Journal of Advanced Research in Humanities and Social Sciences
Volume 11, Print Issue 4 - 2024, Pg. No. 8-13
Peer Reviewed Journal

Research Article

A Study on Student Behaviour Towards Digital Payments

Renuka Kasera[1], Sudip Banerjee[2]

[1]Student, [2]Assistant Professor, School of Management, Shri Vaishnav Vidyapeeth Vishwavidyalaya, Indore, India.
School of Management, Shri Vaishnav Vidyapeeth Vishwavidyalaya, Indore, India.

I N F O

Corresponding Author:
Renuka Kasera, School of Management, Shri Vaishnav Vidyapeeth Vishwavidyalaya, Indore, India.
E-mail Id:
renuy170196@gmail.com
Orcid Id:
https://orcid.org/0009-0001-2196-4533
How to cite this article:
Kasera R, Banjerjee S. A Study on Student Behaviour Towards Digital Payments. *J Adv Res Humani Social Sci* 2024; 11(4): 8-13.

Date of Submission: 2024-10-09
Date of Acceptance: 2024-11-15

A B S T R A C T

This research delves into the behaviour of college students regarding digital payment. Digital payment systems have become prevalent, offering convenience and efficiency in financial transactions. This study aims to investigate and understand how college students use these digital payment methods and how their perceptions of these methods influence their decision to adopt them. These systems include various types of digital payment methods, like net banking, mobile banking, apps like PhonePe and Gpay, and card payment.

Keywords: Digital payment, Financial Transaction, Convenient, Efficiency

Introduction

Electronic payments, also known as digital payments, entail transferring money from one payment account to another using digital devices like mobile phones or computers.[1] These transactions have become increasingly common worldwide, reducing the need to carry cash and streamlining payment processes. The importance of digital payments was underscored during the COVID-19 pandemic, facilitating contactless transactions and enabling social distancing measures, thereby supporting business continuity and economic activities. Traditional payment methods such as checks, withdrawals, drafts, and money orders have been associated with inefficiencies and leakages, which digital payments aim to overcome.[2] Today, a variety of digital payment options are prevalent, including digital wallets, bank transfers, direct debits, and QR code-based payments. The use of digital payment services is growing steadily, with younger generations preferring these methods due to their convenience and potential for additional benefits and savings.[3] Digital payments encompass transactions for goods or services conducted without physical cash, often occurring online as part of e-commerce transactions. As technology advances, the range of electronic devices and transaction processes expands, while cash and check transactions decline.[4] Thus, a robust digital payment system is essential to facilitate transactions for goods and services traditionally handled by inefficient methods in India; the digital payment system is experiencing a surge, and QR code payments are being widely used.[5] To enhance convenience, speed, security, and cost-effectiveness, many businesses are investing in financial technology to adapt to changing economic and societal trends. Financial innovation aligns with the goal of maximising profits while meeting evolving consumer demands. Payment behaviour involves the decision-making process of purchasing goods and services to meet individual needs, with incentives playing a role. Electronic payment behaviour encompasses actions related to transferring payment instruments for purchasing items via electronic devices, including the internet, mobile phones, and computers. Digital payments offer significant benefits to individuals, companies, governments, and

organisations, facilitating efficient financial operations and supporting economic growth.[6] Digital payment transactions, to make the payment process convenient, fast, safe, and low cost for the people, many businesses have developed financial technology,[7] the process in which businesses differentiate their products and services to respond to the rapid changes of the economy and society. Financial innovation has revealed the potential of many products and services to meet the ever-changing demands of people. Financial innovation development also aligns with the profit maximisation goal of the economy.[8] The payment behaviour is the decision and action involved in purchasing goods and services to satisfy youth needs with the internal and external incentives.[9] The e-payment behaviour is the action of transferring payment instruments to purchase electronic devices, including the internet and devices such as mobile phones and computers. Digital payment offers a significant benefit to individuals, companies, governments, and organisations. Digital includes all financial operations carried out with the help of electronic devices, such as computers, smartphones, or tablets, or anything that is connected to the transaction electronically continues to increase while the percentage of cash and check transactions continues to decrease. In other words, a digital payment system is needed for compensation for information of goods and services provided through the internet. The traditional system is replaced by the digital payment system. The traditional payment systems are checks, withdrawals, drafts, money orders, letters of credit, travel checks, etc.[10] The most common reason is that the traditional system has some leakages and inefficiencies, and that's overcome by the digital payment system. In India, the digital system is an emerging trend. Today in India, people are using the most common varieties of digital wallets, bank transfers, direct debits to mobile apps, or QR-based payments.[11]

Type of digital payment's

1. **Debit Card:** These plastic cards are used for online as well as offline transactions. The main details required are the cardholder name, card number, CVV, and the expiry date.
2. **PhonePe:** PhonePe, India's payment app, is a platform on which you can transfer money using UPI, recharge phone numbers, pay bills, etc.
3. **UPI:** UPI It is a unified payments interface. It is used to transfer money between bank accounts in a single application.
4. **Gpay:** Google Pay is a digital wallet and payment platform from Google.
5. **Paytm:** Paytm is used to money transfer. recharge and other online payment.
6. **Mobile Banking:** Mobile banking refers to the use of a mobile device such as a smartphone or tablet.
7. **Net Banking:** Net banking also not as internet banking net banking offer a service by bank to allows to customers to access banking services and perform financial transaction online.
8. **Digital Wallet:** Digital wallet allow users to make quick and easy payments online. To use a digital wallet, a user must first add money form a linked bank account.

Review of Literature

Roy & Sinha (2014)[12] worked on the e-payment system in India, which has shown tremendous growth. The electronic payment system in India has experienced significant growth; however, despite this growth, there is improvement to encourage more people to use it. Currently, 90% of transactions in India are still conducted using cash. It needs to focus on innovating new payment methods, providing incentives for users, ensuring convenience, and establishing a strong legal framework to build trust among users. Slozko & Pello (2015)[13] found E-payment systems are crucial for both individuals and organisations. These systems provide a secure and convenient way to make payments over the internet. They also play a role in advancing technology and boosting the global economy. Hm & Ramya (2014)[14] In their research paper, examine the factors that influence internet banking adoption. It is found that internet banking is influenced by its perceived ability to encourage more people to adopt internet banking; experts should highlight the advantages it offers banking services that can help attract consumers to perceived reliability, ease of use, and perceived usefulness. Bolar (2014)[15] In his research paper, he emphasises the importance of creators and investors in technology having insight into how customers evaluate their technology interfaces. This understanding helps them make strategic decisions to improve these interfaces and compete effectively based on different quality dimensions. Tripathi (2020)[16] study on Adoption of Digital Payment Through Mobile Payment Application with Reference to Gujarat State. This study looked at how businesses in Gujrat state are adapting to digital payment methods through mobile payment apps. It found that businesses are embracing technology to meet consumer needs in a globalised world. The research also discovered that factors like saving time, getting cashback and discounts, convenience, keeping detailed records, reducing records, reducing theft risk, tracking spending, and moving towards a cashless economy all play a role in influencing consumers to use mobile payment apps. Veena & Epsheeba (2023)[17] study on digital payment usage among the student community in Tiruchirappalli city of Tamil Nadu. This study investigates that digital payment methods are popular not only among working adults but also among younger people; specifically, students are using digital transactions a lot because they are familiar with technology and have easy access to digital devices. Doshi et. al. (2021)[18] study on the use of digital

payments among college students in Mumbai city This research article explores how college students use digital payments, which are convenient and save time because no one needs to carry physical cash. In recent years, more young people, especially students, have been using digital transactions instead of traditional cash. Tiwari & Srivastava (2019)[19] study adoption of digital payment in India. It discusses how digital payment methods are embraced in India. It explains that over the years, there have been changes in Indian banking, including reforms, liberalisation, and privatisation. Banerjee & Sharma (2018)20, study on Financial Inclusion with the help of technology and rural people participations in India.

Objective of the study

To study the student's expectations from digital payment services.

Research Methodology

The study is entirely based on primary data collected from 123 Respondents from different colleges student. A well-structured questionnaire using google form was administered by me tocollect data, regarding know their perspective opinion. Data collected from March-April 2024 in Indore City and data analysis with Regression, ANOVA Test and Friedman Test by SPSS Software.

Hypothesis to be Tested:

H_{00}: There is no significant relation between Gender & Digital Payment services expectations.
H_{01}: There is no significant relation between Age & Digital Payment services expectations.
H_{02}: There is no significant relation between Marital Status & Digital Payment services expectations.
H_{03}: There is no significant relation between Education Qualification & Digital Payment services expectations.

Data Analysis

H_{00}: There is no significant relation between Gender & Digital Payment services expectations

Table 1.Model Summary

Model	R	R Square	Adjusted R Square	Std .Error of the Estimate
1	.085	.007	-.001	.68083

Table 2.ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.400	1	.400	.864	.354[a]
Residual	55.624	120	.464		
Total	56.025	121			

Table 1 & 2 regression and ANOVA Test R=0.085, which lies between -1 to +1, so there is a linear relationship between Gender and Digital Payment services expectations. R square is 0.007 lies between 0 and 1. Adjusted R square is -.001as it is negative, P=0.354 since the P value is more than .05 and as Adjusted R Square value negative so the model does not fit, and we must conduct non-parametric test Friedman Test.

Table 3.Mean Rank

Gender	1.45
Expectations	1.55

The Friedman Test (Table3) compares the ranks of mean between Gender and Digital Payment services expectations and it indicates how the groups differed. Table 3. given the ranks of Gender and Digital Payment services expectations.

Table 4.Test Statisticsa

N	122
Chi-square	1.391
df	1
Asymp. Sig.	.238

Table 4 provides the test statistic ($\chi 2$) value 1.391, degrees of freedom 1, and the significance level .238. P- value .238, which is greater than .05. We do not reject the null hypothesis and say that there is no significant relation between Gender and Digital Payment services expectations.

H_{01}: There is no significant relation between Age & Digital Payment services expectations

Table 5.Model Summary

Model	R	R Square	Adjusted R Square	Std .Error of the Estimate
1	.116	.013	.005	.67871

Table 6.ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.748	1	.748	1.623	.205[a]
Residual	55.277	120	.461		
Total	56.025	121			

Table 5 & 6 regression and ANOVA Test R=0.116, which lies between -1 to +1, so there is a linear relationship between Age and Digital Payment services expectations. R square is 0.013 lies between 0 and 1. Adjusted R square is .005, P=0.205 since the P value is more than .05 and as Adjusted R Square value justly 5% model fit so we must conduct non-parametric Friedman test.

Table 7.Mean Rank

Age	1.61
Expectations	1.39

The Friedman Test (Table7) compares the ranks of mean between Age and Digital Payment services expectations and it indicates how the groups differed, given the ranks of Age and Digital Payment services expectations.

Table 8.Test Statisticsa

N	122
Chi-square	8.576
df	1
Asymp. Sig.	.003

Table 8 provides the test statistic (χ2) value 8.576, degrees of freedom 1, and the significance level .003. P- value .003, which is less than .05. We reject the null hypothesis and say that there is significant relation between Age and Digital Payment services expectations.

H_{02}: There is no significant relation between Marital Status & Digital Payment services expectations

Table 9.Model Summary

Model	R	R Square	Adjusted R Square	Std.Error of theEstimate
1	.158	.025	.017	.67466

Table 10.ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1.404	1	1.404	3.085	.082[a]
Residual	54.621	120	.455		
Total	56.025	121	-		

Table 9 & 10 regression and ANOVA Test R=0.158, which lies between -1 to +1, so there is a linear relationship between Marital Status and Digital Payment services expectations. R square is 0.025 lies between 0 and 1. Adjusted R square is .017, P=0.082 since the P value is more than .05 and as Adjusted R Square value justly 17% model fit so we must conduct non-parametric Fridman test.

Table 11.Mean Rank

Marital status	1.38
Expectations	1.62

The Friedman Test (Table11) compares the ranks of mean between Marital status and Digital Payment services expectations and it indicates how the groups differed, given the ranks of Marital status and Digital Payment services expectations.

Table 12.Test Statisticsa

N	122
Chi-square	9.375
df	1
Asymp. Sig.	.002

Table 12 provides the test statistic (χ2) value 9.375, degrees of freedom 1, and the significance level .002. P- value .002, which is less than .05. We reject the null hypothesis and say that there is significant relation between Marital status and Digital Payment services expectations.

H_{03}: is no significant relation between Education Qualification & Digital Payment services expectations

Table 13.Model Summary

Model	R	R Square	Adjusted R Square	Std .Error of theEstimate
1	.089	.008	.000	.68055
predictor(constant), Education Qualification				

Table 14.ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.447	1	.447	.965	.328[a]
Residual	55.578	120	.463		
Total	56.025	121			

Table 13 & 14 regression and ANOVA Test R=0.089, which lies between -1 to +1, so there is a linear relationship between Educational Qualification and Digital Payment services expectations. R square is 0.008 lies between 0 and 1. Adjusted R square is .000, P=0.328 since the P value is more than .05 so we must conduct non-parametric test Friedman Test.

Table15.Mean Rank

Expectations	1.50
Education qualification	1.50

The Friedman Test (Table15) compares the ranks of mean between Age and Digital Payment services expectations and it indicates how the groups differed, given the ranks of Educational Qualification and Digital Payment services expectations.

Table16.Test Statistics

N	122
Chi-square	.000
df	1
Asymp. Sig.	1.000

Table 16 provides the test statistic (χ2) value 0.000, degrees of freedom 1, and the significance level 1.0. P value 1.00, which is less than .05. We reject the null hypothesis and say that there is no significant relation between Educational Qualification and Digital Payment services expectations.

Results

The results of the hypothesis testing are summarized in Table 17. Below is a detailed description:

1. **Gender and Digital Payment Services Expectations:** The null hypothesis (H_{oo}) stating that there is no significant relation between gender and digital payment services expectations was not rejected.
2. **Age and Digital Payment Services Expectations:** The null hypothesis (H_{o1}) stating that there is no significant relation between age and digital payment services expectations was not rejected.
3. **Marital Status and Digital Payment Services Expectations:** The null hypothesis (H_{o2}) stating that there is no significant relation between marital status and digital payment services expectations was rejected.
4. **Educational Qualification and Digital Payment Services Expectations:** The null hypothesis (H_{o3}) stating that there is no significant relation between educational qualification and digital payment services expectations was not rejected.

Table 17.Hypothesis Test Results

S.No		Null Hypothesis
1.	H_{00}: There is no significant relation between Gender & Digital Payment services expectations.	Not Rejected
2.	H_{01}: There is no significant relation between Age & Digital Payment services expectations.	Not Rejected
3.	H_{02}: There is no significant relation between Marital Status & Digital Payment services expectations.	Rejected
4.	H_{03}: There is no significant relation between Education Qualification & Digital Payment services expectations.	Not Rejected

Conclusion

From the data analysis of 123 respondents of Indore City, it has been found that Demographic factors like Gender, Age, Education Qualification are not significantly different while using digital platforms as payment medium whereas persons marital affects affect while payment made through payment digital platforms. This study has limited to only 123 respondents who are students and studying in school, colleges and universities. here there is further scope of study with larger sample size and large area of coverages.

References

1. Bezovski Z. The future of the mobile payment as electronic payment system. European Journal of Business and Management. 2016 Mar 31;8(8):127-32.
2. Jadhav, D. S. (2024). Digital Payments Methods: Problems and Prospects. Digital Trends in e-Commerce, 219.pp.180-185.
3. Kristensen LB, Solvoll M. Digital payments for a digital generation. Nordic Journal of Media Studies. 2019 Jun;1(1):125-36.
4. Khan BU, Olanrewaju RF, Baba AM, Langoo AA, Assad S. A compendious study of online payment systems: Past developments, present impact, and future considerations. International journal of advanced computer science and applications. 2017;8(5).
5. Chang V, Chen W, Xu QA, Xiong C. Towards the customers' intention to use QR codes in mobile payments. Journal of Global Information Management (JGIM). 2021 Nov 1;29(6):1-21.
6. Bandura R, Ramanujam SR. Developing inclusive digital payment systems. Center for Strategic and International Studies (CSIS); 2022.
7. Olipane HG, Inocencio MD. Digital Payment and its Influence to Customer Convenience. American Journal of Humanities and Social Sciences Research. 202;7 (9):56-67.
8. Bucheeri A, Hamdan A. The effect of financial innovations on competitive advantage. InThe Importance of New Technologies and Entrepreneurship in Business Development: In The Context of Economic Diversity in Developing Countries: The Impact of New Technologies and Entrepreneurship on Business Development 2021 (pp. 192-203). Springer International Publishing
9. Dhiman R, Chand PK, Gupta S. Behavioural aspects influencing decision to purchase apparels amongst

young Indian consumers. FIIB Business Review. 2018 Sep;7(3):188-200.
10. Ali A, Salameh AA. Payment and settlement system in Saudi Arabia: A multidimensional study. Banks and Bank Systems. 2023;18(1):38-52.
11. Jakhiya M, Bishnoi MM, Purohit H. Emergence and growth of mobile money in modern India: A study on the effect of mobile money. In2020 Advances in science and engineering technology international conferences (ASET) 2020 Feb 4 (pp. 1-10). IEEE.
12. Roy S, Sinha I. Determinants of customers' acceptance of electronic payment system in Indian banking sector–a study. International Journal of Scientific and Engineering Research. 2014 Jan;5(1):177-87.
13. Slozko O, Pelo A. Problems and risks of digital technologies introduction into e-payments. Transformations in Business & Economics. 2015 Jan 1;14(1).
14. Hm R, Ramya T. A study on factors influencing consumer adoption of internet banking in India. International Journal of Business and General Management (IJBGM). 2014;3:49-56.
15. Bolar K. End-user Acceptance of Technology Interface In Transaction Based Environment. Journal of Internet Banking & Commerce. 2014 Apr 1;19(1).
16. Tripathi S. A study on adoption of digital payment through mobile payment application with reference to Gujarat state. International Journal of Trend in Scientific Research and Development. 2020 Apr 25.
17. Veena RS, Epsheeba D. A Study on digital payment usage among the student community in Tiruchirappalli City of Tamil Nadu. International Journal of Research-GRANTHAALAYAH. 2023 May;11(5):62-75.
18. Doshi, M. V., Kuradia, M. D., Avula, M. S., Puri, M. R., & Mathews, M. F. Digital Transformation: A study on use of digital payments among college students in Mumbai city. Management Practices in Digital World, 50 (2023).
19. Tiwari T, Srivastava A, Kumar S. Adoption of digital payment methods in India. International Journal of Electronic Finance. 2019;9(3):217-29.
20. Banerjee, S & Sharma, M. Financial Inclusion Services by Uttar Pradesh Regional Rural Banks in India, Journal of Advanced Research in Accounting & Finance Management. 2018; 4(3&4a) Volume 4, Issue (3&4); 5-10.