

Impact of Digital Wallets and UPI Payments on Youths at Mysore City

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Abstract:

Our pockets have been supplanted with Smartphone's instead of money. You no longer need to fret if you forget your purse or wallet because you have a digital wallet that allows you to access your bank account in a way that is more secure and safe than using actual cash. The best method to conduct financial transactions gracefully and improve the quality of services for digital users is to use financial technology. The purpose of the research is to comprehend how young people in Mysore City perceive using digital payments. Since most young people and college-bound students are still reliant on their parents, it is common to see them with very little pocket money. As a result, they frequently have little understanding of money matters and are unable to save or budget efficiently in their day to day life. Additionally, when they want to spend cash, they typically use digital payment methods like PhonePe, Google Pay, Paytm and BHIM. Hence this research aims to analyze the driving forces behind choosing UPI over other payment methods and to investigate how safe and secure people feel when using UPI and digital wallets. The simplicity of use is one of the primary advantages of digital payments and UPI for young people. These payment options can be easily accessed through smart phone's and do not require users to have a bank account or credit card. These payment options can be easily accessed through a smartphone or other internet-connected device and do not require users to have a bank account or credit card. They are now especially helpful for young people who might not have the required paperwork to start one due to this. So this study helps to understand the Impact of Digital payments on Youth's and they by attain measurable information across platforms currently being used in this modern era.

Keywords: Fintech, Digital payments, UPI, Future growth, Digital Wallets, Mobile applications, Youth Perception.

1. INTRODUCTION:

Youths are the backbone of our country where they are future faces of development and a country's development is on the shoulders of young and energetic generations like youth. It's very important to study 'Impact of Digital Wallets and UPI Payments on Youths' at Mysore city'. Technology is heading towards a big bang it is a responsibility of each and every individual to take it in a positive way. But sometimes it's the duty of a person to make decisions according to his financial status, the perceptions of digital payments or UPI payments users are going to directly impact the transactions. In the last 20 years, India has advanced to the point where it can compete favorably with the greatest nations in terms of GDP, Growth, Finance, Electronics, and Technology. According to a recent World Bank study, India is developing at a rate that is ten times that of China. Massive benefits are provided by

digital payments, or UPI payments, in relation to paying bills, using net banking, paying taxes, and carrying out other hassle-free activities. Fintech innovations and technical advancements have accelerated their ascent to the moon through use and adaptability.

There are many studies that have made and observed that Digital wallets are going to be a platform where any person can easily use it with the minimum knowledge of smart phones. It becomes a platform for storing digital transactions and making transactions simpler and more convenient. It focuses on fulfilling the needs of modern businesses. It helps to reduce complexity in day to day financial transactions. A single mobile device gives enormous applications to the end-users. It is a platform to pay government taxes, bills, recharge and fees online. We can feel proud of the fact that India is one of the fastest digitizing nations in the world driven by an exploration of mobile connectivity. This Survey helps to understand youths' preference toward mobile transactions and Digital payments using UPI transactions.

The simplicity of use is one of the primary advantages of digital payments and UPI for young people. These payment options can be readily accessed through a Smartphone or other internet-connected device and do not require users to have a bank account or credit card. They are now especially helpful for young people who might not have traditional financial accounts or who might lack the required paperwork to start one. Consumer spending must be a major item in a family budget. Users can easily monitor what, where, and how frequently they spend money by integrating digital wallets into software and mobile applications. Electronic receipts can also be given to customers to help them better monitor their spending, reduce paper waste, and cut costs for merchants.

2. REVIEW OF LITERATURE:

(Sumathy & Vipin, 2017) Digital payment systems: Perception and concerns among urban consumers. They have examined that Digital India the initiation taken by government of India with a great vision to transform India in a digital manner, by using and adopting the various financial technological aspects like UPI payments, Google payments, Bharath pay various mobile wallets to join hands together to bring up the Digitalization in today's world. The study focuses on determining the factors of safety, perception and the attitude, awareness level towards digital payments. They have used the descriptive methodology to study the response.

(Mishra & Swain, 2018) In their Research paper 'Mobile Payment System by Merchants in an Indian Context: a Study on Kolkata City.' This study focuses on the adoption of mobile payment systems by merchants and studied the nature and scope of mobile payments systems. How do they adopt the system and is it beneficial? To implement Digital payments in this business world. He found that major factors affected merchants while adopting Mobile payment systems and the level of awareness about mobile payments systems. He concluded that 90% of merchants adopted the Paytm app as their Mobile payment system because merchants consider security as the most important factor for adoption of mobile payment, as for them secured transactions and privacy are very important concerns.

Mrs. J Salomi Backia Jothi, et.al., (2019). Impact of Payment methods among youth and its Pros and Cons, In their paper he tries to exhibit that A single mobile device gives enormous applications to the end-users. The aim of this study was to analyze the factors motivating the use of UPI and Digital payments over other modes of payment and also to study the purpose for which UPI has been used by Youth. This study also gives an awareness about the security factors of UPI payments and Digital

wallets. There are various modes of data collection that proves that youth are the group of people who are attached with the usage of digital payments.

(Shilpa D. and Dr. Veena K.P.2020) Customers Perception towards Mobile Wallets Services: A Study with Special Reference to Mysore City. In their research they have focused on the younger generation and business class respondents who are more used to Online UPI payments are Paytm and GooglePay services. The customers were satisfied with usage because all these applications are User friendly and Hassle-free, they can easily use those apps to book train tickets, payment of bills etc. Hence it shows that users were happy and satisfied by using UPI payments .The major concern and scope for OTP and security issues to be addressed in case of sharing one time password and having confidential information with customers. Therefore UPI payments and Digital wallets have seen huge growth in the FinTech sector.

(Ranjith et al., 2021) A Literature Study Of Consumer Perception Towards Digital Payment Mode In India This study aims to identify the thoughts of consumers with respect to online payments and about their safety and consumer perception towards credit card payments, has lesser than other modes of Digital payments. This paper is an attempt to study the perception about online payments and gain insights into the various challenges in this.

3. STATEMENT OF THE PROBLEM:

In this paper, we attempt to clarify the major issues that customers encounter when using UPIs or other digital payment apps .To enhance the influence of digital payment apps on youth. How frequently will youth use UPI for their expenses, and what motivates them to do so ! The impact factor is that they are facing security issues while doing transactions through digital wallets and UPI payments.

4. OBJECTIVES OF THE STUDY :

1. To understand the User's perception with respect to digital payments and safety of these transactions.
2. To study the perception level towards safety on digital payments.
3. To analyze the factors motivating use of UPI over other modes of payment.
4. To study the purpose for which UPI has been used by Youth.

Research Hypotheses:

H1: There is no significance difference between perceptions of users to safety of transactions

H2: There is a significant relationship between payment driving factors and different modes of Digital payments.

5. RESEARCH METHODOLOGY :

The study has been based on the current research is based on direct feedback gathered from 60 respondents across different areas in Mysore. To gather data from the respondents the questionnaire was intended to study, a well-structured questionnaire was created & issued to the respondents nearly 60 people given their responses according to the usage and adaptability and Impact of Digital payments on them. This research is based on the Descriptive Research method, For this research, Primary as well as secondary data has been used. In this study we have collected the data through Survey and Questionnaire methods. The sample size of research includes 60 respondents.

5.1 Data Analysis and Interpretation :

Demographic profile of the respondents

Table 1 gives a clear picture of the demographic profile of the Digital wallet and UPI payment users in Mysore city. Overall there were around 59 consumers out of which 54 respondents belong to the female category and 5 respondents belong to male category. In terms of age distribution, the majority of responders 57 fall within the 15-25 age range. respectively up to 29 years. Further educational background of respondents majority numbering to graduates and +2 (PUC) , Furthermore majority of the respondents Students and Youths hence the monthly income of them was below 2000, the awareness and impact of digital wallets and UPI payments among the respondents were 57 out of 59 so it can be considered as 90% of the respondents are aware of the digital wallets.

Table 1 - Demographic profile of the respondents

Personal Information	Classification	Frequency	Personal Factors	Classification	Frequency
Gender	Male	5	Occupation	Students	57
	Female	54		Private employees	2
Age pattern	15-24	57	Monthly income	Below 2000	56
	25-29	2		3000-4000	2
Educational background	Below Metric	5		4000-5000	1
	Graduation	52	Awareness about Digital wallets	Full	57
	Post graduation	2		Partial	2

Table - 2 Difference categories of Digital wallets and UPI payments

Digital payments	Percentage	Number of members usage	Rank
Phone pe	44.1 %	26	I
Google pay	37.3 %	22	II
PayTm	6.8 %	4	IV
others	8.5 %	5	III
Cred	2.4 %	2	V

Table 2 exhibits A wide range of people using Phone Pe over all various digital payments by percentage of 44.1% numbering 26 out of 59 respondents hence it can be ranked as I. Further Google pay has got the II rank with the 37.3% users and 22 members out of 59 respondents. We can see most of the respondents are using Phone pe among all other applications.

Table - 3 Problems encountered by the respondents while using Digital wallets and UPI payments

Problems	Percentage	Number of people encountered the problem
Network issues / Technical glitches	28.8 %	17
Lack of trust in the security of digital payments	27.1 %	16
Other Reason	27.1 %	16
Limited availability of digital payment options	15.3 %	9
Difficulty in understanding how to use digital payments	1.7%	1

Table 3 Exhibits the major problems faced by the respondents while using Digital wallets and UPI payments. Due to network / Technical glitches was the major issue which is encountered by 17 members out of 59 respondents, further Lack of trust and Security issues in Digital payments 16 members out of 59 respondents.

6. CONCLUSIONS:

In this study we have tried to understand the factors which will impact the consumers to use Digital payments and UPI wallets in Mysore city. The study has come to a conclusion saying that More than 68% of payments have been done via digital payments and the users felt happy to use the technological advancement. Through a questionnaire we did a survey on youths of Mysore city considering the availability of data like college going students, Part time employees, working people and households. At present in the Digital payments sector India is hoping more than 40 million among the 2 lakh retailers and Individual users have successfully adopted the Digital payments system. As experts said that the consumption and usage of digital payments will skyrocket by 2030 and nearly 780 billion transactions will take place, I mean this is mammoth development in Fintech. Further studies can be conducted and There is also huge scope in doing the research in Departmental wise students, working youths. The usage of digital payments may differ from one region to another; hence the same kind of study can be undertaken in various parts of India to understand the overall, Impact and Digital awareness among the people. The digital economy, which includes digital infrastructure, e-commerce, and other digital payments and services, has the potential to be the country's biggest growth driver, contributing up to 25% of incremental GDP by the time India reaches a USD 7-trillion economy in FY29.

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