

Project Report on

Digital Payments and Consumer Experience

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DECLARATION

I, Soveet Maheshwari, of **SALESIAN COLLEGE CAMPUS** of [Semester VI] hereby declare that I have completed my project, titled **‘DIGITAL PAYMENT AND CONSUMER EXPERIENCE IN SILIGURI’** in the Academic Year 2022. The information submitted herein is true and original to the best of my knowledge.

[SIGNATURE OF STUDENT]

Acknowledgement

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I am deeply indebted to my distinguished guide *Rajeev Dutraj* for this expert advice, able guidance, utmost involvement and whole hearted cooperation, which inspired me to complete this task successfully. I record my sincere and grateful thanks to him for having steered me through my research endeavor.

I take this opportunity to express my sincere thanks to all my well-wishers for facilitating me to carry out my research work.

Digital payments and consumer experience in Siliguri

Abstract

India is on its way to becoming cashless. To minimise the Indian economy's reliance on cash and prevent money laundering, the Indian government started the Digital India Campaign. Various payment methods are emerging and evolving in order to make India cashless and increase trends in using digital payment systems. Digital payment services offer convenience, ease of transactions and security while transacting. India is a developing country with a large rural population and shockingly low computer literacy. The study paper focuses on India's digital payment system and its effects on the country's people and economy. Many innovations in the payment system, such as digital wallets, UPI, and BHIM apps, have occurred in recent days to facilitate the transition to digital payments. The purpose of this research paper is to investigate the positive effects of payment system digitization. The research paper also tries to clarify the digital payment system's future reach.

KEYWORDS

Digital Payments, Banking , Digital India , Digital wallets

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CHAPTER 1- INTRODUCTION

1.1 INTRODUCTION

The Ministry of Electronics and Information technology ('Meit y') defines digital payment transactions in which the customer authorises the transfer of money through electronic means, and the funds flow directly from one account to another. It lists Bharat Interface for Money, BHIM Aadhaar, Bharat QR Code, Unified Payments Interface, Unstructured Supplementary Service Data, Immediate Payment Service, debit/credit cards, National Electronic Funds Transfer, and Real-Time Gross Settlement as methods of digital payments.

The flagship programme of the Indian government, "Digital India," aims to transform India into a digitally enabled nation. One of Digital India's ostensible functions is "Faceless, Paperless, Cashless."

Prime Minister Mr. Narendra Modi demonetized high-value currency of Rs. 500 and 1000 in November 2016 as part of government reforms, and also started the "Digital India" project in 2015. These initiatives have given the country's digital payment system a significant boost. Other government initiatives, such as BHIM and UPI, aid in the transition and use of digital payments. Consumer transactions for services and products made at the point of sale (POS) utilising internet banking, mobile banking, or card payment are referred to as digital payments.

The following are the phases of the digital payment system: 1. registration 2. invoicing 3. Payment methods 4. Confirmation of payment. This payment method typically consists of three electronic payment instruments: cash, check, and card. Cash on Delivery is increasingly being phased out of the e-commerce business, and various ways of payment are being replaced, such as Card on Delivery, Net Banking, Debit Card, Credit Card, and so on. Demonetization will benefit India's e-commerce industry by increasing people's opportunities to go cashless.

This is generally the case with digital payments. We have a tendency to steadily move towards and live in it in the long run. Everyone wants to travel without cash, and why not? It's more secure. Nobody will break in and take your belongings, but is it really safe? Can't someone look around and see those numbers and gain access to all of your money?

In layman's terms, digitization involves dealing with cash digitally with less use of difficult varieties of cash, or mistreatment of processed or digitalized types of transactions. Where 67 percent of the population lives in rural areas, an Asian country may have a rising economy (World Bank, 2016). Although we have a seventy-four percent achievement rate, a substantial portion of the population still lacks technological data, and the issue of

digitalization in Asian countries is significant when compared to other countries throughout the world.

ATMs (automated teller machines) were the first type of digitalization to be adopted in an Asian country in 1987. Individuals had to wait twelve years to embrace it as a means of collective action. However, as time has passed, people have learned how to use it, and its significance has gradually increased. ATMs were also inflated in various parts of the country in order to reduce the ATM craze, which was concentrated on bringing E-banking in the country. The main goal of Asian countries' banking concerns (RBI) was to ensure that individuals have a secure and licenced payment mechanism. In the 1990s, the Electronic Clearing Service (ECS) was established with this goal in mind. The National Electronic Clearing Cell was established in 2008 to manage various transactions between people and businesses.

Throughout this transformation a national level e-Governance arrange was initiated in 2006. therefore, keeping the main target on rural areas to expand the e-banking and higher net facilities “Digital India” campaign was launched on first July 2015. The objective of the campaign is to develop secure and digital infrastructure, delivering government services digitally and universal digital attainment, consistent with net and Mobile Association of {india|India|Republic of Asian country|Bharat|Asian country Asian nation} (IAMAI) and Kantar IMRB return of 918 million rural population of India solely 186 million ar mistreatment net and deed out 732 million potential users. Individuals had to wait twelve years to embrace it as a means of collective action. However, as time has passed, people have learned how to use it, and its significance has gradually increased. ATMs were also inflated in various parts of the country in order to reduce the ATM craze, which was concentrated on bringing E-banking in the country. The main goal of Asian countries' banking concerns (RBI) was to ensure that individuals have a secure and licenced payment mechanism. In the 1990s, the Electronic Clearing Service (ECS) was established with this goal in mind. The National Electronic Clearing Cell was established in 2008 to manage various transactions between people and businesses.

Various ways of digital payments are available to encourage cashless transactions and transform India into a cashless society-

Debit / Credit Card

Suitable for: Online/offline merchant sale.

Transaction limit: Set by card issuer

Details required: Card number CVV Expiry date

Cost: Debit cards: Up to 0.75% for transactions up to Rs 2,000; up to 1% for transactions above Rs 2,000. Credit cards: around 2.5% per transaction

RTGS / NEFT

Suitable for: High value online transactions.

Transaction limit: No upper limit, minimum Rs 2 lakh. Up to Rs 10 lakh, minimum Rs 1

Details required: Account number Password Beneficiary registration IFSC code

Cost: RTGS: Up to Rs 55 per transaction. NEFT: Up to Rs 25 per transaction.

IMPS

Suitable for: Instant transfer

Transaction limit: Rs 2 lakh per day

Details required: Account number Password Beneficiary registration IFSC code

Cost: Rs 5-15, depending on transaction amount.

UPI

Suitable for: Instant transfer

Transaction limit: Rs 1 lakh

Details required: VPA (virtual payment ID) of recipient, m-Pin

Cost: Less than 50 paise per transaction.

USSD

Suitable for: Feature phones without Internet connectivity

Transaction limit: Rs 5,000

Details required: Only Aadhaar number, IFSC or code allotted by banks on registration

Cost: As levied by the telecom operator.

E-WALLET

Suitable for: Small-ticket transactions.

Transaction limit: Rs 20,000 per month (Rs 1 lakh for KYC-compliant wallet holders)

Details required: Login ID

Cost: Only if you transfer money from your wallet into your bank account.

RTGS: Real-time gross settlement systems

NEFT: National Electronic Funds Transfer

IMPS: Immediate Payment Service

UPI: Unified Payment Interface

USSD: Unstructured Supplementary Service Data

1.2 RATIONALE FOR THE STUDY

According to recent studies, millennials are the highest-earning generation in India (cash earners), accounting for 47% of the working-age population. It has been widely stated that the younger generation is technologically sophisticated. This new group of people strongly believes in a cashless economy that includes mobile payments and digital operations. However, the question remains as to why India requires digital wallets?

Of course, paper currency isn't secure, especially in transit. That is evidenced by the preference for digital channels. Given the high percentage of this generation who utilises mobile phones and its equivalents, security may be a major concern. Security vaults are built into digital wallets to ensure that no thefts or breaches occur in the background. This includes biometrics such as fingerprints, iris scans, two-step authentication, real-time pop-ups, and much more. This clearly demonstrates the security around digital wallets and payment systems. Nothing is interfered with that is sensitive. Digital transactions make it easier to plan, manage, and track spending. The digital world is now thought to be far more trustworthy and safe than it was previously. The stringent government regulations are working well to deal with and protect the information that users enter on the portals.

More than half of the younger generation values convenience and control over their payment methods, which is why they will opt to use digital for all of their budgetary needs. The highlighted points of why the young generation prefers digital payments:

Convenience: Digital wallets provide the benefit of use to people to understand their bank accounts standing, credit limit, cash budgets, payments, and whatnot. This has clearly helped to hurry up most on-line. The waiting time is considerably reduced with this operability. The long queues and transactional hassles are remarkably reduced.

Earning loyalty rewards: This can be a vital feature of digital payments. One gets the privilege to earn loyalty points beside credits for pretty much each activity on the platform. This can be missing once your victimization money because it is quite an transient dealing of cash. These add ons build digital mediums even with a lot of enticing. for instance, Paytm offers users the chance to earn loyalty, cashback & gift cards.

We can say that "The Future is Digital" because the young generation are all a lot of wanting digital services for speed of dealings and instantaneity of labor in hot water mobile banking and real time notifications. Technology is their king! This can solely build things and make lives less complicated.

Digital wallets square measure the simplest bet to start digital payments.

- 1- *Robust growth in good phones:* The digital payments landscape in Republic of India has witnessed new growth mostly driven by accrued Smartphone penetration. Smartphone user base has accrued by hr within the metros, however a lot of significantly, it's the penetration within the tier a pair of and 3 areas that is of essential importance
- 2- *Adoption of Aadhaar & UPI:* knowledge handiness alongside Aadhaar primarily based authentication can leave seamless adoption of the digital pocketbook. Initiatives like Aadhaar, UPI can have a chemical process result on the business.
- 3- *3G & 4G services:* 3G and 4G services square measure being offered at very cheap costs, giving a large boost to mobile commerce. With 4G turning into a lot of and more cost-effective, we have a tendency to expect Smartphone users from tier a pair of and three regions to adopt digital wallets.

A part of the higher than mentioned digital purchases is digital payments. And once everything else is mobile, the payments have to be compelled to be mobile too; we've to be able to procure merchandise and services notwithstanding wherever we have a tendency to square measure. Thus, there's a requirement for a payment entryway, with those mobile payments will be created. it's thus relevant to concentrate towards mobile payment possibility as cashless payment. As payment entryway is billowing on account of growing on-line payment transactions in Republic of India, this study undertakes to grant Associate in Nursing insight concerning Payment gateways services.

1.3 Benefits of Digital Payments-

- **Faster, easier, more convenient:** One of the most significant benefits of cashless payments is that they speed up the payment process and eliminate the need to fill out extensive information. There is no need to queue for an ATM or carry cards in your wallet. Customers will also have access to banking services around the clock, including on holidays, as a result of the shift to digital. Many services, such as digital wallets and UPI, are built on this foundation.
- **Digital record of transactions:** Another advantage of going digital is the ability to keep track of all transactions. Customers may keep track of every purchase they make, regardless of how tiny the transaction is.
- **One stop solution for paying bills:** Utility bills can now be paid through a variety of digital wallets and payment apps. All utility bills, including phone, internet, and power bills, may be paid using a single app with no difficulty.

- Helps keep black money under control: Digital transactions will aid the government in keeping track of things and, in the long term, will aid in the elimination of black money and counterfeit notes. Apart from that, the economy may benefit since the cost of minting currency will decrease.
- Waivers, discounts and cashbacks: Customers who use digital payment applications and mobile wallets are eligible for a variety of perks and discounts. Many digital payment banks provide generous cash back incentives. Customers will benefit from this, and it will also serve as a motivator to go cashless.

1.4 Digital Payments available in India

Various methods of Digital Payments available in India are as follows:

1-NFC or MST transmission waves platform

Companies have developed NFC (Near Field Communication) and MST (Magnetic Secure Transmission) technology to facilitate transactions. You can quickly make payments to retailers without swiping your card through POS (Point of Sale) equipment by using its wireless transmitting magnetic waves. This service is available by installing an MST-enabled app and having your phone support NFC. After that, you can use your phone to make contactless transactions at any merchant's POS terminal after registering your card details.

2-Digital wallet payment system

Money is loaded into wallets via this platform. With the introduction of e-wallets, you may now add money to your account utilising digital wallet apps. However, you are limited to transferring funds to the same wallet. It means that if you have the PayTM or SBI's Buddy app loaded on your phone, you can only send money to someone else's PayTM wallet or SBI's Buddy app who also has these apps installed. Simply put, you cannot transfer funds from your PayTM wallet to your SBI buddy wallet app. Mobikwik, Freecharge, Oxigen, JioMoney, Paypal, Buddy, Pockets, and other e-wallets are available in the digital marketplace.

3-USSD code payments system

If you do not have access to a smartphone or the internet, you can still make payments by dialling the USSD (Unstructured Supplementary Service Data) code from your basic phone and following the instructions. It is a GSM-based system in which transactions are carried out via text messages. It is a platform that connects the worlds of telecommunications and banking and financial services. Each

the banking app has its own dialling code, which you should confirm with your service provider before initiating a money transfer.

4-Mobile Money Identifier

MMID is a seven-digit unique number supplied by the bank once your mobile number has been registered. A person who wants to send money and a person who wants to receive money for an interbank funds transfer should both have MMID. However, you can only send a little amount (about Rs 10,000) per day via MMID. Almost every bank offers this service for making minor payments.

5-UPI App based payments platform

UPI has a unique feature that allows you to create a virtual address and send money without giving your account information or IFS code to the recipient. UPI operates in real time, which means money is sent immediately. UPI also supports the other method of transferring cash. All banking apps, including HDFC UPI, SBI UPI, ICICI UPI, AXIS UPI, and practically all other private and public banks, support UPI. The majority of banks are now exclusively offering UPI through their mobile banking apps.

6-QR Code based payments system

QR codes are yet another method of conducting a payment transfer in which you simply scan the merchant's QR code to complete the transaction. It is primarily utilised by all digital payment apps such as BHIM and other banking apps to facilitate payment transfers. The black square stores information about the objects, which is automatically transmitted through the smartphone when the code is scanned, and payments are made. When using the QR code feature, you do not need to enter anything manually. The government has launched the Bharat QR code to drive the digital payment programme all the way.

1.5 Advantages of digital payment

- **Increased Security**

Carrying cash with you at all times can be dangerous. Digital payments are far more secure than traditional cash transactions since they require adequate verification and authentication. Additional security for digital transactions is provided by banks and other digital payment systems in the form of OTPs and cross-verification, which can assist in preventing fraudulent transactions.

- **More Convenient**

Standing in long ATM lines to withdraw a modest amount of cash is hardly thrilling. However, most seniors are confronted with this circumstance every time they go shopping. Digital payments, on the other hand, provide greater convenience for the elderly because they allow them to perform financial transactions without having to worry about running out of cash.

- **Seamless Transactions**

Since digital payments have been around for a while, the process has grown more simpler, especially for seniors. Digital payments are now accepted at showrooms, malls, and even small shops. Buyers can now make purchases using their mobile banking apps or other digital wallets, making the entire transaction process more frictionless.

- **Different Options**

People can now choose from a variety of digital payment alternatives, including debit and credit cards, as well as digital wallets such as Google Pay and PhonePe. This allows people to do financial transactions without having to worry about running out of cash.

- **Offers & Discounts**

Banks and other financial organisations often give various types of offers and discounts to their consumers in order to boost digital payments. Elders can take advantage of these deals and receive frequent cashbacks, prizes, and discount vouchers for their digital transactions. Furthermore, certain banks and digital wallets provide unique prizes and deals to senior customers.

- **Convenience During Travel**

Gone are the days when we had to carry big sums of cash when travelling out of town. Retailers around the country have realised the value of becoming cashless and have begun to accept digital payments. As a result, elders can

now travel freely throughout India without worrying about finding an ATM or running out of cash.

- **Physical Distancing**

Safe and contactless transactions are one of the key advantages of digital payments. With the Covid-19 situation still looming over our heads, it's critical to avoid personal contact. Elders are believed to be more vulnerable during times of crises. As a result, one of the best methods for elders to keep safe during the Covid-19 pandemic is to use digital payments.

- **Track Your Spending**

Maintaining a regular weekly/monthly budget is the first step toward financial independence. This is especially true for elderly who rely on their pensions and other retirement funds. With easy-to-access bank statements and logs of all transactions, digital payments allow the elderly to keep track of their overall spending.

- **Budget Discipline**

Going cashless is one of the best methods for seniors to have a better understanding of their spending habits, as they can track and analyse their transaction patterns using various apps. This will assist them in better understanding their spending and planning their budget. In order to achieve financial independence, you must develop a budgeting discipline.

- **Save Time & Money**

Going cashless has a number of advantages, including saving time and money for the elderly. Seniors can make faster payments thanks to the many payment alternatives offered. Seniors can save money by using digital platforms that do not impose transaction fees. This will not only help them save money, but it will also be good to their total budget.

1.6 Impact of Covid 19 on digital payments

Digital wallets, or "e-wallets," as we call them, have grown in popularity dramatically in recent years. Buyers prefer safe and contactless methods of transaction, which has led to a rise in the usage of digital payments as a result of the Covid-19 problem. While most of us have adjusted to the shift in payment methods, the elderly have yet to fully grasp the concept of digital transactions. As we move closer to a cashless economy, a considerable number of seniors still prefer the conventional form of cash payment, which can be an issue in the long run. There has been an upsurge in orders placed on ecommerce websites and apps for food,

entertainment, and food during the COVID-19 outbreak, when people were encouraged to keep up with the public sphere. Payment can be made through the payment gateway by someone who performs such services on ecommerce platforms. It ensures that sensitive data, such as credit card details, hosted on an interface or on an ecommerce website, is securely transported over numerous routes, making digital payment safer and safer. When money is viewed as a coronavirus vehicle, it can influence how people pay in person.

(Patel, 2020) analyses that the digital payment acceptance rate is dropping in 2019. In addition, it was a major change in every category and country. COVID-19 disease has increased the adoption of digital payment solutions. Although various economic disputes around the world are at various stages of development, the outbreak has forced people to change their buying habits to interact with eCommerce and m-commerce. This has blocked the way for digital payments.

People are concerned that money can spread the Coronavirus, thus electronic payments appear to be more appealing. They may effortlessly pay retail sales to their shop using the upi tool. Customers can pay with their credit/debit cards or by tapping their smartphones at the PoS terminal utilising the Tap & Pay feature in the mobile app. We can hope that the coronavirus problem will be resolved soon, but the future development of digital payments will be driven by an increasing number of smartphone users. Customers will surely have a better experience than their competitors, who will all have digital payment platforms. Digital payment options, whether it's a digital wallet or another kind of communication, are here to stay. Finally, let us use secure and convenient digital payment options and ensure that we all take preventative actions to counteract the epidemic.

CHAPTER 2- Literature Review

Kartikeya Bolar (2014), According to his research paper "End-user Acceptance of Technology Interface In Transaction Based Environment," technology creators and investors need information about customers' evaluations of their technology interface based on features and various quality dimensions in order to make strategic decisions in improving technology interfaces and competing on various quality dimensions.

Rakesh H M & Ramya T J (2014), Their research looked into the elements that led to the acceptance of internet banking in our country. The major reasons for online banking acceptance or usage were discovered to be perceived reliability, considered simplicity of use, and perceived usefulness.

Sanhita Roy, Dr. Indrajit Sinha (2014), In this study, they analyse how the use of digitalized payment has increased dramatically in India. However, about 90% of transactions are still conducted using paper cash. In this study, they employed the TAM (Technology Acceptance Model) to identify the variables that are bolstering the e-payment system. These aspects include innovation, incentives, regulatory framework, and customer convenience.

Balazs Vinnai, general manager, Digital Channels, Misys(April 25, 2016),According to his research paper "End-user Acceptance of Technology Interface In Transaction Based Environment," technology creators and investors need information about customers' evaluations of their technology interface based on features and various quality dimensions in order to make strategic decisions in improving technology interfaces and competing on various quality dimensions.

Baghla . A (2018), The tendencies for implementing the digital payment system in India were highlighted in his study. The report also discusses how, following demonetization, people began to use digital platforms for transactions. The government's ambition to make our economy cashless is examined further, as well as how consumers will adapt to such a system. A structured questionnaire was utilized to gather data and determine the future of India's digital payment system.

Pushpa S. Abbigeri and Rajeshwari M. Shettar (2018), They discussed how the Digital India flagship campaign enticed a huge number of individuals to begin utilising digital wallets, which they began to use because of the numerous cash back offers and coupons available. Following the launch of the digital India flagship initiative, a slew of mobile wallet businesses flooded the market, as did other payment mechanisms like UPI and

NEFT. People were accepting of the government's and RBI's endeavour because they were utilising similar approaches.

Preeti Garg and Manvi Panchal (2016), the article entitled “Study on Introduction of Cashless Economy in India 2016: Benefits and Challenges” . The viewpoints of individuals on the presentation of the cashless economy in India were considered in this article. The inquiry was conducted in the Delhi area, and data was acquired through an organised poll and analysed using basic statistics. India's economy might be considered as progressing in the correct direction. It contributes to India's economic development and advancement.

Mamta, Prof. Hariom Tyagi and Dr. Abhishek Shukla (2016), the article entitled “The Study of Electronic Payment Systems”. This inquiry sought to identify the problems and obstacles that electronic payment systems face, as well as provide recommendations for how to improve the system. Additionally, the e-payment method provides extra options. The investigation discovered that the digital revolution has made digital payments simple. The study also discovered that the reach of cell networks, the Internet, and electricity is extending digital payments to more rural places. The quantity of digital payments will undoubtedly rise as a result of this.

Vidya Shree DV, Yamuna N. and Nitua Shree G (2015) the article entitled “A Study on New Dynamics in Digital Payment System - with special reference to Paytm and PayU Money ”. The focus of the study paper is on the impact of new digital payment systems on clients and any concerns that may arise. Individuals are increasingly conscious of online payments through mobile applications, according to the study, and there is a faster rate of development. Paytm and PayU Cash, according to the study, provide straightforward payment structures when compared to digital payment systems.

CHAPTER 3- RESEARCH METHODOLOGY

3.1 Statement of the problem

The circulation of paper money and the lack of a solid environment for cashless payments are the key concerns and obstacles facing the digital payment system. Customers can be educated on how to overcome these barriers through more awareness programmes. Slow and inconsistent internet connection has also been a major concern amongst a lot of people when it comes to making digital payments. Although there are numerous digital payment solutions available, Indians continue to use ATM cards to withdraw money and send money to others and they do not transfer money using digital payment. The Siliguri public is still sceptical about online transactions. They also believe that the old system is good and trustworthy. Also, they do not trust in transaction security. Also, there is a lack of awareness amongst a lot of people when it comes to digital payment and using of applications like gpay, phonepe, paytm etc.

3.2 Objectives of the study

In this research paper the main objectives will be the comparative studies through data analysis, the data collected through survey, studies and inspections. Also there will be conclusions and suggestions about the study and how-to bring enhancements and betterment into the same.

- To learn about people's attitudes on the adoption of digital payments in Siliguri.
- To determine the most common digital payment method
- Recognize the usefulness and accessibility of upi payment systems
- To analyse the problems and challenges of growth of digital payment system in the current marketing scenario.

3.3 Scope of the study

This study is conducted to find out the views of consumers and to know about their experiences and awareness when it comes to Digital Payments. The respondents selected are of mixed groups which will give wider difference in understanding.

3.4 Sampling Size

- The sampling size of the research work was 63.

- The study is done with reference to Siliguri city

3.5 DATA COLLECTION

- Primary data have been used for the research.
- Ratio scale has been used to know the age group of the respondents.
- Nominal scale is used to know whether the respondent has ever been a victim of online fraud and also to know whether they recommend digital payments to their family or friends.

3.6 LIMITATION OF THE STUDY

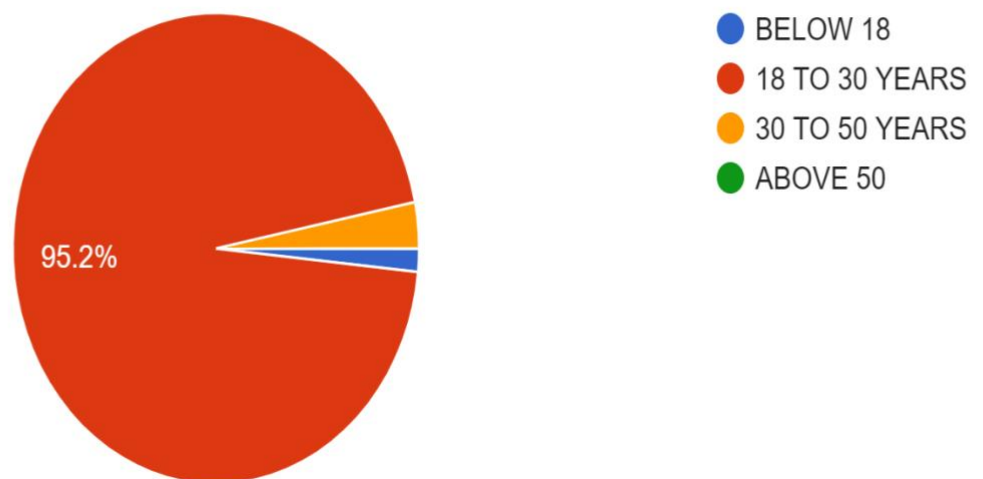
- Firstly, the sample size of the study is limited.
- Secondly, it focuses on the Siliguri sample population. The other parts of West Bengal are not being studied.
- Low number of respondents leads to unreliability in data.
- The research paper is limited to data collection over duration of only one week.

CHAPTER 4-Data Analysis And Findings

Table 1: Age of the respondents

WHICH AGE GROUP DO YOU BELONG TO?

63 responses



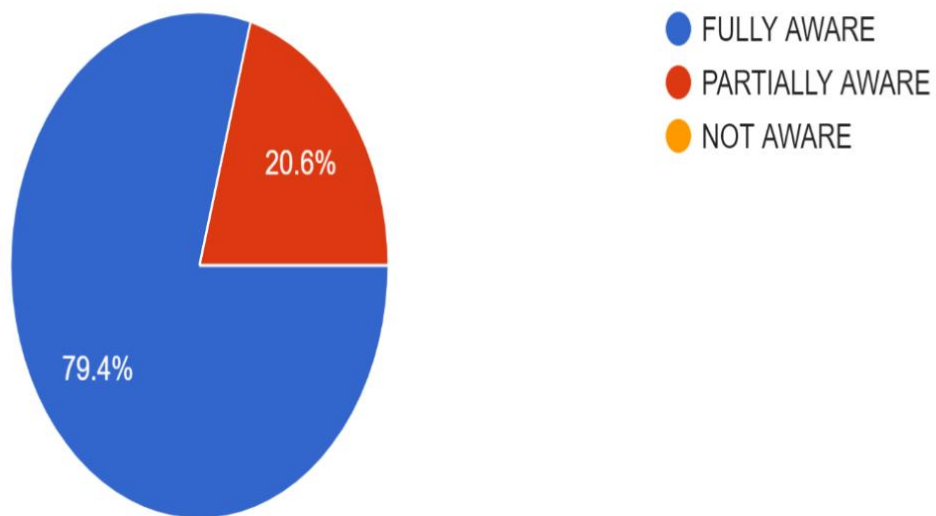
Interpretation:

- 1.6 % of the respondents are from the age group below18
- 95.2% of the respondents are from the age group of 18-30
- 3.2% of the respondents are from the age group of 30-50

Table 2- Awareness regarding digital payment

AWARENESS REGARDING DIGITAL PAYMENT(LIKE G-PAY , PAYTM,PHONEPE)

63 responses



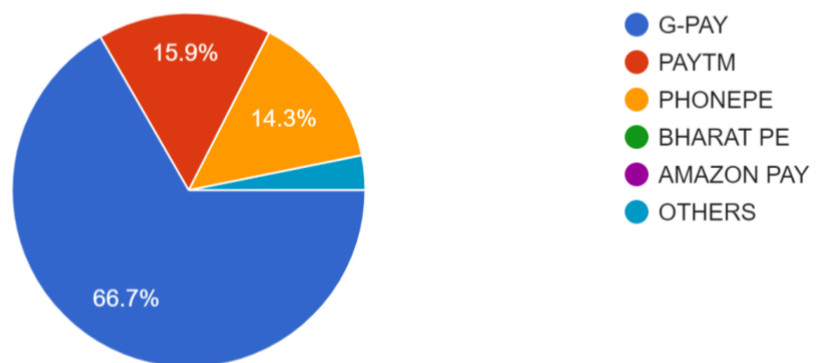
Interpretation:

- 79.4% are fully aware of digital payment
- 20.6% are partially aware of digital payment

TABLE 3- Which application respondents use mostly?

WHICH APP DO YOU USE THE MOST ?

63 responses



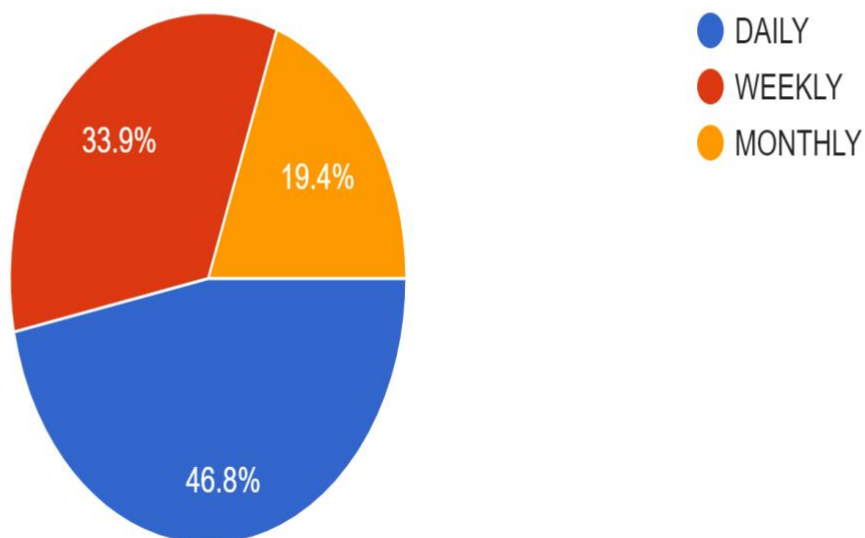
Interpretation:

- 66.7% of respondents use google pay
- 15.9% of respondents use PayTm
- 14.3% of respondents use PhonePE
- 3.2% of respondents use other app

Table 4- How often do respondents use digital payment?

HOW OFTEN DO YOU USE DIGITAL PAYMENTS ?

62 responses



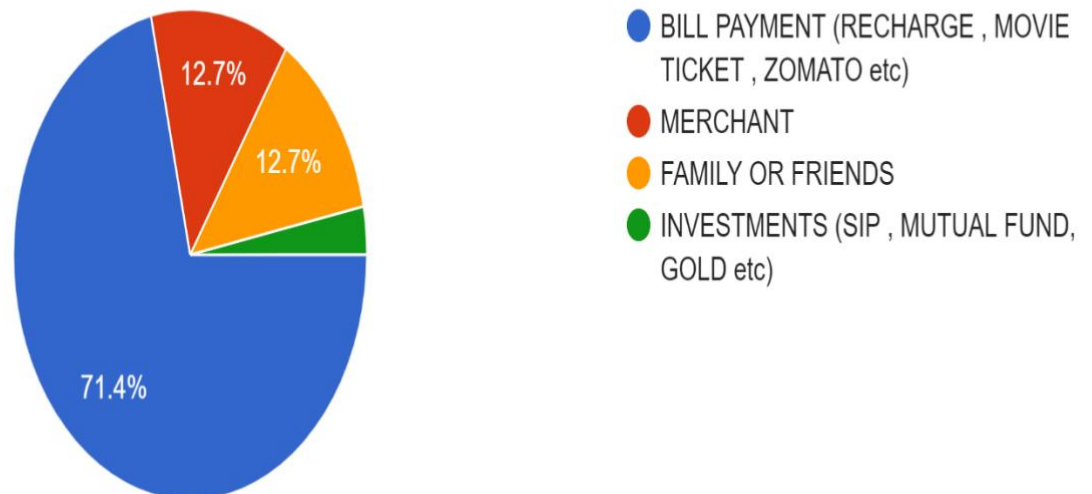
Interpretation:

- **33.9% of respondents use digital payment daily**
- **19.4% of respondents use digital payment weekly**
- **46.8% of respondents use digital payment monthly**

TABLE 5 – Where do the respondents make most of the transaction

WHERE DO YOU MAKE MOST OF THE TRANSACTION

63 responses



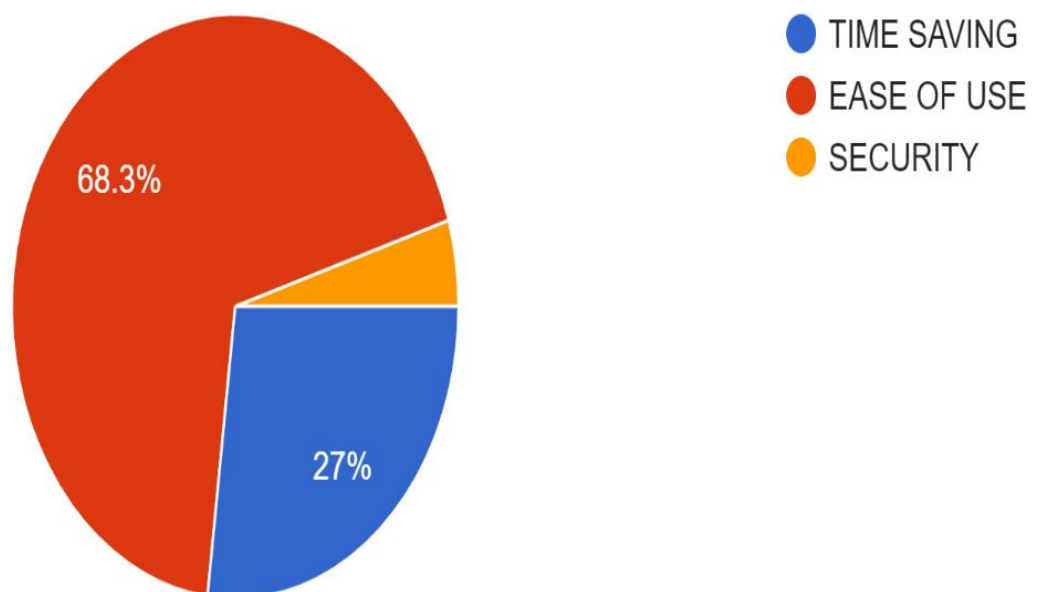
Interpretation:

- 71.4% of respondents use it for bill payments.
- 12.7% of respondents use it for merchant payments.
- 12.7% of respondents use it to send money to family & friends
- 3.2% of respondents use it for investments

TABLE 6 – Why do respondents prefer digital payments?

WHY DO YOU PREFER DIGITAL PAYMENTS ?

63 responses



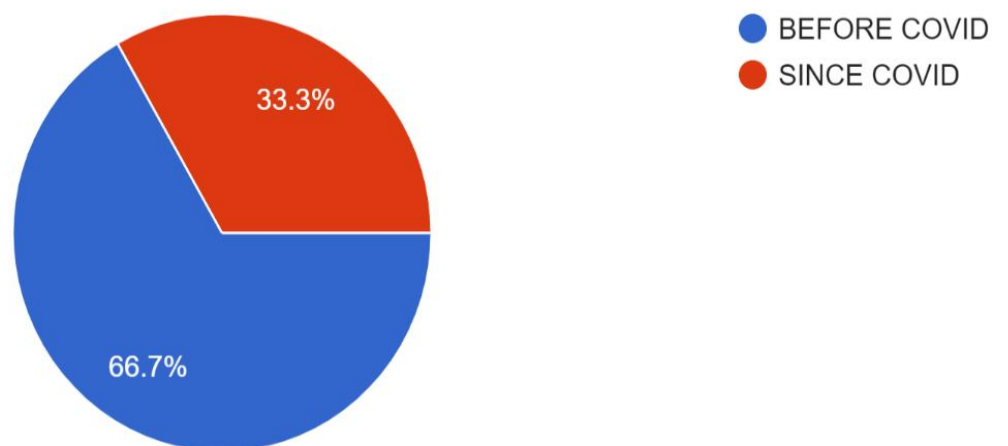
Interpretation:

- 68.3% of respondents use it as it is time consuming.
- 27% of respondents use it as it is easy to use.
- 4.8% of respondents use it as it is secure.

TABLE 7 – When did the respondents started using digital payment?

SINCE WHEN DID YOU START USING DIGITAL PAYMENTS

63 responses



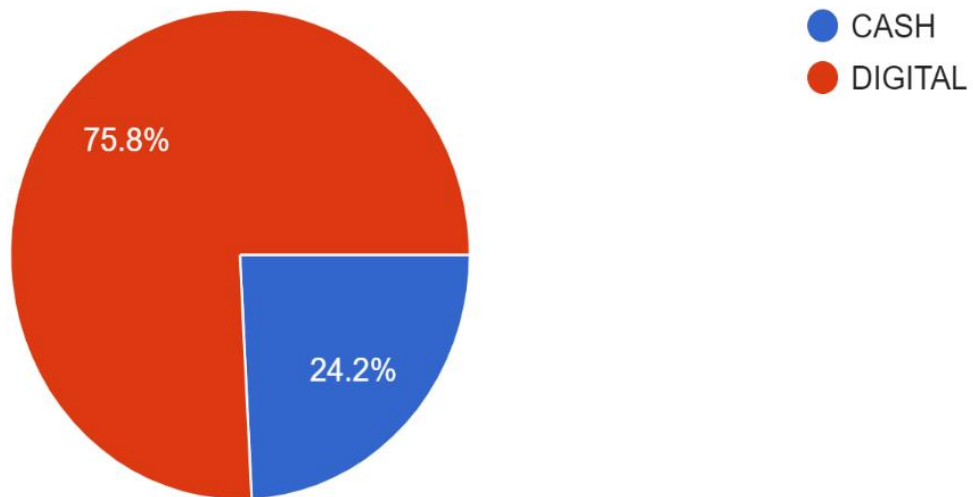
Interpretation:

- **66.7% of respondents started using digital payment before covid**
- **33.3% of respondents started using digital payment after covid**

TABLE 8 – What is the respondents preferred mode of payment?

WHAT IS YOUR PREFERRED MODE OF PAYMENT

62 responses



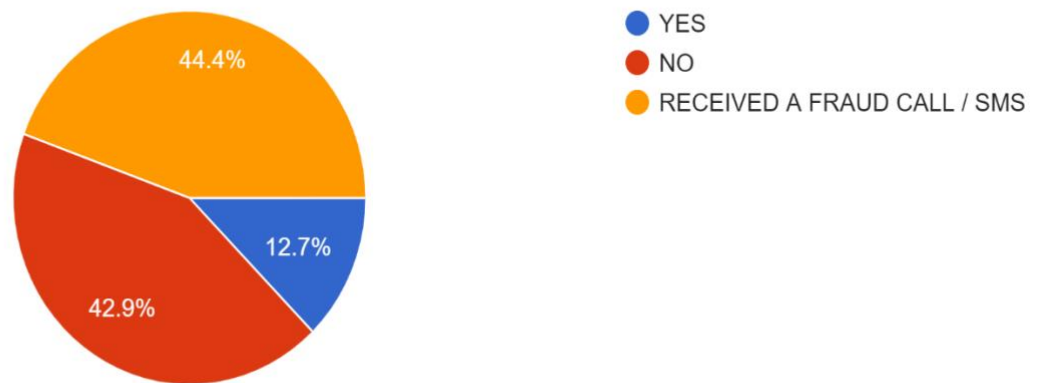
Interpretation:

- **75.8% of respondents prefer digital payment**
- **24.2% of respondents prefer cash payment**

TABLE 9 –Has the respondents ever been the victim of online fraud?

HAVE YOU EVER BEEN A VICTIM OF ONLINE FRAUD

63 responses



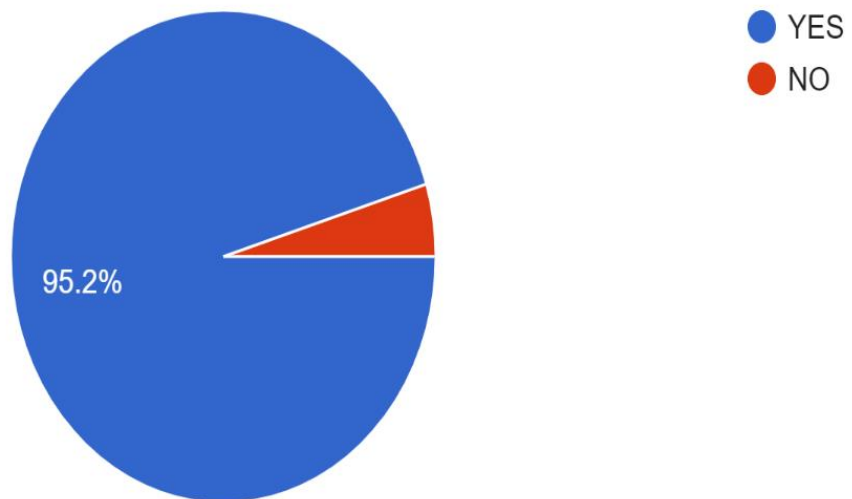
Interpretation:

- **44.4% of respondents have received a fraud call or sms**
- **42.9% of respondents have never been a victim of online fraud**
- **12% of respondents have been a victim of online fraud**

TABLE 10 – Do the respondents recommend digital payment to others?

DO YOU RECOMMENED DIGITAL PAYMENTS TO YOUR FAMILY OR FRIENDS

63 responses



Interpretation:

- **95.2% respondents recommend digital payment to others**
- **4.8% respondents does not recommend digital payment to others**

CHAPTER 5-FINDINGS AND SUGGESTIONS

FINDINGS

- People belonging to the age group of 18-30 tend to use digital payments more often as compared to people in other age groups.
- It shows, the majority of the people are aware of digital payments Apps like gpay, phonepe, paytm etc and have been using this regularly.
- It shows google pay is the most preferred app over other apps because of the functionality and ease of use.
- It shows that the majority of the people use these apps on a daily basis. And a very less percentage of people use these apps on a monthly basis.
- The survey shows, people mostly use these apps for making bill payments and a very few people use these apps for investment purposes.
- It has been found people use these apps for its ease of use and convenience. Payments can be done easily with just two clicks.
- The survey says, most of the people were aware of these apps before the pandemic and they have been using them since then.
- It's good to know a vast majority of the people prefer digital payments over cash because it is way too convenient for them.
- Majority of the people agreed to have received a fraud call or sms. The sad part is that few percent of people have also been a victim of this online fraud.
- This survey shows, almost everyone would recommend a digital payment to their friends and family members. They would also like to educate them around digital payments and online frauds.

The survey consisted of five sections-

- The first part of the questionnaire consisted of age group and awareness regarding digital payments.
- The second part consisted of questions to gauge the basic understanding of the respondents regarding different Apps and on the frequency of their usage.
- The third part of the questionnaire consisted of questions regarding the preference of digital payment and the types of transaction made.
- The fourth part of the survey asked about their preferred mode of payment and since when they first started using it.
- The survey's part section asked if they had ever been a victim of online fraud and if they would recommend digital payments to their friends and families.

SUGGESTIONS

- If more and more people (like shopkeepers, small vendors, vegetable shop, auto rickshaws) start accepting digital payment, then the general public would also prefer to make more and more digital payments over cash payments.
- Many consumers are still hesitant to use digital payments, but if local businesses can educate their customers about the benefits of digital payments in terms of security, they will be more comfortable with the new method of payment.
- More people will prefer digital payment if it means getting a better return, which is why a built-in rewards system can be so appealing. Consumers, on the other hand, want simplicity when it comes to earning and redeeming rewards. Allow customers to redeem incentives at the point of sale terminal to make digital payments more efficient. This would allow them to profit even faster.
- In the expanding competition of digital payment trends, a short path from payment inception to payment completion will be a strategic gain. The user would prefer a payment method that requires the least amount of steps to complete. If you offer digital payment solutions such as mobile payment apps or peer to peer payment apps, it will be a unique selling point if you can complete payments with minimal effort.

CONCLUSION

As a final observation , the study of consumer preference towards Digital Payments analyzed customers' attitudes towards Digital Payments and investigated the factors that affected the usage of Digital Payments in Siliguri. Fifty responses have been collected within a week..

This research paper started by focusing on the meaning of online or digital payment , digital wallet in Siliguri. This paper then focused on various digital wallets or online payment applications in India like Google pay, PayTm, Phonepe, Mobikwik, etc,. An online survey was conducted through a structured questionnaire which received 63 responses. Some of the respondents did not answer the questions accurately which proved to be the limitation of the study. From the survey conducted it can be seen that many people are adopting cashless mode of payment as it has its own pros like it :- reduces time and is convenient to use as well as various online payment apps offers various cashback offers and discounts as well for encouraging people to use digital mode of payment. A consumer can track all their expenses with online payment.

The concern that consumers have is their security, their privacy being hacked or leaked, high transaction charges etc. With the increase in the usage of smartphones the world has come closer and with a single touch any payment can be done. In our study it can be seen that the consumers or the respondents are satisfied with the use of Digital payments for making various payments and that online modes of payments are increasing day –by-day with the increase in various technologies which facilitate the entire process of a transaction.

As it can be seen that the cashless economy or the use of online payment applications has its various advantages and disadvantages so if any government is planning to adopt a cashless economy should carefully analyze the situation of the country. The government of India is taking efforts to encourage the people of India to use digital modes of payments along with the private sector companies.

ANNEXURE

1- Age group

- Below 18
- 18 To 30 Years
- 30 To 50 Years
- Above 50

2- Awareness regarding digital payment?

- Fully aware
- Partially aware
- Not aware

3-Which application do you use the most?

- G-pay
- Paytm
- Phonepe
- Bharat pe
- Amazon pay
- Others

4- How often do you use digital payment?

- Daily
- Weekly
- Monthly

5- Where do you make most of the transactions?

- Bill payments
- Merchants
- Family or Friends
- Investments

6-Why do you prefer digital payment?

- Time savi

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