

Investigating Digital Transactions in the Interest of a Sustainable Economy

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Abstract

An automatic online operation that helps to transfer money between two entities is known as cashless transaction. Digital transactions are also known as cashless transactions as no paper formalities are required to complete a transaction. E-commerce, signing online contracts for business, buying online tickets for movies through smartphones comes under digital transactions. Transacting digitally has become easy, convenient and quick for people. Benefits of these cashless transactions are still ignored by many people because they still are not able to use these digital devices properly, or they are happy using cash for transactions. 200 consumers were surveyed using questionnaire.

Introduction

Cashless economy is the economy which is not based on any form of physical money like notes and coins. In this kind of economy transactions are done on electronic channels like debit, credit cards, electronic clearances and system of payments in India like NEFT, RTGS, IMPS. In these kind of economy cash flow does not exist. Indian economy is now also pushing people to go for online cashless transactions and have launched UPI i.e. Unified Payment Interface. Various modes of cashless payments are mobile wallets, plastic money, net banking, etc. mobile phones now have virtual wallets known as mobile wallets. To make payments through online offline modes cash can be stored in mobiles. On mobile apps can be downloaded through which these wallets which are offered by service providers can be accessed. Net banking, debit, credit cards are used so that money can be transferred in the online wallets. Under plastic money comes cards like debit card, credit and prepaid. Banks later issue them physically or virtually. Net banking is used to recharge them and then to make purchase online they are used. Prepaid cards can be used to give someone as gift also so that they can make purchase of their own wish. Primary purpose of using these cards is money withdrawals from ATMs. Online payments and when shopping is done at merchant outlets these cards can be swiped for purchasing. Net banking is a type where

no wallet is involved, a simple method of transferring funds online from one bank to other bank or to any other third party. Mobiles, computers are used to make such transfers as this requires online login in bank account through internet services and then various types of transactions like NEFT, IMPS, RTGS can be easily done and also the transactions done are quick and can be done at customer's convenience. In cashless or digital economy instruments of prepaid payment are also used as classification has been by Reserve Bank of India. Cashless or digital transactions generate lot of data which helps government in planning future expenses of its economy.

Literature Review

(Kaur & Sharma, 2016) Sustainability has become a mandatory strategy for survival on the planet. Sustainable development is an imperative for survival and growth for nations, peoples and the organisations

(Malik, Kataria, & Nandal, 2020) In today's world these digital wallets are very popular and tomorrow there will be a direct payment system which will be done through different intermediates like mobile wallets and different companies which are dealing in plastic money in other words transactions which is cashless and which can be replaced with a hard cash notes

(Neelu Tiwari, 2019) stated that India is a developing country, and widespread use of internet wifi services also attracts various cybercrimes affecting wealth of the people, their reputations and their personal identity. It has increased cashless transactions usage more adequately. Private companies providing these services of cashless transactions are in competition with the companies aided by government because majority of audiences are attracted towards these government platforms because of security level which serves as utmost satisfaction level to them. Differences can be seen in service providing by both private companies and government aided and so customer perception also differentiates while the usage of these platforms. Customers are highly satisfied in using services like Paytm, BHIM also the differences can be seen in their applications, functions and availability and also how easily accessible they are. Author focused on the factors like customer's intention of using, innovations involved, discounts provided by service providers, etc. that are attracting customers more whichever be the platform whether owned by private or government aided.

(Pfitzmann, 1989) cited that system of cashless payments and the related transactions can be accessed easily by computer equipment manufacturer, the can be observing easily the amount of transactions made between any two people and at what time. Digitization has increased the data of transactions leading to increase in their computerization. Therefore, these system of payments are not acceptable, because data of all clients have become easy to collect and compile. In the system of digital payments usage and prevention of data is impossible to restore because it is hard to discover that who is breaking the law or system of jurisdiction to use the data. Hence, system of payments should ensure the security against any kind of fraud and should necessary enable client unobservability that means when a business is done anonymously by a client his

identity must not be revealed without his authority both by banks or his business partners. System of anonymous payment can prove it can be accepted as cash's substitute or be advantageous as it can help in abolishing cash, which would further decrease theft incidence and in thinning out black markets.

According to (K.Suma vally, 2018) digital payments have grown tremendously as a result of demonetization. Also increased internet usage and mobile phones have led to increase digital payments. Also it is empowering the economy of country as transactions are becoming transparent. A positive impact is seen on customers now with the system of digital payments. Measures should be taken by banks to create awareness for using technology effectively and related security measures. It was observed that favorable attitudes of educated people were seen more in adopting innovations hence they are going more for digital payments usage. Income or ages are not the factors in digital payment usage. Due to less secured information technology people in India still not adopt initiatives of e-banking. As investigated by Sachdeva and Sivakumar (2017) in their study, even after adoption of e-banking facilities, the profitability and sustainability of the banks can not be assured.

Indian banknotes when banned in 2016 with goal to fight the corruption which led to expansion of digital transactions. Shortage of cash after demonetization led to increase in adoption of digital payment but these also decreased after availability of new bank notes. Adoption of digital payment depends on transactions nature, product type to be sold and familiarity of business owner with technology usage and his comfort in online transactions. People with limited technology access are still not part of this adoption of new technology of digital payments and also many people are not ready to adopt this system of digital payments and happy in cash shopping and dealings according to (Joyojeet Pal, 2018).

(Das, 2017) cites that penetration of mobile or smartphones can be seen in every home in India now. Also government is pushing for expansion of banking networks. Also government is pushing for expansion of banking networks. Now, everyone is banking or in reach of banking industry. Banking activities has been started by a large number of population. Speed of digital payments have also increased. Mobile payments got a boost from the different payment apps of mobile introduced by NPCI like BHIM, UPI, Etc. through UPI app digital payments can be done 24/7. Major banks are now connected with UPI for making digital payments through mobiles. Digital economy is promoted by India government at large pace. To promote growth of digital payments it should be ensure that secured user friendly transactions, seamless communications, etc.

Digital revolution has been witnessed in Indian economy. Mobile payment's new application is mobile wallet that has reduced the function of conventional wallet. For banks mobile payments have become a priority in top investments. In comparisons to users of mobile phones utilization of digital wallet is still less. Human being's activities have changed with digital developments in the world. Now, it's time for our country to move to system of digital payments which will give

advantage of currency reduction, cost of management, tracking transactions would be easy, avoidance of tax could be checked, financial inclusion will be enhanced, etc. in rural areas person's behavior on spending will also change with new system of digital payments according to (KP, 2017).

(Pippow, 2000) cites future of ICT is challenging as digital transaction are growing enormously. Essential requirement of this is that the system of digital payment should be secured and efficient. Transaction cost should be lower and like traditional method of payments were secured, they should also get similar security.

Enhanced initiatives are taken by current government in India for development of system of digital payment. Also in past 3 years' remarkable growth has been seen in this system. People are also adopting proactively the mode of digital payment over traditional methods of payment. In future Indian economy will grow at higher rate if developments are facilitated properly according to (Joshi, 2017)

In the study it was found that full awareness of UPI service is there among customers although target rate of UPI usage has not received till yet. UPI services are now used by large customer number in past years. Also transfer of money is done through google pay. As observed knowledge of customers for system of UPI is updated. System of UPI is used mainly to transfer money. UPI services major factor of motivation is cash back. Time taken in processing of transaction is less in UPI also transaction done is secured and also the steps involved in transaction process are less. Appreciation is provided to overall services of UPI as its convenience of usage and customer needs are also satisfied according to (CHOUDHURY, 2019).

(Gochhwal, 2017) cites that India as an economy is on number seven in world and also cash driven. High dependency on cash brings many problems like production problem, storage difficulty and management of cash and the currency note's cost, fake currency usage and loss of transaction data which further leads to evasion of tax. With growth of economy such problems also increase. Then UPI was launched by NPCI, umbrella organization of RBI to provide with system of digital payment at low cost for retail transactions. With UPI digital payment are universalized in country now. Rapid growth has been seen in usage of UPI. Smartphone users have increased leading to rise in digital wallets adoption. It is a secured platform for transaction performance. Even without POS machine a small merchant can also accept digital payment. If used properly a large number of people will become digital economy's part.

According to (Chittawadagi, 2019) an economy based on technologies of digital company is referred to as digital economy. System digital payment was largely pushed after demonetization. Daily digital transactions of 7 million around are done through Paytm. Paytm was started in 2000 by its parent company One97 communication and is able in serving payments like bill payments, school fees, etc. also Paytm provided grocery delivery system. So it will be growing in near

future. Many modes of digital payments like UPI, USSD, Aadhar to promote the initiative of Digital India.

Modes of non-cash transaction are in trend preferred by people in comparison to cash one's. In the movement of digital India professed role is played by cashless transactions in the sector of e-payment. In today's world fastest growing market is of mobiles. Adoption of mobile marketing has been done by many countries. Indian government has introduced UPI boosting the system of mobile payments as it is a hurdle-free system of doing transactions and also secured. To make ultra-fast transactions new technologies must be adopted by financial companies and banks according to (Sruthy S. Pillai, 2019).

(Jain, 2019) stated that technology has given its best innovation in the name of digital wallet. E-wallets are used by many people for making payments. Transformation of India in cashless economy is seen now. Paytm an app of mobile wallet is available on all software of mobile like IOS, android, etc. and also a user friendly easy app to use. Paytm started with platform of mobile recharge is now in e-commerce and have wide variety of online deals. Paytm wallet is considered most successful in Nagpur as it is user friendly, can be used multipurpose, easily available at many locations. Level of satisfaction among user of Paytm found extremely high.

OBJECTIVES OF THE STUDY

Different aspects were raised on the basis of above reviews, to explore sustainability of digital transactions and finding the difference between UPI and Paytm through comparative analysis, the hypothesis drawn are:

METHOD

Sample

Responses from different customers were selected and technique of random sampling was implemented. A sample size of 200 customers were taken of all age groups and various other factors who are either using or not using any mode of digital payment across Delhi-NCR.

Measures

Well-structured questionnaire with two parts was made and circulated, first part containing respondent's profile and other carrying general information about usage of digital payment methods. The respondents were asked to choose according to their preference. Cronbach Alpha IBM-SPSS Version 19 Software was used to check the reliability of questionnaire.

Results

Cross-tabulation was used to test the hypothesis using IBM-SPSS Version 19 Software.

Consumer Using Different Modes of Digital Payment

Fig.1 shows different genders using different modes of Digital Payments.

Fig.1
Gender * DigitalPaymentPlatformYou Use Crosstabulation

		DigitalPaymentPlatformYou Use					Total
		paytm	UPI	BHIM	netbanking	Others	
Gender	Male	79	9	1	0	1	90
	Female	9	83	6	7	5	110
Total		88	92	7	7	6	200

Source: Author's own

From Fig.1 with crosstabulation it was analyzed that out of 90 males 79 are using Paytm as the platform of digital payment whereas 83 out of 110 females are using UPI.

Figure.2 shows that people with different occupations using different modes of digital payments.

Fig.2

Occupation * DigitalPaymentPlatformYou Use Crosstabulation

		DigitalPaymentPlatformYou Use					Total
		paytm	UPI	BHIM	netbanking	Others	
Occupation	Business	41	2	1	0	0	44
	job	42	42	0	0	0	84
	others	5	48	6	7	6	72
Total		88	92	7	7	6	200

Source: Author's own.

From Fig.2 with crosstabulation it was analyzed that out of 44 customers 41 business people are using Paytm, out of 84 customers doing job are using both Paytm and UPI equally and rest 72 having other occupation have preferred UPI over Paytm or any other mode of Digital Payment.

Figure.3 shows that people with different occupations using different modes of digital payments that provides less transaction cost.

Fig.3

Occupation * Less Transaction Cost Crosstabulation

Count

		Less Transaction Cost					Total
		paytm	UPI	phonepe	BHIM	Others	
Occupation	Business	41	2	0	1	0	44
	job	9	75	0	0	0	84
	others	4	50	4	8	6	72
Total		54	127	4	9	6	200

Source: Author's Own.

From Fig.3 with crosstabulation it was analyzed that out of 44 business people 41 feel that Paytm provides them less transaction cost, out of 84 job doing customers 75 chose UPI and out of 72 customers with other occupation 50 said that UPI provided them with less transaction cost whereas only 4 opted for Paytm and rest choose others.

Figure.4 shows that people with different occupations using different modes of digital payments that provides best offers.

Fig.4

Occupation * Provides Best Offers Crosstabulation

Count

		Provides Best Offers			Total
		Paytm	UPI	others	
Occupation	Business	41	1	2	44
	job	84	0	0	84
	others	10	43	19	72
Total		135	44	21	200

Source: Author's Own.

From Fig.4 with crosstabulation it was analyzed that 41 out of 44 business people think that Paytm provides them best offers on transaction, all 84 customers doing job think that only Paytm provides them with best offers and not UPI or any other platforms and out of 72, 10 customers with other occupation think that Paytm provides them best offers whereas 43 said UPI provides best offers.

Figure.5 shows that people with different occupations using different modes of digital payments that is more secured.

Fig.5

Occupation * More Secure Crosstabulation

Count

		MoreSecure			Total
		Paytm	UPI	others	
Occupation	Business	32	10	2	44
	job	0	84	0	84
	others	0	50	22	72
Total		32	144	24	200

Source: Author's Own.

From Fig.5 with crosstabulation it was analyzed 32 out of 44 business people feel Paytm more secure and 10 think UPI as secured mode of digital payment, all 84 customers doing job feel only UPI is secure platform whereas 50 out of 72 customers with other occupation feel UPI is more secured than Paytm.

Figure.6 shows different age groups using different modes of Digital Payments.

Fig.6

Age * Digital Payment Platform You Use Crosstabulation

Count

		DigitalPaymentPlatformYou Use				Total
		paytm	UPI	BHIM	netbanking	
Age	16-30	47	2	1	1	51
	31-45	41	67	0	0	108
	46-60	0	23	6	2	31
	61&above	0	0	0	4	10
Total		88	92	7	7	200

Source: Author's Own.

From Fig.6 with crosstabulation it was analyzed that 47 out of 51 customers between age 16-30 years use Paytm, 108 customers of age group 31-45 from which 41 uses Paytm and 67 prefers UPI, 31 customers surveyed between age group 46-60 out of which 23 use UPI and rest use other modes like BHIM, net banking and age group of 61 and above in which 10 customers were there preferred net banking and other modes over Paytm and UPI.

Fig.7 shows different age groups using different modes of Digital Payments which provides them less transaction cost.

Fig.7

Age * Less Transaction Cost Crosstabulation

Count

LessTransactionCost	Total
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		paytm	UPI	phonepe	BHIM	Others	
Age	16-30	46	3	1	1	0	51
	31-45	8	100	0	0	0	108
	46-60	0	24	3	4	0	31
	61&above	0	0	0	4	6	10
Total		54	127	4	9	6	200

Source: Author's Own.

From Fig.7 with crosstabulation it was analyzed that 46 out of 51 customers of age group between 16-30 feel that Paytm provides them with less cost of transaction whereas only 3 think that UPI provides less transaction cost, 100 out of 108 customers of age group 31-45 think that UPI provides less transaction cost whereas only 8 find Paytm providing less cost transaction, people in age group 46-60 were 31 from which 24 think that UPI provides less transaction cost and rest think other modes and last age group of 61 and above where 10 customers were surveyeded not even a single customer feel that both Paytm and UPI provides them with less transaction cost.

Figure.8 shows that people with different age groups using different modes of digital payments that provides best offers.

Fig.8

Age * Provides Best Offers Crosstabulation

Count

		ProvidesBestOffers			
		paytm	UPI	others	Total
Age	16-30	47	1	3	51
	31-45	88	20	0	108
	46-60	0	23	8	31
	61&above	0	0	10	10
Total		135	44	21	200

Source: Author's Own.

From Fig.8 with crosstabulation it was analyzed that out of 51 customers of age group 16-30, 47 feels that Paytm provides them with best offers, 88 customers out of 108 of age between 31-45 also feel that Paytm provides them with best offers and only 20 feel same about UPI, 23 out of 31 customers of age group 46-60 feels that UPI provides them with best offers and rest 10 customers of age group 61 and above feel that other modes of payment provides them best offer which does not include either Paytm or UPI.

Figure.9 shows that people with different age groups using different modes of digital payments that is more secured.

Fig.9

Age * MoreSecure Crosstabulation					
Count		MoreSecure			Total
		paytm	UPI	others	
Age	16-30	30	18	3	51
	31-45	2	106	0	108
	46-60	0	20	11	31
	61&above	0	0	10	10
Total		32	144	24	200

Source: Author's Own.

From Fig.9 with crosstabulation it was analyzed, 51 customers of age group 16-30 were surveyed from which 30 customers feel Paytm a more secured platform of Digital Payment whereas 18 said that UPI is more secured, 106 out of 108 customers of age group 31-45 feel UPI is the most secured platform, from age group 46-60, 31 customers were surveyed and 20 feel that UPI is more secured than Paytm and rest 11 think other modes more secure and last age group of 61 and above feel other modes of payment to be more secured than Paytm or UPI.

Discussion and Conclusion

The conclusion drawn from the survey of 200 customers and the above study using crosstabulation is that majority of customers are using various platforms of digital payments. Analysis were made from different variables like gender, age, income, occupation and others and it was concluded that more males are using Paytm whereas majority of females opted for UPI as their platform of digital payment. People with different occupations like 41 business people use Paytm, customers going on job are equally using Paytm and UPI and other occupation holders uses more of UPI than Paytm or any other platform. On the other hand people with different age groups like 16-30 uses more of Paytm than UPI, age group 31-45 uses more of UPI than Paytm, 46-60 age people also prefer UPI over Paytm and age group of 61 and above prefers other modes of digital payment than Paytm or UPI. With analysis of occupation it was found that business people feel that Paytm provides lesser transaction cost than UPI whereas both Job and people with other professions choose UPI over Paytm in providing less transaction cost. When this factor was considered with different age groups it was analyzed that age group of 16-30 majority feels that Paytm provides less transaction cost than UPI, people of age between 31-45 and 46-60 feels that UPI provides less transaction cost than Paytm and rest 61 and above customers feel BHIM and other modes of digital payments provides them with lesser transaction cost. When analysis done on which platform provides best offers then both occupation customer that is business and job people opted for Paytm over UPI but customers with other occupation feels that UPI provides them with best offer. On the other hand people with different age groups of 16-45

found that Paytm is providing them with best offers whereas rest thinks that other modes like BHIM provides them best offers. On the basis of security the different occupation people reacted differently like business people think Paytm is more secured than UPI or any other and both job and other occupation people are in majority of UPI as more secured platform than Paytm. While people with different age groups have different views like 16-30 years people feel Paytm more secured than UPI or any other mode whereas 31-60 year people majorly opted for UPI to be more secured than Paytm and rest 61 and above took other modes. Thus, this study finds more of relation between people with age group between 31-45 and going on jobs and with other occupation prefers more of UPI than Paytm for different variables like security, usage, best offers, less transaction cost and many more whereas business people and other age groups prefer more of Paytm than UPI or any other mode of digital payment.

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