



The Study on Perception of Youngsters towards Mobile Payments in Financial Services

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ABSTRACT

The global population is increasingly mobile, and people expect to be able to access services from anywhere at any time. Paytm, one of India's largest mobile commerce platforms, has recognized this trend and has developed a secure online wallet called Paytm Cash to meet this need. Paytm began by offering mobile recharge and utility bill payments, but has since expanded to offer a full marketplace to consumers through its mobile apps, including a shopping platform integrated with its mobile wallet recharge app. Paytm is rapidly expanding its presence in the Indian e-commerce market and has already amassed over 25 million registered users, with projections to double that number by the end of the year. However, Paytm faces significant challenges from banks and e-tailers such as Flipkart and Snapdeal, who are also introducing their own mobile wallets. To maintain its competitive edge and ensure its continued growth, Paytm is actively developing effective marketing strategies and expanding its operational capabilities.

KEYWORDS: Paytm wallet, Banking Apps, M-wallet, E-commerce, online payments.

Introduction

A digital wallet is a virtual wallet service accessible through a downloadable application. It securely stores encoded bank account or debit/credit card information, enabling safe payments. Users can add funds to their mobile wallets and utilize them for payments and purchases, eliminating the need for physical cards and memorizing CVVs or PINs. Prominent mobile wallet applications in the market include Paytm, Mobikwik, and Freecharge. These wallets offer diverse services, such as sending and receiving money, making merchant payments, and facilitating online purchases.

Paytm is India's largest mobile payments and commerce platform. It allows you to pay bills and make online transactions. It started off as a prepaid mobile and DTH recharge platform, and later added data card, postpaid mobile and landline bill payments in 2013.

January 2014, the company had launched the Paytm wallet, which the Indian Railway and Uber added as a payment option. It launched into e-commerce with online bus ticketing.

In 2015, it unveiled more use-cases like education fees, metro recharges, electricity, gas, and water bill payments.

In 2016, Paytm launched movies, events and amusement parks ticketing as well as flight ticket bookings and Paytm QR. Later that year, it launched rail booking and gift cards.

In 2017, Paytm became India's first payment app to cross over 100 million app downloads. The same year, it launched Paytm Gold, a product that allowed users to buy as little as RS. 1 of pure gold online. It also launched Paytm Payments Bank and an 'Inbox', a messaging platform with in-chat payments among other products.

In 2018, it started allowing merchants to accept Paytm, UPI and card payments directly into their bank accounts at 0% charge. It also launched the Paytm for Business' app which is now called Business with Paytm APP. The company launched two new wealth management products-Paytm Gold Savings plan and Gold Gifting to simplify long-term savings.

In March 2018, Paytm Money was setup with an investment for rs.9 crore to bring investment and wealth management products for Indians.

In March 2019, Paytm launched a subscription-based loyalty program called Paytm First.

In May 2019 Paytm partnered with Citibank to launch Paytm First credit card.

In July 2020, Tata Starbucks partnered with Paytm allowing its customers to ordered food online during a coronavirus (COVID-19) pandemic.

Paytm STP

- Paytm Segmentation: People with smartphones looking for cashless payment transactions.
- Paytm Target Market: Urban tier1 tier2 cities-young and middle-aged people
- Paytm Positioning: Paytm can be used as an alternate for cash to make payments for daily basic needs.

Paytm, a prominent Indian mobile payments and e-commerce company, has set its sights on expanding its global market reach. With a substantial customer base of 300 million in India, Paytm aims to significantly increase its user base worldwide.

Canada serves as the initial testing ground for Paytm's global expansion. According to Vijay Shekhar Sharma, the company's founder and CEO, Paytm Canada represents a strategic move to enter new geographical territories beyond India. While payments serve as a customer acquisition channel, Paytm's primary revenue stream stems from businesses that pay fees to accept payments through their platform.

Over the past few years, India has taken a leap to become the leading nation to drive payment adoption and technology to masses. From online-only to full 360-degree adoption of payment via mobile phones, primarily through QR codes, wallets, cards, and UPI; India now shows the way to the world how Digital Payments can become mainstream.

Paytm is the preferred payment gateway for a majority of leading and the largest online Platforms. This include IRCTC, Zomato, Oyo, Gofers, Big Basket, PVR, Club Factory, Dominos, Jio and Idea among others.

Our focus is on providing an intuitive transaction experience while offering easy integration with any existing platforms.

Literature Review :

- Dr.T.Venkatesan(2018)

In the article titled “usage of Paytm”, concludes that the usage of Paytm is only at a satisfactory level.

The customer face problems in ease of use, security issues and slow Paytm server in the usage of Paytm. Paytm can establish a separate wing with trained staff to address the issues and problems related to Paytm services.

- Zilvinas Bareisis ,(2012)

Study revealed on Banks should think twist before going down the path of launching their own brands independent wallets. For some it might make sense, but many others will likely be better off focusing on making their payment credentials available on top of wallet in the wallets already out in the market.

- S.Nazimsha and Dr.M.Rajeshwari(2018)

Study to learn the importance given to Paytm by people in their daily regular life and success of Paytm in promoting the cashless economy. The aim of this paper is to study the flexible services presented by Paytm Promoting the Digital India and to study the opinion among people in adopting Paytm as a solution to the India Demonetization, to examine the importance of Paytm in marketing India Digital.

- Ninna Mallat & AnssiOorni(2014)

Study revealed on the value of different customers satisfaction and loyalty metrics in predicting customer retention, recommendation and share of wallet (2007) examined different customers satisfaction and loyalty metrics and test their relationship to customer retention, recommendation and share of wallet using micro (customer)level data.

Visit Paytm's official website and review their annual reports, investor relations section, and press releases for the latest information on the company's operations, strategies, and financial results.

- Dr Poonam Painnully, Shalu Rathi(May 2016)

Study revealed on “Mobile Wallet: An upcoming mode of business transactions” has explained about Mobile wallet, types and trends. Then discussed about role of mobile wallet in various sectors like bank, retail, and hospitality. In future scope it talks of mobile wallet becoming the latest marketing channel in near future. To conclude they speak the importance and growth of mobile money in business social and income prospective.

Research Methodology

Objective of the study :

- 1.To study the factors that influence the customers to use of Paytm.
- 2.To know about the awareness of users towards Paytm.

3.To study the demographic factors influencing the customers to use Paytm.

Limitations of the study

- 1.Respondent bias was one of the major limitations of research and there might not be the perfect positive response from all the respondents.
2. The sample size is very less comparatively to the total population.
- 3.The duration of the study is one of the limitations of this study.

Research Design:

The aim of this research paper is to analyze the awareness and factors influencing the use of Paytm this research used descriptive method to get the statistical result of the respondents.

Data Collection and sample size

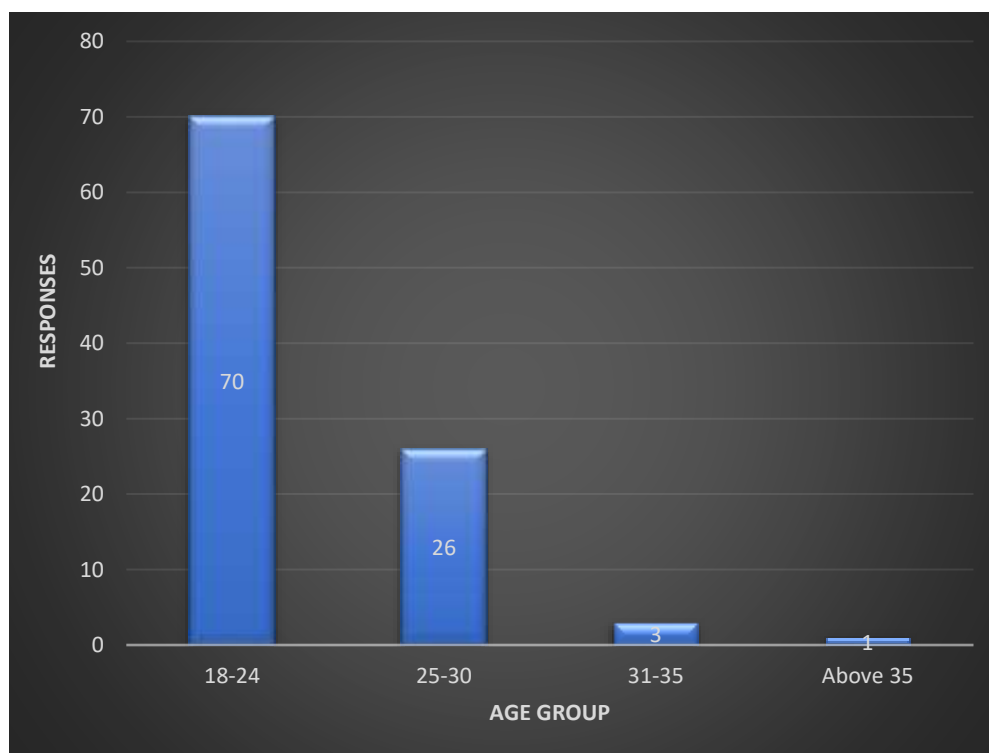
The primary data is collected using descriptive structured questionnaire from 100 respondents belongs to the study area of working people, student's business concern under convenient sampling method.

Research Instrument

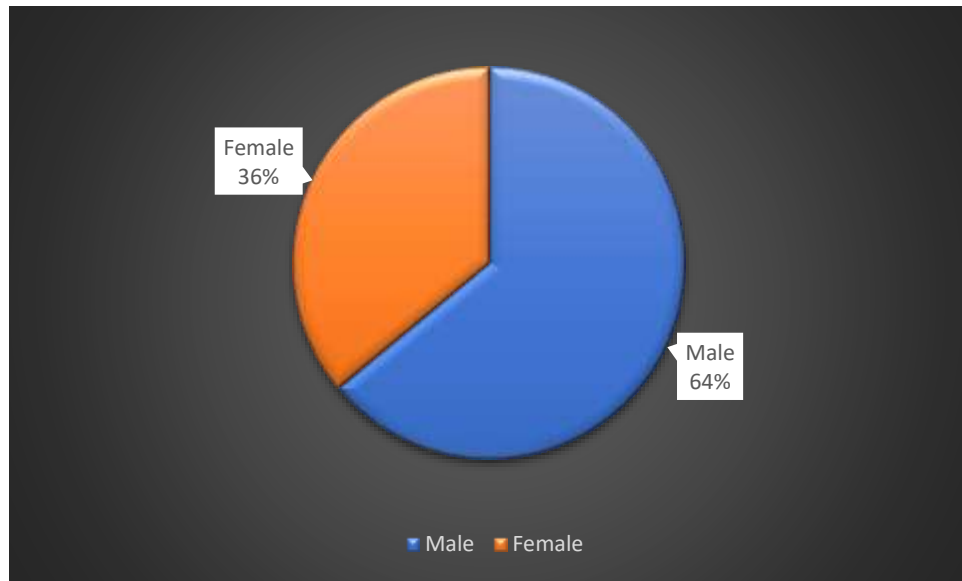
Instrument used for this study was questionnaire. Questionnaire was prepared and circulated to 100 people through google forms and responses are collected.

Data Analysis and interpretation:

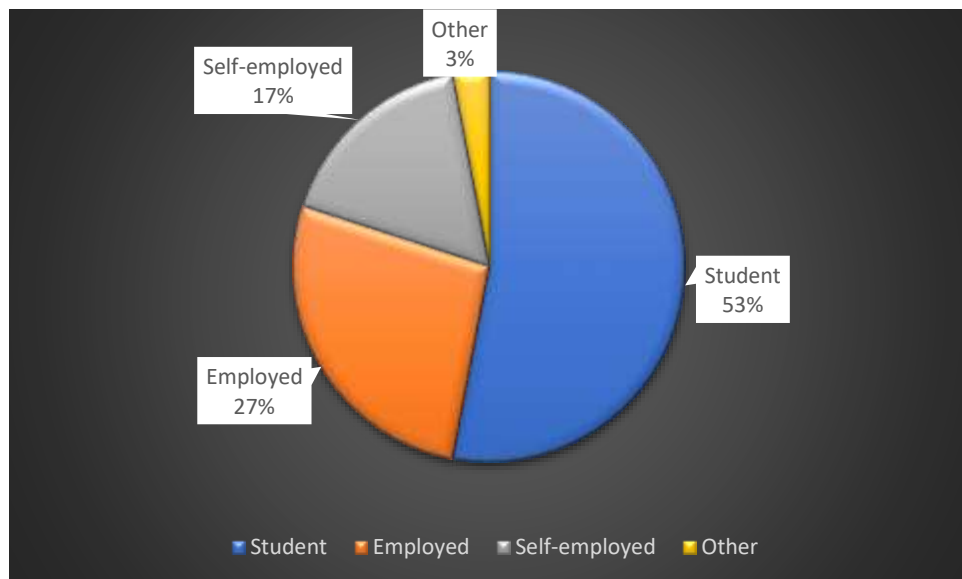
1. Age:



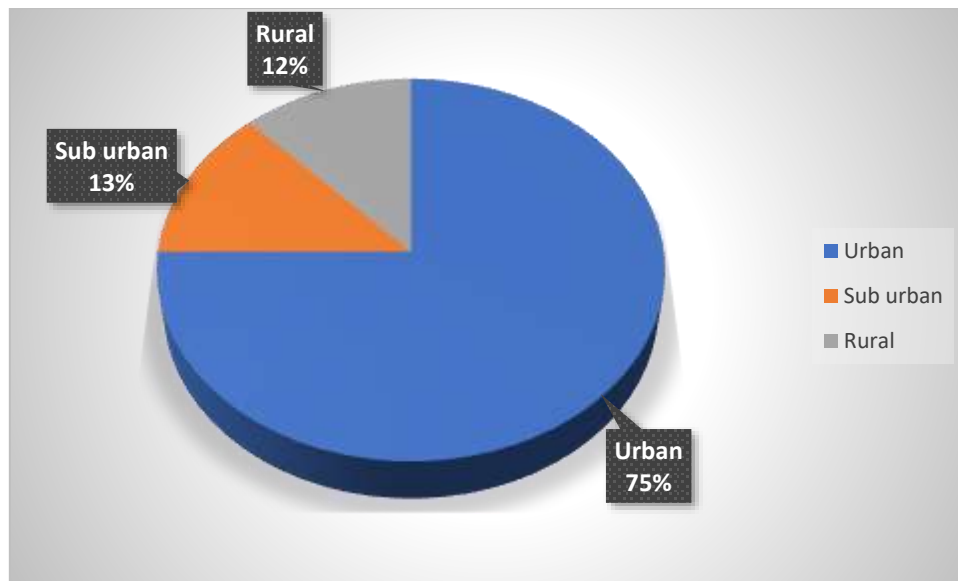
Most of the respondents who have filled my questionnaire fall under age group of 18-24 years i.e. 70 respondents (70%), & 26 responses (26%) from age of 25-30, 3 responses (3%) from 31-35, and rest 1 respondent (1%) id from above 35.

2. Gender:

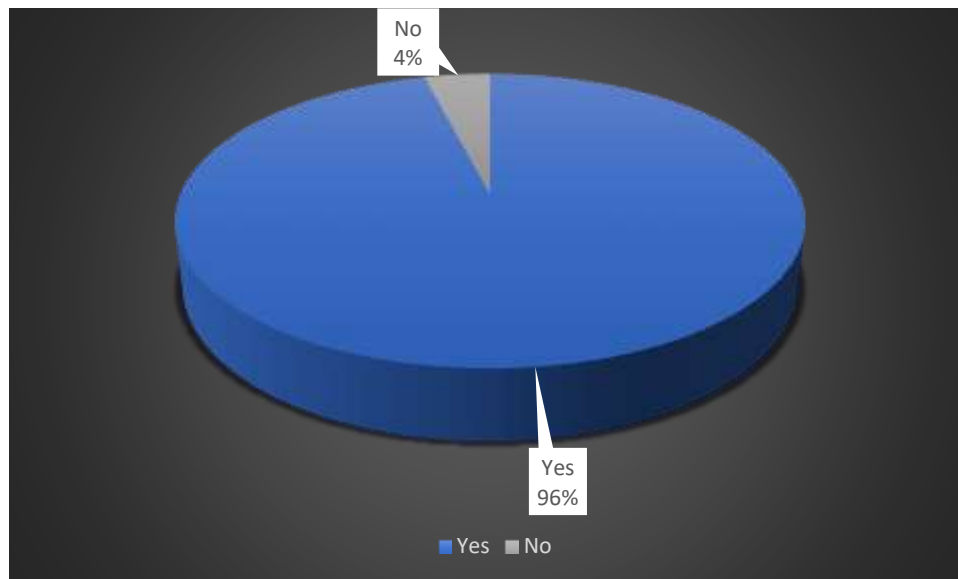
Out of the total respondents (100) 64% (64) are male and 36%(36) are female.

3. Occupation:

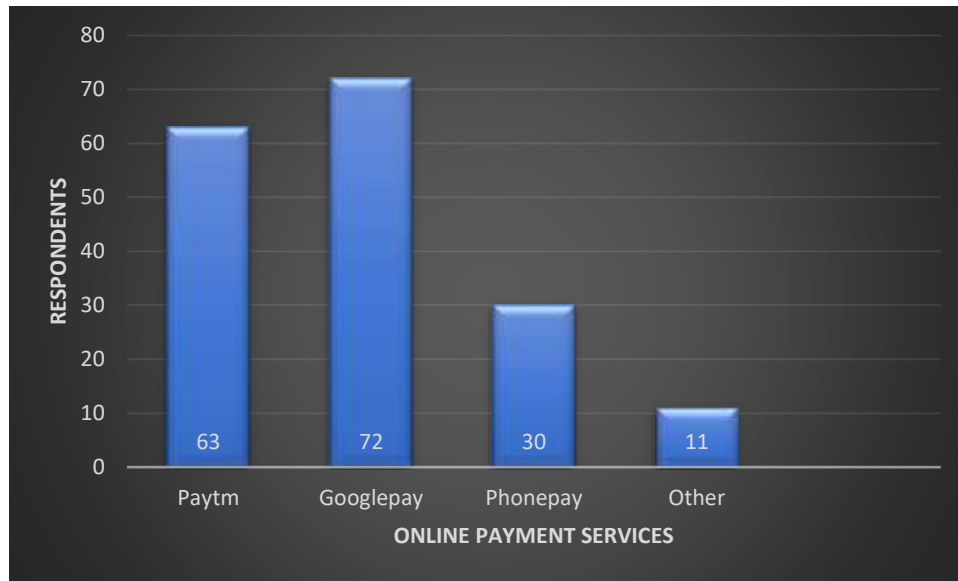
In this survey students are in highest number, consist of 53 participants, 27 participants employed , 17 are self-employed , and remaining 3 had chosen other as their occupation.

4. Location:

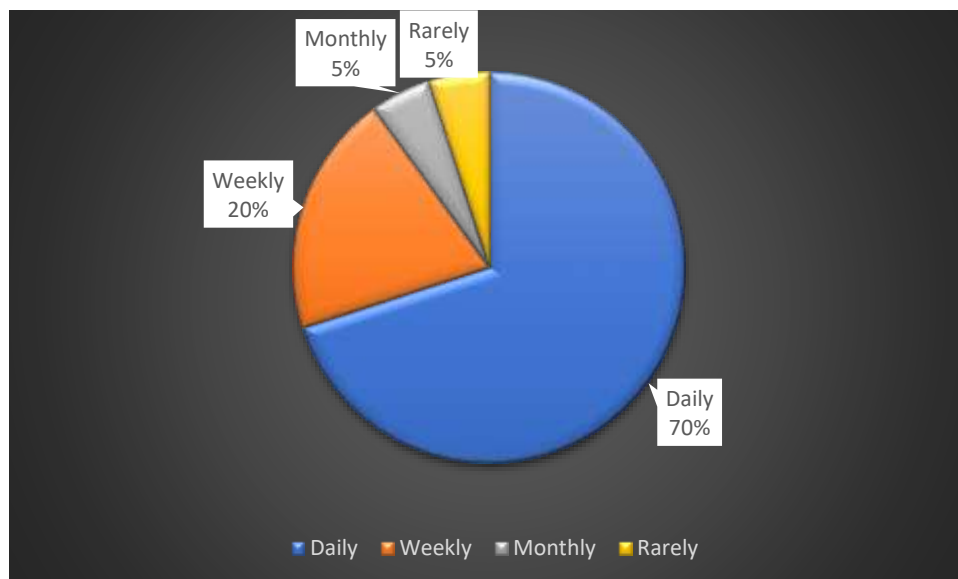
Most of the respondents are from urban areas i.e. 75 respondents, 13 are from sub urban, and rest 12 are from rural area.

5. Do you use mobile payment services?

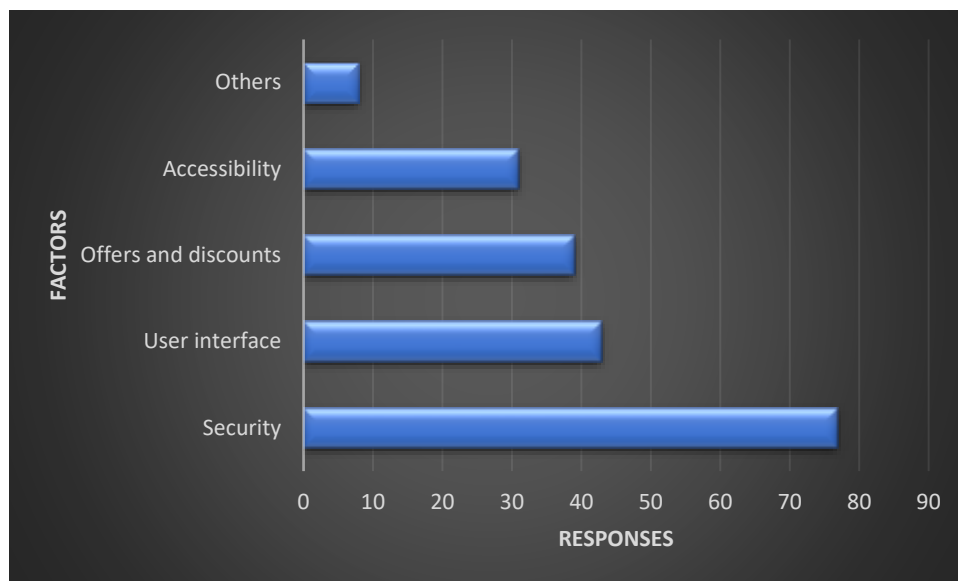
Out of 100 participants, 96 respondents (96%) gave positive response, when asked whether they use mobile payment services.

6. If yes, which services do you use?

Out of 100 respondents, most of the respondents use Googlepay i.e. 72 respondents, 63 uses Paytm, 30 uses Phonepay, rest of the 11 respondents use other services.

7. How frequently do you use mobile payments?

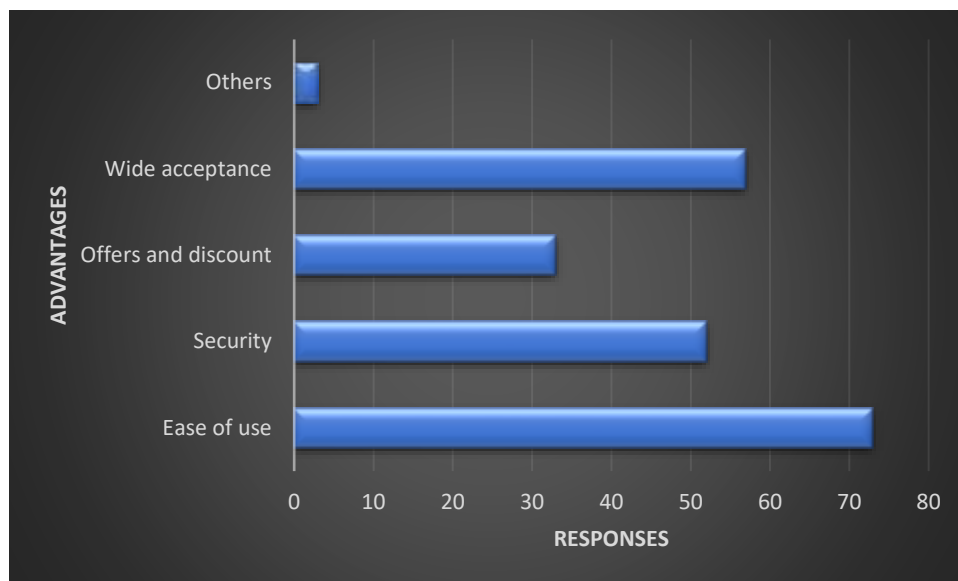
Out of 100 respondents, 70 respondents (70%) use daily mobile payments, 20 respondents (20%) are weekly users, 5 respondents are monthly users, & 5 respondents use rarely.

8. What factors influence your choice of mobile payments service?

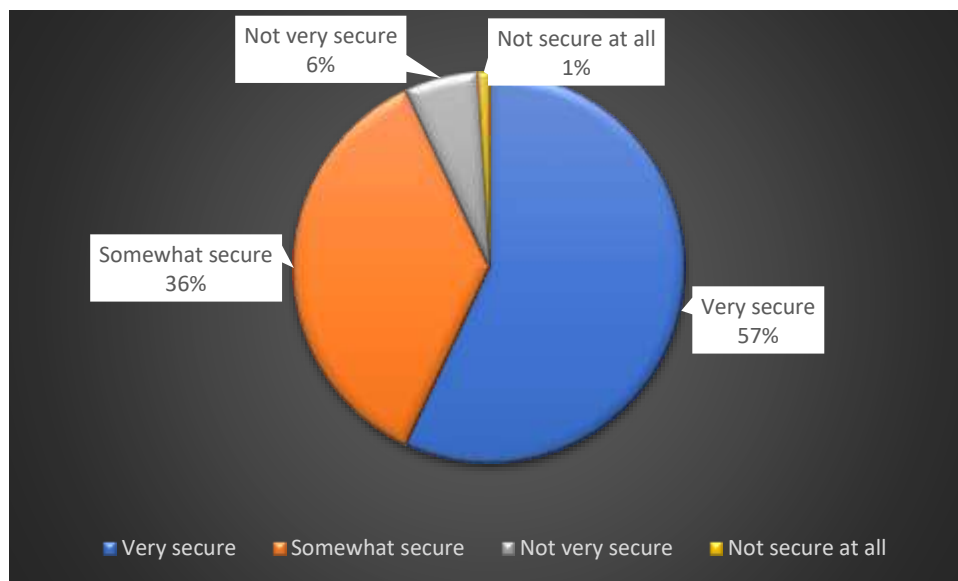
Security is most concerned factor for influencing choice of mobile payment services.

9. How would you rate your overall experience with Paytm?

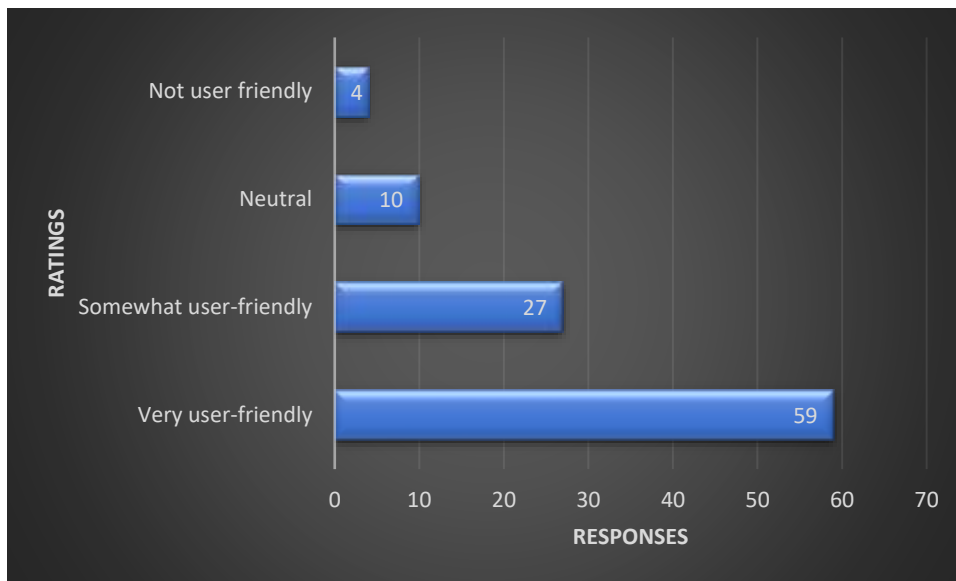
Most of the respondent's experience with Paytm is excellent & good.

10. What are the main advantages of using paytm for you?

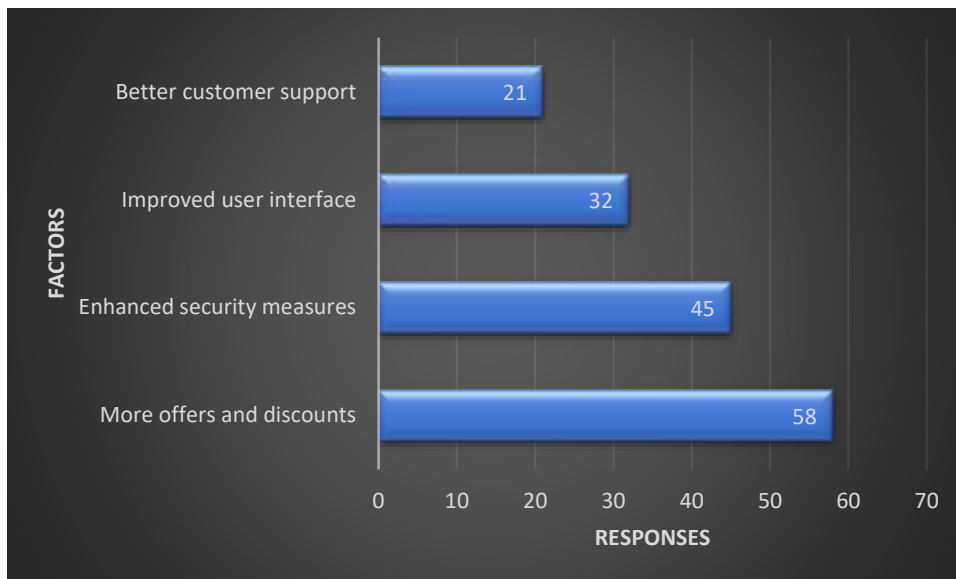
Ease of use and wide acceptance are the main advantage of using Paytm for respondents.

11. How secure do you perceive Paytm to be for financial transactions?

Most of the respondents perceive Paytm to be very secure for financial transactions.

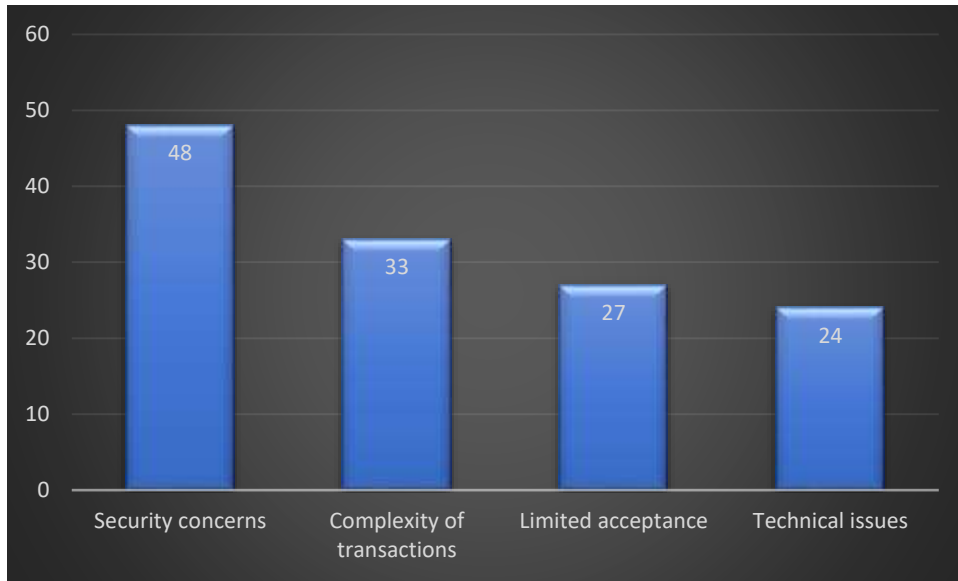
12. How would you rate the user-friendliness of the Paytm app?

Out of 100 respondents, Paytm app is very user-friendly for most of the respondents i.e. 59 respondents.

13. What factors would encourage you to use Paytm more frequently?

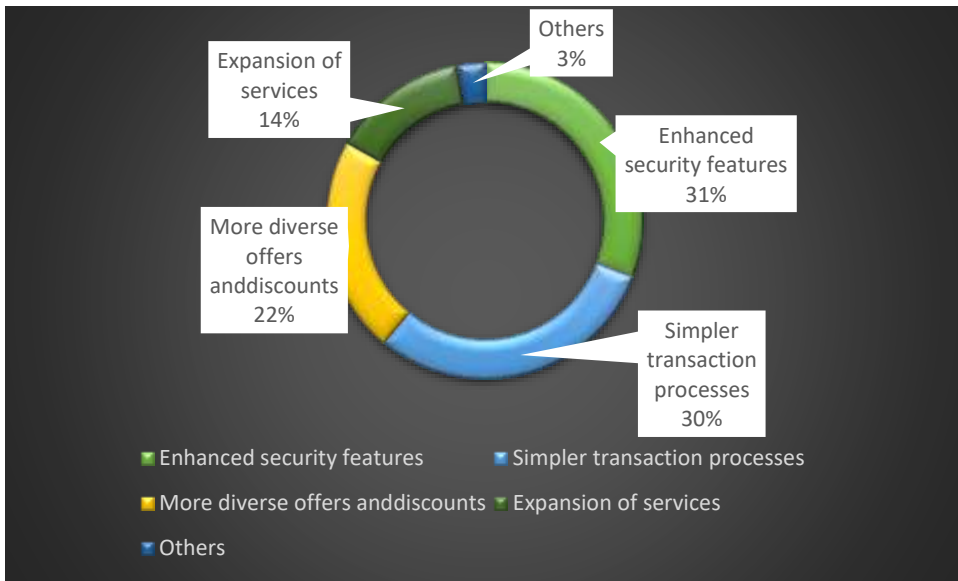
More offers and discounts is the main factor that is encouraging respondents to use Paytm more frequently.

14. What concerns or obstacles prevent you from using Paytm more often?



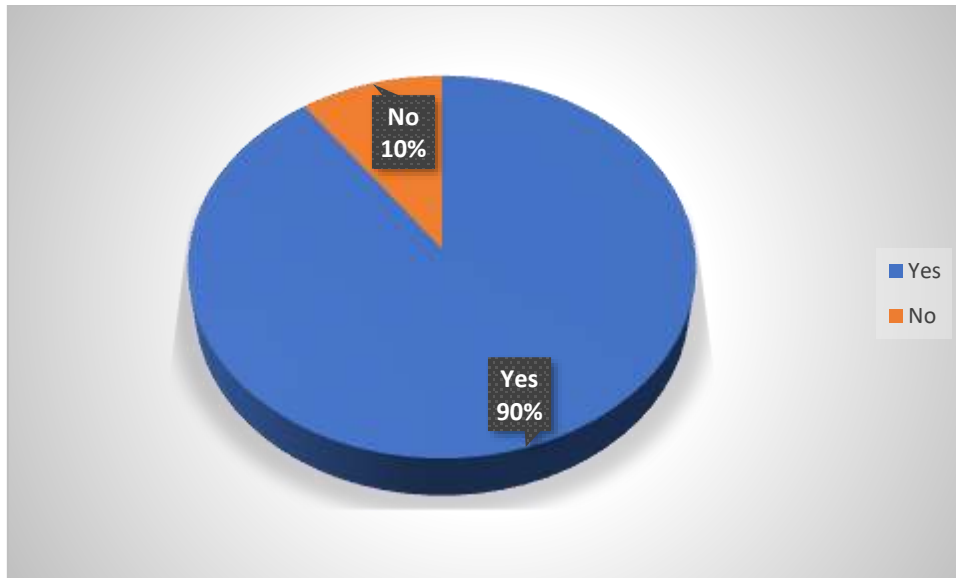
Security concerns is main obstacle, which prevents respondents from using Paytm more often.

15. What improvements would you like to see in Paytm?



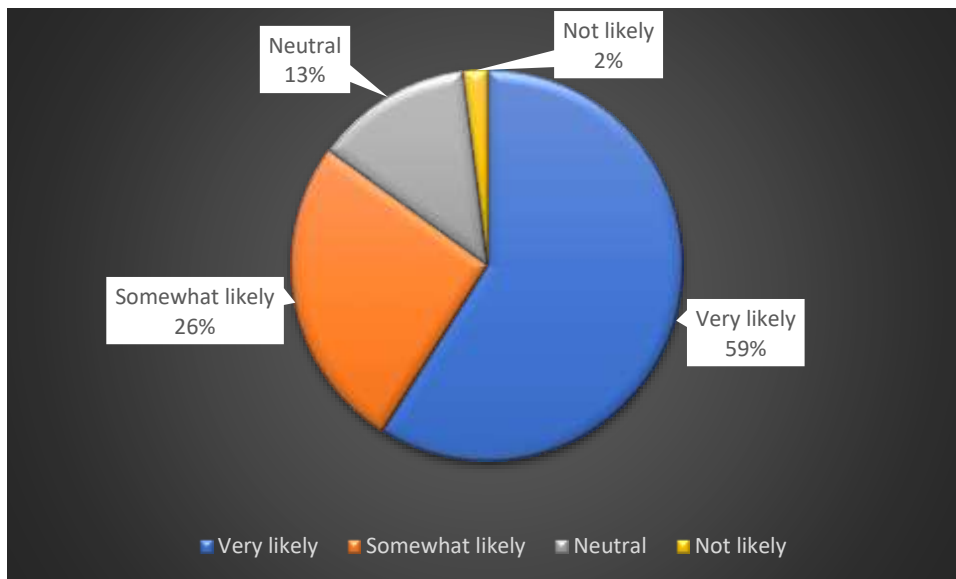
Most of the respondents wants simpler transaction processes & enhanced security features in Paytm.

16. Would you be willing to try new features/services offered by Paytm?



Out of 100 respondents, 90 respondents (90%) gave positive response, when asked whether they are willing to try new features/services offered by Paytm.

17. How likely are you to recommend Paytm to friends or family?



Most of the respondents would like to recommend Paytm to friends or family.

Conclusion:

The objectives of study were to study the perception and factors that influence the customers. For the same, the data was collected and analysed for 100 respondents.

From the analysis, it was found that the mostly used mobile payment is Google pay followed by Paytm & Phone Pay. The later ones are observed to be less popular among the respondents. whereas Google Pay is way more popular than others. The most of people are lying in category of using mobile payment daily i.e. 70% and weekly These two categories were most common. When we talk about the factors influence choice of mobile payment is security in online mode of payment.

The present study has tried to understand the consumers perception regarding Paytm.

Paytm app is a familiar app used for e transactions. It is true that Paytm faced a successful growing path after demonetization. Even the smaller vendors have introduced Paytm to promote cashless payment.

Therefore, we could generalize the trends that we are moving to a cashless economy.

It indicates that the adoption of Paytm is influenced by the education level of the customer. It is observed that the persons using internet for a longer time are aware and are using Paytm. The age group of the user has also influenced the usage of Paytm.

It is observed that the users in the age group of 18 to 24 are aware of Paytm and are using Paytm for various purposes.

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