

# Customer Perception Regards E-Wallets

M.Nandhini, K.Girija

**Abstract:** The purpose of the study was to examine customer perception regards E-wallet. The objectives of the study includes finding out the influencing factors that the customer prefer e-wallets over other mode of payment and also to analyse the customers opinion regards benefits and obstacles of E-Wallets . The researcher adopted simple random sampling method. Western Tamilnadu chosen as a study area and sample size is 150. This study based on survey method both primary and secondary data. The statistical tools were used in the study was Percentage analysis, Rank analysis, Chi-square test and T-test. The major finding of this study has been found that 59.3% of the respondents using Google Pay, 46% of the respondents are frequently using the e-wallet and 43.3% of the respondents are using e-wallet for the purpose of fund transfer. The chi-square test proved that there is a significant relationship between occupation and satisfaction level of e-wallet. The rank analysis proved that the majority of the customers preferred the E-Wallet for their fast service. Finally it is concluded that the customer perceptions about the e-wallets are good and they accept that the e-wallet is an alternative, attractive, supportive and necessary one of digital era.

**Key Words:** Influencing factors of e-wallet, benefits and obstacles of e-wallet.

## I. INTRODUCTION

In India, E-wallet are changing the traditional ways of making and receiving payments, paying bills, fund transfer, recharge, shopping etc. Electronic-Wallet is a digital wallet (also known as a E-wallet) which allows users to make electronic commerce transactions quickly and securely.<sup>1</sup> Electronic wallets being very useful for frequent online shoppers are commercially available for pocket, palm-sized, handheld, and desktop PCs. They offer a secure, convenient, and portable tool for online shopping. Like a real wallet; E-wallet keeps information in cards. Like Username, password, URL and etc and also to personalize cards with icons, colors, and on some platforms, pictures<sup>2</sup>. E wallets can be categorized into four parts: open wallets, semi open wallets, closed wallets, semi close wallets. To facilitate the credit-card order process, many companies are introducing electronic wallet services.

After analyzing pros and cons of demonetization and looking at awareness of general public, many companies have launched their e-wallets in the market with different terms and conditions to gain competitive advantages.

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**Corresponding Authors:** M.Nandhini, Doctor of Philosophy in Commerce (PhD) Student at K.S.Rangasamy College of Arts and Science Affiliated to Periyar University, TamilNadu, India. [G-mail-nandhinikr38@gmail.com](mailto:nandhinikr38@gmail.com)

**Dr.K.Girija**, Assistant Professor of Commerce, K.S.Rangasamy College of Arts and Science Affiliated to Periyar University, TamilNadu, India. Gmail: kaniroobi@gmail.com

Although many of them are not able to survive in the market, but some are very popular amongst people. These are as follows: Phone pay, Google Pay, Jio money, Airtel money, Paytm, Free charge, PayU Money and etc.<sup>3</sup>

## II. STATEMENT OF THE PROBLEM

E-Wallet is defined as virtual cashless service which can replace hard cash notes. For purchasing anything, the people do not have to rush to ATMs or banks to withdraw cash, rather transaction can be done there and then in a fraction of seconds. It has become an upcoming way of purchasing goods and services without any physical movement of cash. The main objective of e-wallets is to make quick transactions thereby discouraging people to make use of use cash. This boom is the after effects of Demonetization. But there is still a lack of trust for digital payments. There are those that don't yet feel safe using this as they don't trust the internet and the perceived security risks. So this research is an attempt to know the customer perception about e-wallet.

## III. OBJECTIVES OF THE STUDY

- To know the customer's perception towards E-wallet
- To find out the influencing factors that the customer prefer E-Wallet over other mode of payment.
- To analyse the customer's opinion regards the benefits and obstacles of E-wallet
- To give suggestion for overcome the problems of using E-Wallet

## IV. RESEARCH METHODOLOGY

The study based on survey method. Both primary and secondary data are collected for the purpose of the study. Primary data collected through questionnaire. Secondary data collected was collected journals, magazines and websites. The researcher adopted simple random sampling method and the sample size is 150. Western TamilNadu has been chosen as a study area. The statistical

<sup>3</sup> Chauhan et al., *International Journal of Advanced Research in Computer Science and Software Engineering* Volume 7(8) ISSN(E): 2277-128X, ISSN(P): 2277-6451, DOI: 10.23956/ijarcsse/V7I8/0140, pp. 146-150.

<sup>1</sup> Onlinereference, [http://en.wikipedia.org/wiki/Digital\\_wallet](http://en.wikipedia.org/wiki/Digital_wallet)

<sup>2</sup> Fashoto, S.G., et al 2016, Development of e-wallet system for Tertiary institution in a Developing country, *GESJ: Computer Science and Telecommunications*, No. 3(49), ISSN 1512-1232, pg.18-29.

tool used in this study is percentage analysis, rank analysis, chi-square test and T-test.

## V. ANALYSIS AND INTERPRETATION

### A. Demographic Profile

Table I

Variables	Classifications	Frequency	Percentage
Gender	Male	84	56.0
	Female	66	44.0
	<b>Total</b>	<b>150</b>	<b>100</b>
Age in years	Below 20	10	6.7
	20-30	88	58.7
	31-40	29	19.3
	Above 40	23	15.3
	<b>Total</b>	<b>150</b>	<b>100</b>
Educational Qualification	School Level	0	0.0
	Graduate	84	56.0
	Professionals	51	34.0
	Others	15	10.0
	<b>Total</b>	<b>150</b>	<b>100</b>
Occupation	Student	38	25.3
	Employees	37	24.7
	Professionals	37	24.7
	Business people	38	25.3
	Others	0	0
	<b>Total</b>	<b>150</b>	<b>100</b>
Marital Status	Married	85	56.7
	Unmarried	65	43.3
	<b>Total</b>	<b>150</b>	<b>100</b>
Monthly Income	Below Rs.10000	18	12.0
	Rs.10001-Rs.20000	39	26.0
	Rs.20001-Rs.30000	20	13.3
	Above Rs. 30000	44	29.3
	No Salary (Students)	29	19.3
	<b>Total</b>	<b>150</b>	<b>100</b>

Source: Primary Data

The table I reveals that 56% of the respondents are Male, 58.7% of the respondents are belongs to the age group of 20-30 years, 56% of the respondents are graduates, 25.3%

of the respondents are students and business peoples, 56.7% of the respondents are married and 29.3% of the respondents are earning monthly income belongs to above Rs.30000.

Table II

### E-Wallets

Variables	Classifications	Frequency	Percentage
<b>E- wallets</b>	Phone Pay	25	16.7
	Google Pay	89	59.3
	Jio Money	13	8.7
	Airtel Money	7	4.7
	Paytm	16	10.7
	<b>Total</b>	<b>150</b>	<b>100</b>
<b>Frequency of using E-Wallet</b>	Daily	19	12.7
	Frequently	69	46
	Rarely	53	35.3
	Never	9	6
	<b>Total</b>	<b>150</b>	<b>100</b>
<b>Purpose of using E- wallet</b>	Recharge	17	11.3
	Fund Transfer	65	43.3
	Bill payments	39	26
	Purchasing product	9	6
	All the above	20	13.3
	<b>Total</b>	<b>150</b>	<b>100</b>

Source: Primary Data

The table II shows that out of 150 respondents 59.3% of the respondents using Google Pay, 46% of the

respondents are frequently using the e-wallet and 43.3% of the respondents are using e-wallet for the purpose of fund transfer.

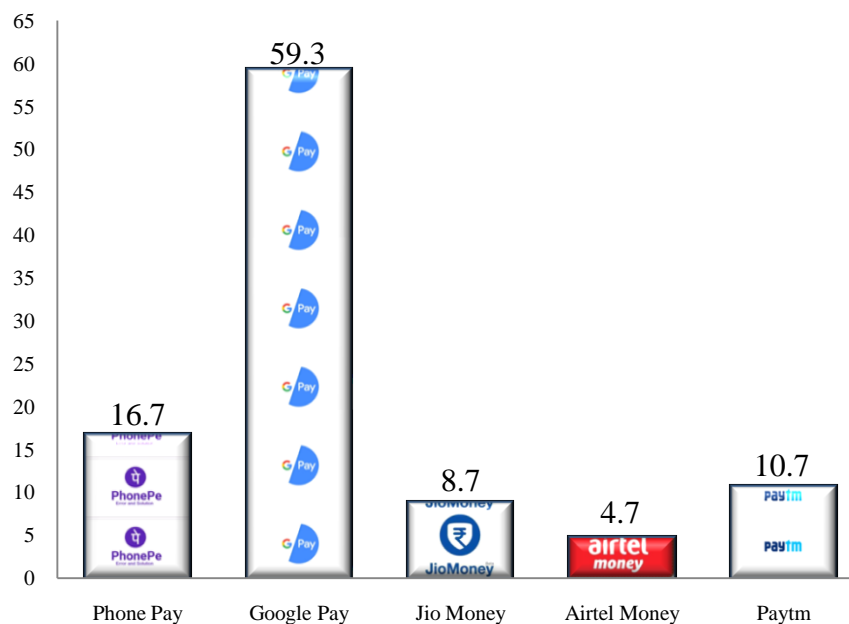


Figure I – E-Wallets

**Table III**  
**Influencing factors to Prefer E-Wallet**

S. No	Preferences	Mean Score	Rank
1	Fast Service	3.59	1
2	Convenience to use	3.18	2
3	Cash back offers & discounts	3.02	3
4	Instant availability	2.68	4
5	Utility of innovation	2.53	5

**Source:** Primary Data

The table III analyse about the influencing factors that customer prefer E-Wallet over other mode of payments. Among the influencing factors, 'Fast service' as the main reason for respondents to choose the e-wallet, so that got a first rank, 'Convenience to use' secured a second

rank, 'Cash back offers and Discounts' are got the third rank, 'Instant availability' is secure a fourth rank and 'Utility of innovation' got a fifth rank. Hence, the majority of the customers preferred the E-Wallet for their Fast Service

**Table IV**  
**Obstacles in E-Wallets**

S. No	Obstacles	Mean Score	Rank
1	Security Threats	3.09	2
2	Lack of technical knowledge	3.15	3
3	Network connectivity	2.35	1
4	Lack of availability	3.85	4
5	Failed transaction	4.42	6
6	Hardware issues	4.03	5

**Source:** Primary Data

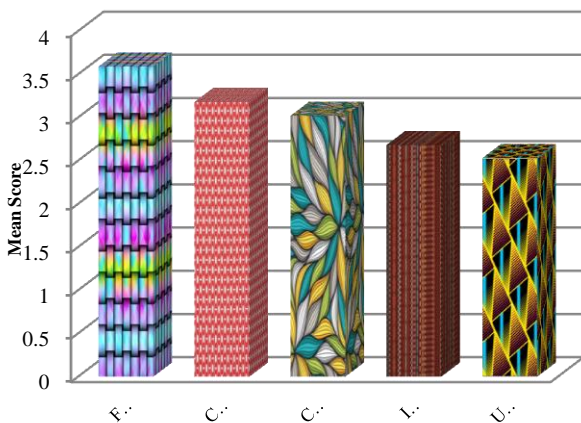
obstacle of E-Wallet is "Network connectivity" and it's occupy the first position among the all obstacles.

#### **B. Chi-Square Test**

##### **Hypothesis**

**H0:** There is no significant association between occupation and satisfaction level of E-Wallet

**H1:** There is a significant association between occupation and satisfaction level of E-Wallet



**Figure II - Main Reasons for Using E-Wallets**

The table IV analyses about the obstacles that are faced by the respondents while they are using their E-Wallets. Majority of the respondents feel that among the all obstacles 'Network connectivity' is the major obstacles so they got the first rank, 'Security threats' is got the second rank, 'Lack of technical knowledge' is got third rank, 'Lack of availability' is got the fourth rank, 'Hardware issues' got fifth rank and finally 'Failed transaction' is got least rank. Hence the majority of the respondents feels that major

#### **C. Cross Tabulation**

**Table V**  
**Occupation and satisfaction level of E-Wallets**

Occupation	Satisfaction level of E-Wallets			Total
	Satisfied	Moderate	Dissatisfied	
Student	16 (43.2%)	12 (32.4%)	9 (24.3%)	37 (100.0%)
Employees	29 (78.4%)	4 (10.8%)	4 (10.8%)	37 (100.0%)
Professionals	31 (83.8%)	6 (16.2%)	0 (0.0%)	37 (100.0%)

Business People	25 (64.1%)	14 (35.9%)	0 (0.0%)	39 (100.0%)
Total	101 (67.3%)	36 (24.0%)	13 (8.7%)	150 (100.0%)

Source: Primary Data

The table V reveals that in students category 43.2% are satisfied with the benefits of E-wallets, in employees category 78.4% are satisfied, in Professional category 83.8% are satisfied and in Business people

category 64.1% are satisfied. Hence the majority of the professional categories (83.8%) are satisfied with the benefits of E-Wallets.

**Table VI**  
**Occupation and Satisfaction Level of E-Wallets**

Factor	Chi-Square	Degree of Freedom	P Value	Remark
Pearson Chi-Square	29.669 <sup>a</sup>	6	.000	Significant

Source: Primary Data

The table VI reveals that P value (0.000) is less than Significant Value (0.05). Hence the null hypothesis is

rejected. So there is a significant relationship between occupation and satisfaction level of e-wallet.

**Table VII**  
**Customer's opinions regarding the usage of e-wallets**

Variables	Classifications	Frequency	Percentage
E-Wallet is an <b>alternative choice</b> of payment mode	Yes	123	82.0
	No	27	18.0
	<b>Total</b>	<b>150</b>	<b>100.0</b>
E-Wallet is an <b>attractive choice</b> of payment	Yes	103	68.7
	No	47	31.3
	<b>Total</b>	<b>150</b>	<b>100.0</b>
E-wallet <b>supports</b> the existing payment method	Yes	114	76.0
	No	36	24.0
	<b>Total</b>	<b>150</b>	<b>100.0</b>
E-wallet is not necessary	Yes	43	28.7
	No	107	71.3
	<b>Total</b>	<b>150</b>	<b>100.0</b>

Source: Primary Data

Table VII shows about the customer's opinion regards usage of e-wallets. Out of 150 respondents 82% of respondents are said that 'e-wallet can be alternative choice of payment mode' and 68.7% of the respondents agrees that 'e-wallet can be attractive choice of payment'. 76% of the respondents are accepting that 'e-wallet supports the existing payment method' and 71.3% of the respondents are not agree the statement of 'E-wallet is not necessary.

Hence, it is concluded that majority of the respondents said that e-wallet is a alternative, attractive, supportive and necessary one in the digital era.

#### **D. T-Test**

#### **Hypothesis**

H0: There is no significance difference between gender



and their opinions regard the usage of e-wallet

H1: There is significance difference between gender and their opinion regards the using e-wallet

**Table VIII**  
**Gender and Customer Opinion towards using E-Wallet**

Gender	N	Mean	SD	F	Sig.
Male	84	5.99	.549	13.034	.000
Female	66	4.76	.658		

Source: Primary Data

Table VIII reveals that p value (.000) is less than significant value (0.05). Hence the null hypothesis is rejected. So there is a significant difference between the gender and their opinions regard the usage of e-wallet.

## VI. FINDINGS OF THE STUDY

- Out of 150 respondents 56% of the respondents are Male, 58.7% of the respondents are belongs to the age group of 20-30 years, 56% of the respondents are graduates, 25.3% of the respondents are students and business peoples, 56.7% of the respondents are married and 29.3% of the respondents are earning monthly income belongs to above Rs.30000.
- Majority of the respondents (59.3%) are using Google Pay, they (46%) using the E-wallets frequently and Fund transfer (43.3%) is the main purpose of using the e-wallets.
- The rank analysis proves that the majority of the customers preferred the E-Wallet for their Fast Service
- The chi-square test proved that there is a significant relationship between occupation and benefits among using e-wallet.
- The majority of the respondents feel that major obstacle of E-Wallet is “Network connectivity” and “Security Threats”. So it’s occupying the first and second position respectively among all other obstacles.
- The majority of the respondents said that e-wallet is an alternative, attractive, supportive and necessary one in the digital era.
- The T-Test is proved that there is a significant difference between gender and customer’s opinion regards using e-wallet.

## VII. SUGGESTIONS

- This survey proves that there is a significant association between occupation and satisfaction level of e-wallets. Professionals are highly satisfied with the e-wallets because of their knowledge.

Students and business peoples satisfaction level is low when compare to professionals.

- This study also finds outs that the “Network connectivity” and “Security threats” are the main obstacles and it is the reason for less usages of E-Wallet.
- So the government should initiate necessary steps to overcome the problems of network connectivity and security threads. And also increases the awareness level among the people through proper channels to enlarge their knowledge about Pros and Cons of E-Wallets.

## VIII. CONCLUSION

In India, there are lots of changes in environment; “change” is only truth in this world. It is advisable to accept and adapt according to it for survival. Modern financial system has gone through many changes in terms of payment processing system from traditional banking system to ATM/ Debit card, Credit card online payment, wire transfer, NEFT, RTGS etc. and the latest feather in the cap is digital wallet or E-wallet. But People are using a few services mostly fund transfer, bill payments and recharges etc. This study also proves that the customer perceptions about the e-wallets are good and they accept that the e-wallet is an alternative, attractive, supportive and necessary one of digital era. But there are many services which are already going on in the international market and people are using it like square wallet it gives card scanner to scan any credit / debit card to make payment through mobile device, are still to come in India. The awareness and practical usability of the E-wallet is low, so these studies recommend that it should be increased by adding more value added services to it.

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### AUTHOR PROFILE



**M.NANDHINI**, is a Doctorate of Philosophy of Commerce (PhD) student at K.S.Rangasamy College of Arts and Science Affiliated to Periyar University, TamilNadu, India. She is holding Master of Philosophy in Commerce from Periyar University TamilNadu, India. She is holding Master of Commerce (M.Com) from Periyar University TamilNadu, India. She has Rank Holder in UG and her also National Service Scheme Leader during the post graduate period. She awarded 100% attendance of both UG and PG. She got fellowship from Swami Vivekanandha Single Girl Child Fellowship from UGC for her Ph.D. She has published 14 Research papers in peer review journals. She has also presented papers in more than 33 conferences. She has also attended 19 Workshops related to Research Methodology, Data analysis and Statistical tools.



**Dr. K. GIRIJA**, is a Assistant Professor of Commerce at K.S.Rangasamy College of Arts and Science Affiliated to Periyar University, TamilNadu, India. She has competed NET. She completed her Ph.D from Periyar University, TamilNadu, India. During her Ph.D period she receive scholarship from ICSSR Doctoral Fellowship. Her area of interest are Income Tax, Company Accounts and Marketing. At present she guided 2 Ph.D Research Scholars. She has published 21 research papers in International refereed journals. She also presented papers in 22 conferences. She has also attended 8 Faculty Development Programmes, awareness Programme and 9 Workshops related to Research Methodology, Data analysis and Statistical tools.