or future intentions regarding digital transactions.

Implication of The Study

- The results provide important insights for decision-makers and enterprises seeking to boost the adoption of mobile payment services in India.
- These opportunities for future studies can improve our understanding of the factors influencing mobile payments in India and guide businesses, researchers, and regulators in advancing digital financial inclusion. Policymakers and companies aiming to promote the use of mobile payment services in India may obtain valuable insights into these findings. These potential avenues for further investigation can improve our comprehension of the factors influencing mobile payments in India. This study will serve as a guide for policymakers, businesses, and educators to achieve digital financial inclusion.

Limitations of the study

- This study, focusing on youth (18-40 years), may ignore insights from other age groups.
- It may be more difficult to generalize the results to other locations with different socioeconomic or cultural characteristics, as this study focused on Yamunanagar (Haryana).

Further of scope the study

- Look at the potential impact that cutting-edge technologies such as biometric authentication and blockchain will have on mobile payments in the future.
- Determine how these technologies can increase security and user trust.

References

1. Bommer WH, Rana S, Milevoj E. A meta-analysis of eWallet adoption using the UTAUT model. *International Journal of Bank Marketing*,2022;40(4):791–819. <https://doi.org/10.1108/IJBM-06-2021-0258>.
2. Cham T-H, Cheah J-H, Cheng B-L, Lim X-J. "I Am too old for this! Barriers contributing to the non-adoption of mobile payment", *International Journal of Bank Marketing*,2022;40(05):1017-1050. <https://doi.org/10.1108/IJBM-06-2021-0283>.
3. Gupta D, Asha. A study on awareness towards digital payments among people of haryana. *International Journal of Advanced Science and Technology*, 2020;29(2):3766–3777.
4. Gupta KP, Manrai R, Goel U. Factors influencing adoption of payments banks by Indian customers: Extending UTAUT with perceived credibility. *Journal of Asia Business studies*, 2019, 1-29. <https://doi.org/10.1108/JABS-07-2017-0111>.
5. Khan S, Khan SU, Khan IU, Khan SZ, Khan RU. "Understanding consumer adoption of mobile payment in Pakistan", *Journal of Science and Technology Policy Management*, 2023. <https://doi.org/10.1108/JSTPM-07-2021-0110>.
6. Lin WR, Lin CY, Ding YH. Factors affecting the behavioral intention to, 2020.
7. adopt mobile payment: An empirical study in Taiwan. *Mathematics*,8(10):1–19. <https://doi.org/10.3390/math8101851>.
8. Lwoga ET, Lwoga NB. User acceptance of mobile payment: The effects of user-centric security, system characteristics and gender. *Electronic Journal of Information Systems in Developing Countries*,2017;81(1):1–24. <https://doi.org/10.1002/j.1681-4835.2017>.
9. Migliore G, Wagner R, Cechella FS, Liébana-Cabanillas F. Antecedents to the Adoption of Mobile Payment in China and Italy: An Integration of UTAUT2 and Innovation Resistance Theory. *Information Systems Frontiers*, 2022;24(6):2099–2122. <https://doi.org/10.1007/s10796-021-10237-2>.
10. Nguyen XH, Duong Nguyen H, Hang Le BT. Factors Affecting Mobile Payment Adoption: A Systematic

- Literature Review and Some Future Research Directions. *International Journal of Research and Review*, 2023:10(4):385–398. <https://doi.org/10.52403/ijrr.20230447>.
11. Shobha B. a Study on Awareness and Preferences to Use M-Wallet in Rural Area. *Journal of Emerging Technologies and Innovative Research (JETIR) Www.Jetir. Org*, 2021:8(04):358–362. <https://www.researchgate.net/profile/Shobha-Bg/publication/350788369>.
 12. Simorangkir ZZ, Afgani KF. the Analysis on Factors Influencing the Use of Mobile Payment System Among Generation Z in Bekasi City. *Advanced International Journal of Business, Entrepreneurship and SMEs*, 2021:3(9):334–348. <https://doi.org/10.35631/aijbes.39022>
 13. Y Chen L, Wu WN. An Exploration of the Factors Affecting User's Satisfaction with Mobile Payments. *International Journal of Computer Science and Information Technology*, 2017:9(3):97–105. <https://doi.org/10.5121/ijcsit.2017.9308>.
 14. <https://www.nic.in/blogs/digital-payments-driving-the-growth-of-digital-economy/#:~:text=The%20government%20has%20also%20launched,to%20citizens%20in%20rural%20areas>.