

Awareness of Digital Payments in Rural Area

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Abstract— Empirical studies on customer perception and consciousness of digital payments technique of transactions. Review of this particular study shows a lack of knowledge of digital payments technique of transactions and an absence of literacy. Results in this research showed that awareness, digital literacy, adequate infrastructure and rate of customer involvement in cashless transaction were found to have a powerful relationship with digital payments technique of transactions. The goal of study is to discover reaction of digital payments technique of transactions in Bramhapuri in Chandrapur District of Maharashtra. The samples were chosen using a very easy technique of simple random sampling. Primary data for the study were gartered from the 100 participants using questionnaire. The primary data were analysed using easy statistical instrument such as percentage technique. The research further shows that most of them are conscious of and agree that digital payments technique of transactions will help combat black money, corruption and decrease the danger of carrying cash, as well as quicker economic growth. The government should embrace a distinct approach of educating non-literate people about the digital payments technique of transactions based on finding some suggestions taken.

Keywords: Digital Payments, Rural Markets, Customer Perception, Opportunities

I. INTRODUCTION

The economy of India is growing at very fast pace and has a great impact on the other economies of the world. Despite the worldwide turbulences of economic conditions, the Indian economy has been specializing in development. There are some very essential developments in financial setup within India in the latest past that has huge transformations, rends, and changes within the business dynamics. Though the Government of India has been specializing in digital transactions initiatives since a previous 2-3 years, the particular impact of digital payment technique has taken place in economy of India is a very essential post the demonetization timeframe.

The Indian economy has intrinsic structure of rural and concrete economic developments. Majority of the Indian economy depends on the rural economy and only digital payment techniques of transactions have become necessary part of rural economic development, the digital initiatives can be thought of as productive. Within the recent past, digital payments have gained momentum within the country, also each within the case of rural and co-jointly urban segments. The Indian economy has predominantly has been a money driven economy and also culturally deep frozen trends of mostly money based purchases have wide been the economic culture. In the wake of Government initiative towards transformation, towards digital payments (economy), and plenty of non-public corporations rising within the area of digital payment techniques like E-wallets, mobile banking

(UPI), payment bank licences issued by tally, its imperative that the market is more powered train up towards additional clear and compliance based mostly system and of digital trends.

For productive implementation of digital payment techniques and digital industry, bound key processes that are terribly essential for net banking, mobile banking. Addition of E-commerce presence in rural segments, digital dealing solutions like POS (Point of Selling) solution usage in merchandise, usage of plastic currency etc. however, crux issue that has got to be taken into thought is concerning effectively, the system is adaptable within the rural segment of the country considering opportunities and challenges in keeping with present situations.

II. DIFFERENT MODES OF CASHLESS/ DIGITAL PAYMENTS

Various modes of digital payments for converting India into cashless economy are as follows:-

A. Debit & Credit Cards:

Debit and credit cards are used to make payments in very easy, convenient and secured way. They are also stated as plastic money. These cards provides two-factor security level through OTP (One Time Password) and PIN (Personal Identification Number). In recent times, fingerprint recognition is also added to the list of security level of these cards.

B. Internet Banking:

Internet Banking is also referred as net-banking, E-banking, or virtual banking. It is an electronic payment system associated digitally which ensures customers/ consumers of bank or different financial organizations to conduct money related transactions by the banking websites. E.g., NEFT, RTGS, IMPS etc.

C. AePS:

Aadhar enabled payment techniques is an Indian Payment System that permits online practical monetary group action at small ATM/ Point of Sale (POS) terminal through the Business Correspondent (BC) of any bank mistreatment of the aadhar authentication.

D. Mobile Wallets:

It is a way of carrying cash/ money in digital format. We can link credit / debit card information in wallet applications. It can be used to transfer money from one person to another in just a flash of seconds. It can also be used to make payments of purchases, bills etc.

III. SCOPE OF STUDY

Digital India is a program developed by the Indian government with a vision of converting India into a digitally authorised society and data economy. "Faceless, Paperless,

Cashless” is one of the most crucial and very important step towards converting India into Digital India. For changing the perception towards a cashless economy, the Government of India has returned up with a rash of discounts and freebies on digital group action.

Consumers are lifeblood for any business and banking system, once there’s a service concern it invariably deals with what quantity they aware and obtain usage acceptance and awareness of public and personal sector bank towards the client. The non-public sector have offerings differing kinds of digital payments app to the shoppers.

A. Objectives:

- Determining the awareness and effectiveness of digital payment technique in rural area.
- To study the preferred mode of payment in rural area.

IV. LITERATURE REVIEW

- 1) Dr. K.A. Rajanna (2018) According to the study done by him in his research, the customers in India are agree and satisfied with the development done by the Govt. to convert India into a cashless and digitalize as they think it will help the society to fight majorly against corruption. He found that cyber-crime and illegal access to website through internet are the major drawback towards converting India into cashless economy. Hence, it is crucial to strengthen internet security to protect people from online fraudulent tactics and Govt. needs to put more efforts to educate people about the benefits of electronic payment system and improving security features of electronic payment system.
- 2) S. MD. Shakir Ali; MD Wasim (2017) According to the study done by them in their research, Indian economy is emerging as the one of the strongest economy in the world which is growing at very fast rate. Certain factors like improved transparency, corporate Governance and restricting the parallel cash are very crucial for sustaining the development and growth of Indian economy. In their paper, they have discussed about the various challenges faced for the working of digital payment in rural areas and opportunity to overcome them.
- 3) E. Gopi; Dr. R. Gokilavani (2018) According to the study done by them in their research, integration of traditional/ conventional payment system with cashless economy requires a little or few reforms and a lot of effort for low-income people who are still using cash as the primary source of payment and sees it as a very easy and convenient mode of payment. According to their study, India will take a lot of efforts to steer to the cashless economy as the majority of the population of India are not habitual or aware about online banking or payment mechanism. Introduction of cheap smartphones will be revolutionizing the banking sector in future.
- 4) Priti Rai (2016) According to the study done by author in her research, the implementation of demonetization policy (2016) in India in which the Government has decided to demonetize the 500 and 1000 Rs. Notes, impacted on the trading activities of the MSME. Notes, impacted on the trading activities of the MSME. In respect of mode of payments for the customers. They found that customers switched to alternative payment

systems and mobile wallets companies became the biggest beneficiaries, as they offers easy solution to the payment problem by the usage of mobile phones (smartphones).

- 5) Priti Rai (2016) According to the study done by author in her research, it was revealed that prior to the demonetization exercise generally, the preferred mode of payment was cash, however the post-demonetization preferred mode of payment turned to mainly net-banking. The finding of the study is in line with the analysis of Reserve Bank of India, which indicated that the mobile banking transaction has grown by 175% and the amount transacted has grown by 369% in the past one year. Thus consumers did not prefer cash mode of payment after demonetization. Therefore, consumers preferred credit and debit card mode of payment after demonetization. In a systematic state, the consumers preferred the E-wallet mobile app after demonetization exercise where as consumers did not prefer cheque payment mode after demonetization. The demonetization exercise was a great move.

Research Methodology:-

Data for the research was collected from the primary and secondary methods of data collection. The structured questionnaire is used for the collection of data from the primary sources. Whereas, sources like journals, newspapers, books and websites are used to collect the secondary data. A total of 100 respondents from the Bramhapuri village in Chandrapur district of Maharashtra are selected by the simple random sampling method of data collection. The responses given by them are recorded and processed by the statistical technique of percentage analysis.

V. DATA ANALYSIS AND INTERPRETATION

Sr. No.	Specifications	No. of Respondents (Appellants)	Percentage (%)
1.	AGE		
	15-30 yrs.	43	43
	31-40 yrs.	24	24
	41-50 yrs.	19	19
	51-60 yrs.	8	8
	More than 60 yrs.	6	6
	Total	100	100
2.	GENDER		
	Male	71	71
	Female	26	26
	Total	100	100
3.	EDUCATION		
	Uneducated	3	3
	Primary	3	3
	Secondary	9	9
	Higher Secondary	24	24
	Graduate	52	52
	Post-Graduate	9	9
	Other	0	0
	Total	100	100

4.	OCCUPATION		
	Business	13	13
	Service	52	52
	Agriculturist	6	6
	Student	18	18
	Housewife	9	9
	Retired	2	2
	Total	100	100
5.	INCOME		
	Less than 1,00,000	24	24
	1,00,000-2,00,000	8	8
	2,00,000-3,00,000	38	38
	More than 3,00,000	30	30
	Total	100	100

A. Inference:

Social background of the people such as Age, Gender, education status, their occupation, income level has a very crucial impact on the awareness of the people towards digital payments techniques and their perception towards it.

Table No.1 shows the information regarding the social status of the sample respondents. The study shows majority 71 % of the respondents were male whereas only 26% were female. Majority of the respondents 43% are of the age in the range of 15-30 years and 31-40 years. This represents, most of the respondents were young and youth of the country and are well aware about the development of Govt. towards Digital payment system.

Education background also plays the vital role for the digitalization of payment system. The study shows 33% of the respondents have completed secondary and higher secondary education.

Occupation also plays the vital role in the digitalization of payment system. Study shows that 13% and 52% respondents are of business background and employees (service backdrop). Whereas 18% respondents are students and 9% respondents are housewives and only 6% respondents are agriculturist.

Analysis of financial income also plays in awareness of digital payment system. Study shows that majority 38% respondents has income level within range of 2, 00,000-3,00,000.

Sr. No.	Mode of Payment	No. of Respondents (Appellants)	Percentage (%)
1.	Cash	32	32
2.	Credit / Debit Card	28	28
3.	Net Banking	7	7
4.	Mobile Banking	31	31
5.	NEFT	2	2
6.	RTGS	0	0
	Total	100	100

Table 2: Preferred Mode of Payment by the customers (respondents)

B. Inference:

Table No. 2 shows the preferred mode of payment techniques used by the respondents. Majority 32% of the respondents prefers cash as the primary mode of payments. 28% respondents use credit/ debit card as the source of payment and 31% people prefers mobile banking solutions like mobile wallets. Whereas 7% respondents prefer Net Banking as the solution and only 2% respondents use NEFT as the mode of payment.

Sr. No.	Sources of Awareness	No. of Respondents (appellants)	Percentage (%)
1.	Television	30	30
2.	Social Media	28	28
3.	Newspaper	18	18
4.	Advertisement	11	11
5.	Internet	13	13
	Total	100	100

Table 3: Different Sources of Awareness towards Digital Payment System

C. Inference:

Table no. 3 shows the different sources used by the respondents to get aware about Digital payment techniques. The study shows majorly 30% respondents got to know about digital payment solutions from television, 28 % respondents by Social Media and 18 % from Newspaper. Whereas 13 % respondents got to know from the internet source and 11 % from Advertisement or commercials.

Sr. No.	Issues	No. of Respondents (appellants)	Percentage (%)
1.	Insufficient safety or security features	16	16
2.	Cyber crime	35	35
3.	Hacking Issue	24	24
4.	Illiteracy	16	16
5.	Charges for online transaction	9	9
	Total	100	100

Table 4: Various Issues for Avoiding Digital Payment Techniques by the Respondents

D. Inference:

Table no. 4 shows the various issues which are considered by the respondents for avoiding digital payment techniques. The study analysis shows majority 35% of the respondents feels cyber-crime as the main reason for avoiding digital payment techniques. 24% respondents feel hacking for not choosing digital payment system, 16% respondents fear about insufficient safety and security features. Whereas 16% respondents are illiterate and 9% respondent's feels charges of online transactions are too high to choose digital payment systems.

VI. MAJOR FINDINGS

- Most of respondents are male and 43% percent of the respondents are from the age group of 15-30 years this

represents the majority of the respondents are youth and youth is well aware about digital payments.

- Majority of the respondents have completed their secondary and higher secondary education. This plays huge impact on digitalization of payment system.
- Most of the respondents are having their own business and service as the income source.
- Most of the respondents (32) still prefers cash as the preferred mode for the payments and 28% prefers credit / debit cards as the mode of payments. Whereas NEFT and RTGS are sources which are very less utilised.
- Most of the respondents (30%) got aware about digital payment techniques from the television source and 28% from social media. This represents television and social media are most crucial for creating awareness.
- Respondents are also asked about their opinion regarding benefits and issues like insufficient security features, cyber-crime, and hacking issue for development of digital payment techniques by the Govt. of India.
- It was found that most of the respondents (35%) feels cyber-crime is main issue for not choosing digital payment method (technique) and 24 % feels hacking can be the reason for not choosing digital payment techniques.

VII. STUDY LIMITATIONS

All the efforts were put sincerely while studying the awareness of digital payments techniques. As the study is performed in the Bramhapuri village of Chandapur District, so the findings are limited to the Bramhapuri region only. The survey was performed by using social media channels like WhatsApp, and Facebook. But, it was time consuming process and most of the respondents were not willing to give responses to the survey form. It was difficult to reach widest of the audience because of the time boundness of the research.

VIII. CONCLUSION

From this research, it was found that, from the various available techniques of payment digital or non-digital, maximum 32% of the customers still use cash as the preferred mode of transaction, Debit/ credit cards (28%), NTFS (2%), Mobile wallets (31%) and RTGS (null) and net banking (7%). It was found from the research that the use of mobile wallets is becoming very popular among the residents of Bramhapuri. Respondents agree that digital payment is very important and plays a significant role as it saves the very crucial time of the people, but, there is moderate agreement by the customers towards improvisation in the quality of services with the introduction of digital banking and payment sources. It was found that the people feels traditional banking is better and convenient way and this is the main reason for not choosing digital payment techniques. Backup power problem and load shedding are also the done on regular basis in rural area, this also hamper while implementing digital payment system as it requires constant supply of electricity. People have to suffer more during demonetization period because of these problems. In recent times, people in rural regions are becoming aware about the digital payment techniques and getting used to it. So, government should arrange training

program for the villagers on the usage of digital payment techniques. So that their fear of fraudulent actions and risk for using digital payment will decrease.

IX. FURTHER SCOPE IN RESEARCH

Digital payments is an amazing step taken by Govt. towards transaction but, it still has few limitations and it needs to reform and lot of efforts will need to put for integrating customers with low income level and still using cash as the primary mode of payments and sees it as convenient mode of transaction. More efforts can be put to make the transaction process as simple and easy as possible as it will be convenient for the every people living in the society.

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