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# A Study on the Impact of Mobile Payment with Special Reference to Youth

*Anushka Rathore*

Galgotias University

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### ABSTRACT

The present era is entering into a new pace in digital payment system by using digital wallets filled with coupons and offers. In particular, the mobile payment (m-payment) system has emerged, enabling users to pay for goods and services using their mobile devices (especially mobile phones) wherever they go. To make people stress free and to make transactions easy new application has been introduced. The present research paper is focusing on the impact and usage of these new digital payment systems on youth and problems encountered if any. The study is conducted in Uttar Pradesh region and data of 30 people was collected using structured questionnaire and analyzed using simple statistical tools.

**Keywords:** Employee Motivation, Unsatisfied Need, Desire, Willingness, Stimulus

### Introduction

Digital payment system is an apparatus that enables the user to carry out transactions online like shopping and making purchases. It also provides for a digital wallet which is connected or affiliated to a person's bank account. Instruction data is saved in a digital wallet, making automated payments simple since the user will not need to re-enter the required information every time they want to make payment. A familiar example of this is Digital Payment System which is a type of Electronic Data Interchange (EDI).

Electronic commerce payment systems have gained unprecedented popularity globally owing to the proliferation of internet shopping and banking. Its increased popularity was further augmented following currency demonetization in India on 8th November 2016.

### Literature Review

The research studied the case of the developing country India and the issues concerning the use of an e-payment system due to lack of internet and technology proliferation. The research examined major concerns such as security, policy, etc. There also exists a large possibility and problem in India of where the impoverished class, if given the opportunity, is totally uninformed about such services.

They analyzed the consumer's payment means concerning their cash balances and withdrawals which kept reducing since 2010. There was an improvement in the use of card payments in relation to the previous year 2009 during the year 2010 which led to the reduced dependency on currency notes. There was an increase in the use of debit and credit cards in comparison to cash transactions since 2010, which were slowly declining and giving way to prepaid payments.

The repercussions of a digital payment system. Modernization and globalization made it favorable for individuals to embrace the new age of payments. The research is based on literature review and secondary data from scholarly papers as well as government information. After collecting all data, the impact and acceptance of payments digitally by the people is analyzed.

### Research Methodology

The Research paper follows a mixed-methods research design in order to generate quantitative and qualitative insights. The quantitative data was collected through an administered structured online survey given to 200 individuals.

This study uses convenience sampling which is a non-probability sampling technique where the participants are chosen based on their availability and readiness to participate in the study. The statistical tool used for the analysis was descriptive statistics focusing on the percentage, correlation, chi-square test.

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## Result and Discussion

The research gathered data from 70 participants, most of whom were youths (63%) in the age range of 19-25 years. About 87.4% of them were graduates and 70% were formally employed. The most important insights obtained from the primary data are as follows:

Mobile payment applications were dominated by Google Pay (72.9%) suggesting heavy reliance from users due to proficient user interfaces, UPI linkages, and trust from the brand.

Flexibility coupled with efficiency were the dominant reasons contributing towards mobile payments where having too many pre-existing payment options contributed to 27.6% followed by convenience at 24.3% at pushing expectations.

Google Pay's ease of use along with brand credibility and acceptance proves the claims made suggesting that payment systems are shifting into youth incorporations.

The existence of mobile payments amongst social and economic interaction is confirmed by the popularity of informal support transfers to family and friends where the need for peer to peer transactions exist.

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## Policy recommendations

1. Promote Digital Financial Literacy Among Youth
  - Launch government-led and institution-based campaigns to raise awareness about safely using mobile payment apps.
  - Incorporate digital payment education into the curricula of colleges and vocational schools.
2. Expand Access and Infrastructure in Rural and Underserved Areas
  - Partner with telecom and fintech companies to enhance mobile and internet connectivity in rural areas.
  - Encourage mobile wallet providers to create user-friendly app interfaces for lower-end smartphones and offline usage.
3. Strengthen Cybersecurity and Consumer Protection
  - Implement stricter data privacy laws and security measures for mobile payment platforms.
  - Set up a grievance redressal system to address fraud and unauthorized transactions in mobile payment systems.
4. Support Interoperability Among Payment Platforms
  - a. Require interoperability among mobile payment apps to enable smooth fund transfers, no matter the platform.
  - b. Promote standardization through the Unified Payments Interface (UPI) to ensure a consistent user experience.

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## Conclusion

The advantages of this shift are starting to show as more and more people embrace digital methods for making and receiving payments. India is slowly moving away from a cash-driven economy towards a cashless one. Digital transactions can be tracked, making them easier to tax and reducing the chances of black money circulating. The entire nation is modernizing its approach to money transactions, with e-payment services gaining incredible traction. A significant number of businesses, including street vendors, are now accepting electronic payments, encouraging people to adapt to cashless transactions faster than ever before. The enthusiastic response from the younger generation indicates a bright future for digital payment systems in India. However, we still need to tackle challenges related to awareness, security, and accessibility, especially in rural areas, through focused policies and financial literacy initiatives. Mobile payments are not just for shopping; they're also widely used for sending money between friends and family.

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