



Consumer behaviour towards Digital Payment Platform with special reference to Paytm-Patna

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Abstract : *The study is undertaken with the objective to find out the perception and behaviour of consumers towards digital payment platform with special reference to Paytm, Patna. It highlights the features of Paytm which are getting favourable responses from the consumers. It includes the analysis of services offered by Paytm and its contribution towards cashless economy. It is an attempt to understand the behaviour of consumers towards digitalization of payment systems, taking Paytm into consideration.*

Keywords: *Consumer Behaviour, Paytm, Cashless Economy, Satisfaction Level.*

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Introduction:

From cash to cashless, we have travelled a long way. In the era of digitalization, smartphones are very common among people. We can find it with every age group and also in different economic backgrounds. Earlier the concept of digitalisation was not so popular, but after demonetization it came into vogue and after that in true sense, we can say that we are at the threshold to a cashless era.

Paytm is one of the most popular and common e-commerce payment systems in India which was awarded as the Outstanding Startup of the Year at Forbes Leadership Award 2016 (About Paytm. Retrieved October 25, 2019). Paytm started with online recharge and DTH recharge. On different products, it provides promo code as cashbacks which attracted the consumers. In this way, Paytm started gaining popularity among the people. Further, it gave the facility of postpaid mobile recharge and bill payments. This was just a small history about Paytm. Today, Paytm has expanded its services by launching Paytm wallets and E-Banking. It unveiled uses like education fee, metro recharge, electricity, and gas and water bill payments. With Paytm, booking tickets on the Indian Railways, Airlines, buses, cabs, movies, events and Amusement Parks also got convenient. There's a Paytm Mall where one can buy the stuffs which are used in day-to-day life. Hence, these are the basic services provided by Paytm. Paytm succeeded in grabbing the attention of more than 100 million users

by 2017 and became India's first payment app to cross above 100 million of app downloads (Consumer behaviour towards digital payment. Retrieved October 28, 2019).

Objectives :

The research was basically concerned about consumer behaviour towards digital payment platform with special reference to Paytm in Patna. The research study aimed at following objectives:-

- To study the services offered by Paytm.
- To find out the importance of Paytm in day-to-day life.
- To analyze the role of Paytm in making India a cashless economy.
- To study the offers and promotions that influence consumers to use Paytm.
- To know the satisfaction level of consumers for convenience provided by Paytm.

Hypotheses :

The hypotheses of the study reflect the basic assumptions or beliefs upon which the entire study is based. The basic assumptions of the survey were as follows:-

- Paytm provides variety of services to the consumers.
- Paytm is used by consumers for their day-to-day transactions.
- Paytm is contributing towards cashless economy.
- Paytm provides offers, discounts and cashbacks to influence consumers.
- Consumers are satisfied with the services provided by Paytm.

Research Methodology :

Research Design : For this study, a structured and formal design was used. The research design selected was descriptive research design. This design has the objective of providing a comprehensive and detailed explanation of the phenomena under study. Therefore, it was decided that it will serve the purpose (Kothari, 2010).

The descriptive research design focuses on the 'what' element of the research. It includes 3 methods—observation method, case study method and

survey method. In this study, survey method was used for collecting data. To conduct survey of population under study, a questionnaire containing close-ended questions was used and unstructured interviews supported the information collected from the questionnaire. The questionnaire consisting of 12 questions was used. Data collected was used for descriptive analysis and statistical analysis. Descriptive analysis involves formation of frequency table, piecharts, and bar graphs. For statistical analysis, percentage was used.

Sampling Design : The sampling unit is defined as the target population of the study. The sampling unit of this research is Consumers of Paytm in Patna.

The sampling method to be used was Non probability method. The sampling technique was required which could study different segments with respect to age and also gender and also people with whom the contact was possible, were given opportunity to give their views. That's why, a combination of stratified sampling and convenience sampling was adopted.

The sample size of this study was 100 including people of different age categories ranging from 10 to 60. The sample included both male and female respondents from every age category. Thus, the decisions taken under the head sampling design for the research work were as follows:

Target population	Consumers of Paytm in Patna
Sampling method	Non probability method
Sampling technique	Convenience Sampling and Stratified Sampling
Sample size	100
Data collection method	Questionnaire Method and Unstructured Interview Method

Sources of Data :

In this study, data required was current and existing data to support the collected data.

Therefore, it was decided that for this research both primary and secondary data sources will be utilized.

Primary Data Sources : To collect primary data, a structured questionnaire containing 12 close-ended questions was used. Unstructured interviews were also conducted to collect data.

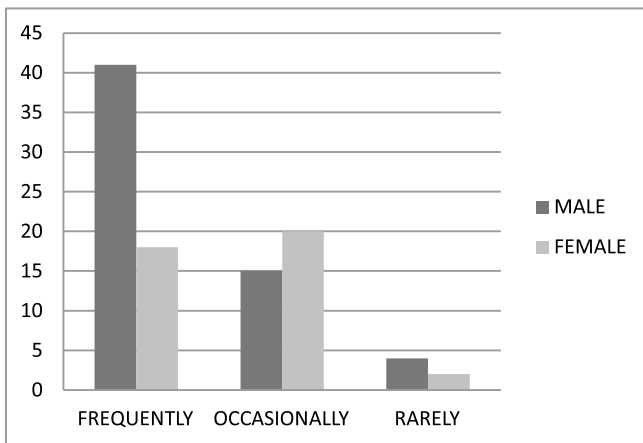
Secondary Data Sources : Secondary data sources like internet, magazines, newspapers, journal, books, etc., were used to collect the existing data in support of the research study. The existing literature gave a base to the research and helped in further study.

Area of Operation : Area of operation is the target area where execution of sampling process takes place. It is the field area where the researcher goes and performs his/ her research process to collect required data. It is often called field work. It includes finding the target segment, collecting information, using the questionnaire method and the unstructured interview method.

The areas which were chosen for data collection were: Boring Road, Bailey Road, Mithapur and Gandhi Maidan.

Data Analysis and Interpretation

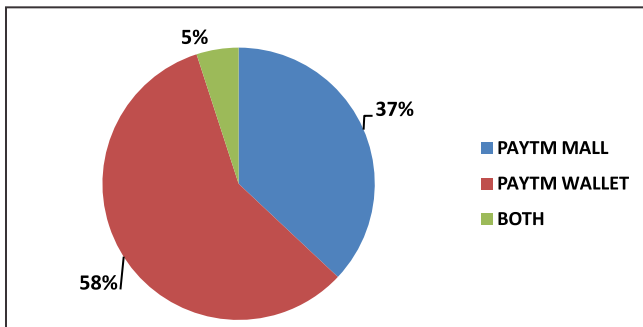
1. Frequency of usage of digital payments:



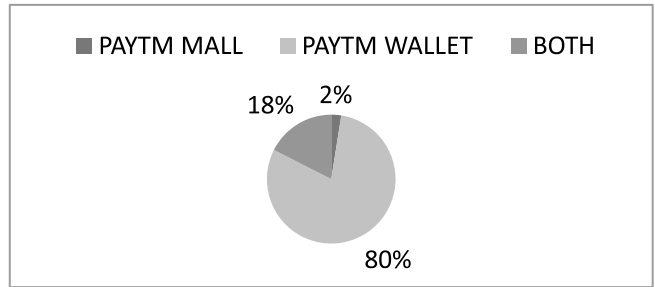
Interpretation: From the graph, it is evident that most of the consumers use Paytm frequently. Compared to men, women use it occasionally rather than frequently.

2. Paytm services used:

a. As per Male Respondents

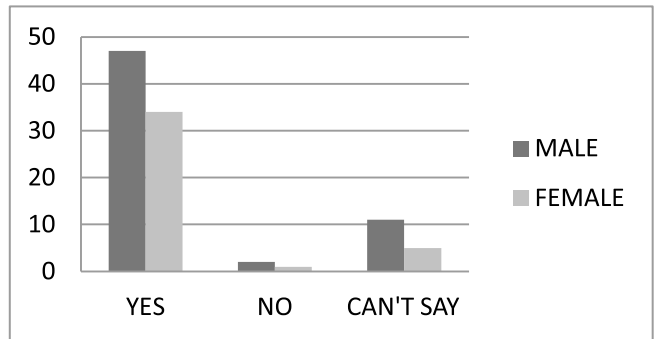


b. As per Female Respondents



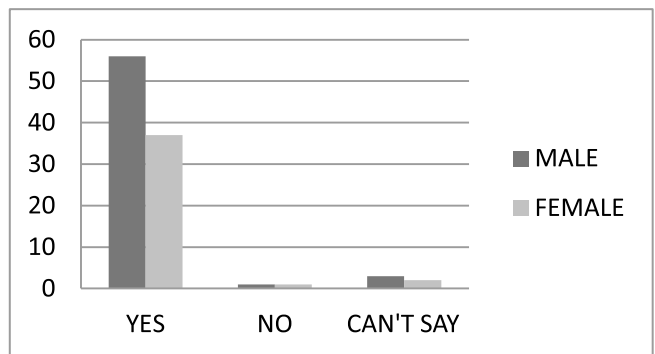
Interpretation: From the survey done, it was found that Paytm wallet is mostly used by both male and female respondents, as compared to other services provided by it.

3. Security towards digital payments in Paytm:



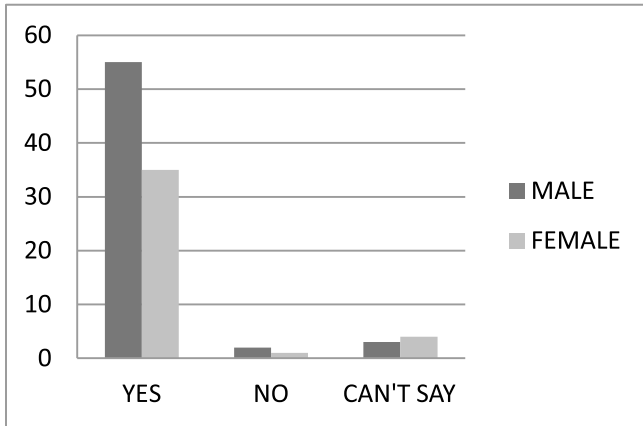
Interpretation: Majority of respondents agree that Paytm is a secure method of doing digital payments.

4. Payment through Paytm is convenient:



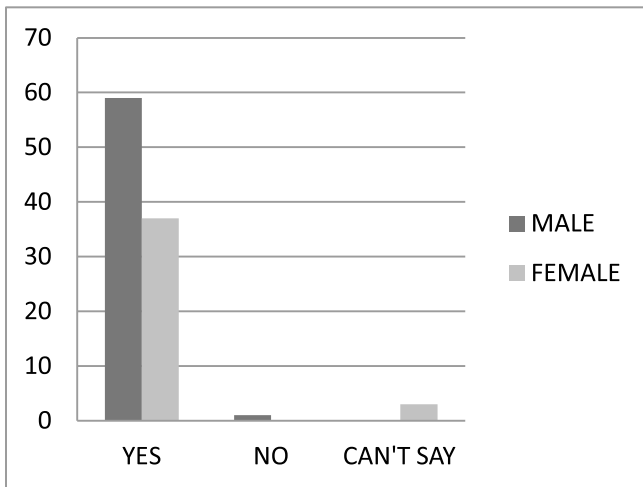
Interpretation: From the data collected, it was analysed that most of the consumers found Paytm a convenient way of doing digital transactions.

5. Satisfaction level of consumers:



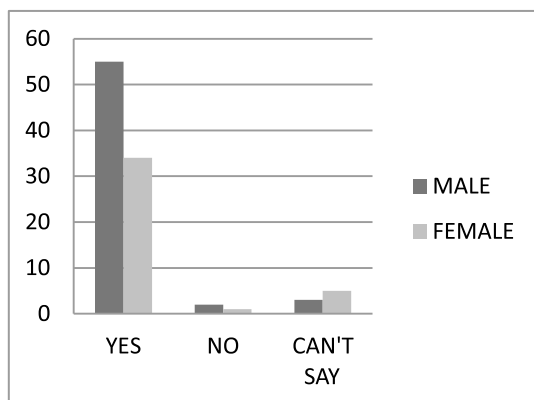
Interpretation: From the survey done, it was found that maximum number of users are satisfied using Paytm.

6. Paytm saves time:



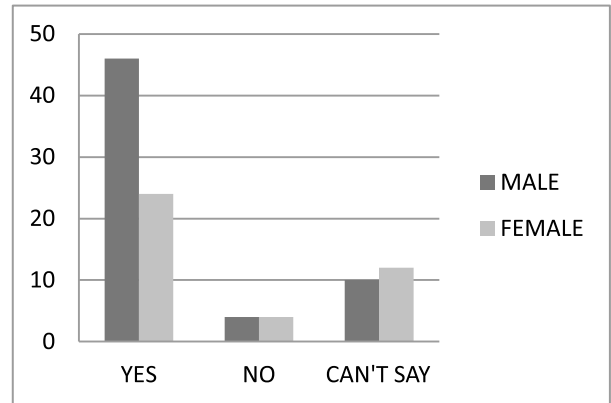
Interpretation: It was found that most of the users agree that Paytm saves time as only a few minutes are required to do transactions digitally.

7. Promotes cashless economy:



Interpretation: Majority of users agree that Paytm promotes cashless economy in India

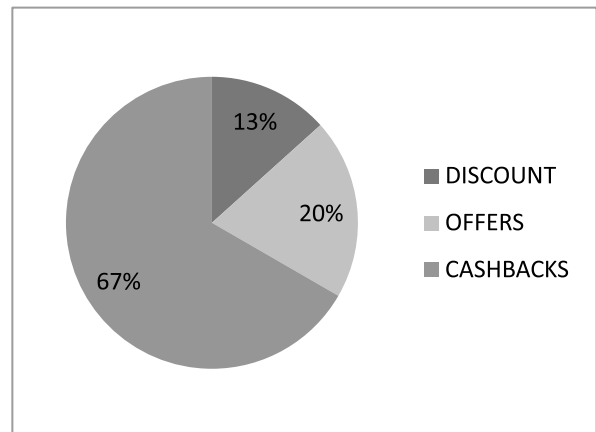
8. Provide variety of payment services



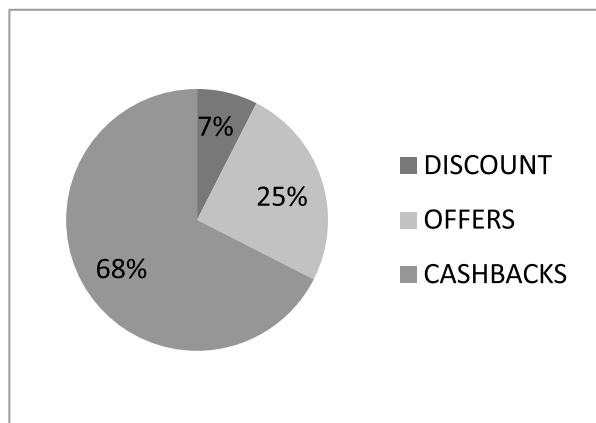
Interpretation: From the survey done, it was found that maximum number of users agree that Paytm provides variety of payment services.

9. Promotional features offered by Paytm:

a. As per male respondents

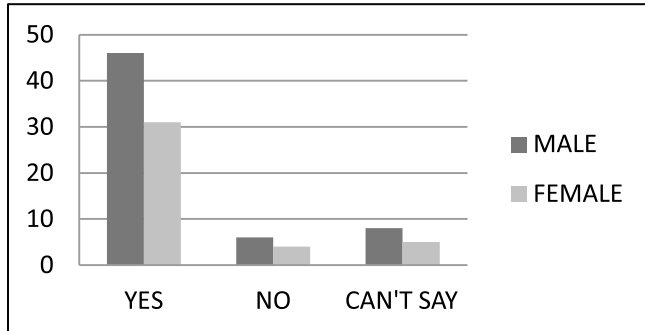


b. As per female respondents



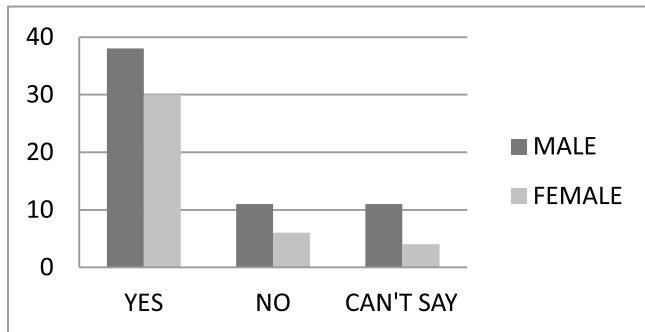
Interpretation: Discount, offers and cashbacks are used by Paytm as promotional tools. Both male and female respondents consider cashbacks as the most attractive feature of Paytm.

10. Easy and quick transfer of money:



Interpretation: Through Paytm, consumers can easily and quickly transfer money from one account to another. From the data collected, it was agreed by maximum number of respondents.

11. Easily accessible customer care services:

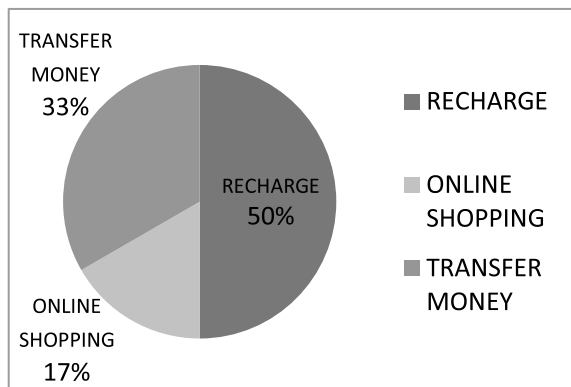


Interpretation:

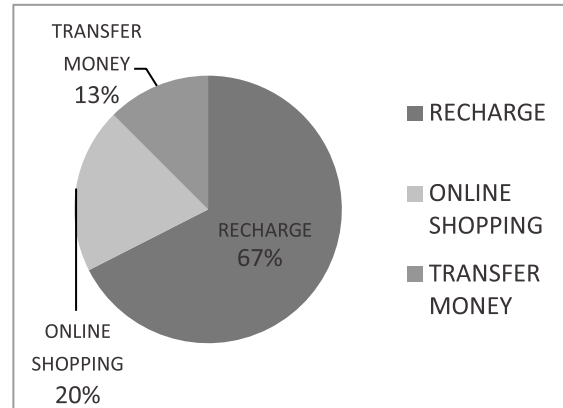
Customer care services are easily accessible to the consumer as agreed by maximum number of users.

12. Purpose for which respondents use Paytm services:

a. As per men



b. As per women



Interpretation: Among the services provided by Paytm like recharge, online shopping and transfer of money, consumers mostly use Paytm for recharge purpose. For transfer of money also 25% of the total respondents use it.

Hypotheses Testing :

Paytm Provides Variety of Services to the Consumers:

From the survey done with the help of the questionnaire, it was observed that 70% of users of Paytm agree that it provides variety of services to them in the form of payments. Paytm is used by consumers for various purposes like recharge, online shopping, transfer of money, etc. It was analysed that 57% of users use it for recharge purpose, 25% for transfer of money and rest 18% for online shopping. Therefore, through all these information, we can say that the hypothesis 'Paytm provides variety of services to the consumers' is accepted.

Paytm is Used by Consumers for their Day-to-Day Transactions:

In day-to-day transactions of consumers, Paytm plays an important role. From the survey done, 59% of consumers frequently use Paytm and 35% of them occasionally use it. From the data collected, it was also observed that 67% of consumers use Paytm wallet and 29% of them use both Paytm wallet and Paytm Mall for their daily requirement of transactions. Therefore, the hypothesis, 'Paytm is used by consumers for their day-to-day transactions' is accepted.

Paytm is Contributing towards Cashless Economy:

From the survey regarding whether Paytm is contributing towards a cashless economy, 89% of users agree that Paytm contributes towards cashless economy and 77% of consumers also agree that transfer of money from one account to another is quick

and easy in Paytm. Therefore, the hypothesis, 'Paytm is contributing towards a cashless economy' is accepted.

Paytm Provides Offers, Discounts and Cashbacks to Influence Consumers: Paytm provides offers, discounts and cashbacks to consumers. Among these, cashbacks play most influential role as 67% of users are affected by it and 22% of them are attracted by offers given by Paytm. Hence the hypothesis, 'Paytm provides offers, discounts and cashbacks to influence consumers' is accepted.

Consumers are Satisfied with the Services Provided By Paytm: Regarding the satisfaction point of view of consumers of Paytm, data collected was analysed and it was found that 81% of consumers agree that Paytm is a safe way of doing transaction digitally. From convenience point of view, 93% of consumers consider Paytm a convenient way of doing transactions. 96% consumers also accept Paytm as a time saving method of doing transactions. As per customer care services provided by Paytm, 68% consumers found it helpful. According to overall data collected, 90% consumers of Paytm are found satisfied with the services provided by it. Hence, the hypothesis 'consumers are satisfied with the services provided by Paytm' is accepted.

Findings :

- Consumers of Paytm frequently use this payment platform for transfer of money, online payments and recharges.
- Paytm is successful in attracting the consumers through cashbacks, discounts and offers. Among these, cashbacks are at the top position.
- Consumers of Paytm consider it as a medium of payment that is safe, convenient and fast.
- Paytm plays an important role in promoting cashless economy by providing easy and quick transfer of money.
- Paytm provides easily accessible customer care services to deal with customer related issues and feedback.
- Consumers of Paytm are satisfied with overall performance and features offered by this digital payment platform.

Suggestions :

- Promotional strategies of Paytm need to be improved to highlight various payment services offered by them.
- KYC rule of Paytm should be liberalized to make it more convenient for consumers.
- Consumers rarely prefer shopping using Paytm Mall. Therefore, Paytm Mall should be modified and some attractive offers should be made available.
- Bill payments and ticket booking are the areas that need attention as more and more consumers can be attracted through these features.

Limitations :

- The research is conducted on a small sample of 100 respondents. Therefore, a clear idea about pattern cannot be confirmed. If the sample size is increased, then results may vary.
- Time is the second limiting factor as the research period was restricted to 2 months.
- Paytm has virtual existence which acted as a barrier in collecting information about the organization and its contribution, especially in the Patna region.

Conclusion :

From the survey done with the help of the questionnaire from 100 consumers of Paytm it was found that most of them are now moving towards digital way of doing payments for day-to-day transactions. Mostly people between the age group of 20-30 are more prone to use digital platform like Paytm among which men hold more share than women. Most of the users frequently use Paytm because they found it more convenient and time-saving mode. Now-a-days, many applications are taking positions in the market with different features and facilities in digital platform like Google Pay, Amazon Pay, PhonePe, Cashkaro, BHIM, etc. Paytm Mall and Paytm Wallet are basically two very common services offered by Paytm. Among these, Paytm Wallet is mostly used by consumers in comparison to Paytm Mall, which is less popular as compared to other online shopping sites like Amazon, Flipkart, Myntra, Nykaa, etc.

Most of the people agree that Paytm is like a safe way of doing transactions. It further adds to the quality of Paytm which makes it a more popular and admirable application. If, in any case, problem arises during transaction or the user needs any kind of guidance or help, the effective and efficient customer care services help them out, making users to work smoothly. These all qualities create a sense of satisfaction among users. They agree that all the services provided by Paytm are quite satisfactory.

Paytm provides variety of payment services and various promotional attributes are used by them like offers, discounts and cashbacks. Among these, cashbacks become the main reason for consumers to use it. Consumers use Paytm due to various purposes like online shopping, transfer of money and recharge. Among these, for recharge purpose, consumers most commonly use Paytm. For transfer of money also, Paytm plays a crucial role as through Paytm we can easily and quickly transfer money from one account to another, as and when required. Paytm plays an important role in making India a cashless economy as agreed by maximum number of users.

Hence, it is concluded that consumer behaviour towards digital payment platform like Paytm is positive one. They now know the importance of digitalization and therefore, they are making Paytm as part of their daily life.

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