

M- WALLETS: A SMART GATEWAY FOR FINANCIAL TRANSACTIONS - A RETAILERS PERCEPTION ANALYSIS AT BANGALORE RURAL DISTRICT” KARNATAKA.

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ABSTRACT

The twenty first century has witnessed a striking growth in the mobile technologies as a result it is estimated that there are more mobile phone users than worldwide bank account holders. The popularity of smart phones which is significant part of daily life of people has created tremendous growth in money transactions and wallet payments by using applications installed in cell phone due to the liberalization of the internet in India.

People are using m-wallets for their day to day transaction due to ease of use and transactional benefits as wallets are globally available with less cost and time due to technological advancement and using m-wallet is becoming inevitable in tech-savvy world because of efficiency.

The motive of this research is to analyse the retailer’s awareness and usage of m-wallets, whether m-wallets are easing the retailer’s transaction and the issues faced by retailers at Bangalore rural district. Total 153 responses were collected from retailers through structured questionnaire and found that, in the rapid tech-epoch, though m- wallets are featured with constructive benefits, retailers are reluctance to use because of tech-slowness, security issues etc. This research will strategically help the m-wallet and internet service providers, policy makers, financial institutions and regulators to tap the untapped consumers.

Key words- retailers, easing, issues, tech-slowness.

JEL Classification: O33, m-wallet, awareness, usage, issues

Introduction

In present days most of the countries are experiencing significant advancement in financial inclusions by using mobile payment services (Raj-2015). In the field of mobile commerce m- payment is an integral part. Mobil payments are done using downloaded mobile wallet application in the mobile devices. A mobile wallet is a service provider's smart phone application that allows users to store money and conduct electronic transactions. M-wallet is equivalent of the conventional leather wallet. M wallets can be used to move money between wallets, make purchases, book tickets, and recharge mobile and DTH devices, among other things. Many service providers, such as cell phone operators, e-commerce portals, and others, now offer m-wallets to their users in addition to banks and financial institutions.

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Significance of the study

According to Reserve bank of India and government of India reports, cash crunch due to demonetisation has led to a surge in m-payments. Due to cost effective internet and budget friendly smart phones, majority of the day to day payments are taking place through mobile device. According to the annual report of RBI, the share of digital transactions in the total volume of non-cash retail payments has increased to 98.5 percent during 2020-21up

from 97.0 percent in the previous year. The RBI digital payment index shows that the digital payment rose by 39.46% in the year 2021 and the use of m-wallets has been increased considerable over the years. Hence it is relevant to analyse the awareness, usage, easiness and issues relating to m-wallets in Bangalore rural district.

Review of literature

A large number of researches have been conducted in the area of mobile payment technology but only few studies are available about understanding rural retailer's awareness and issues of m-wallets.

- **MIGLIORE et.al (2022)** performance expectancy, Social influence, facilitating conditions, hedonic motivation and effort expectancy are the confronting factors to use and traditional barrier is barrier influencing on behavioral intension to use. IRT may not be suitable for analyzing the consumer's resistance for the adoption of mobile payments in cross cultural context. Whereas UTAUT2 is more appropriate.
- **AHMAD RABAA'I (2021)** The findings of this study confirmed that performance expectancy, effort expectancy, hedonic motivation, facilitating conditions, perceived compatibility, personal innovativeness, individual mobility, trust, and perceived risk influence users' behavioral intention toward the use of m-wallet applications, however, price value and social influence were not significant.
- **NANDHINI AND GIRIJA (2019)** the purpose of the study was to examine customer perception towards e-wallet and explained there is a significant relationship between occupation and satisfaction level also found that there is a significant difference between gender and customer's opinion regards using e-wallet. From the customer point of obstacles found in the study was „Network connectivity“ and “Security threats“. Finally concluded that they accept that the e-wallet is an alternative, attractive, supportive and necessary one of digital era.
- **CHAWLA AND JOSHI (2019)** the purpose was to examine the effect of gender and age on adoption of mobile wallet and user attitude and intention. The result shows that ease of use, usefulness, trust, security, facilitating conditions and Lifestyle compatibility significantly influence user attitude and intention also show that both gender and age moderate the intension to use
- **SINGHA AND SINHA (2019)** this study aims at measuring merchant's intention to use a mobile wallet and testing the mediating effect of perceived trust on perceived usefulness to predict merchant's intention. It's found that Value addition and usefulness have significant impact on adoption and trust is important in using m-wallets.
- **KUMAR, et.al (2017)** aimed at understanding university students intention to use mobile wallets and reveals that TAM constructs are best variable to analyze the intension to adopt m-wallets and adding cash crunch as an independent variable the results indicated that Cash Crunch Technology Acceptance Model (CCTAM) could be an extension of TAM as a model
- **HEM SHWETA RATHORE (2016)** in adoption of m-wallets convenience, brand loyalty and usefulness are the three major factors which play an important role.
- **RAMESH SARDA (2016)** found that the urban people main use of m-wallet is instant payments, money transfer and recharge of DTH/mobile and users are facing transactional issues.
- **S.Wardoyo, et.al (2021)** This study was conducted among students who use Mobile wallets. Those who have smart phones use mobile wallets conveniently and it reduced the risk of cash transaction and carrying cash in hand though a minimal amount is kept. The study also showed the increase in expenditure for internet charges and other expenses. Though the tracking of expense possible, to what extent it is possible is not clear. The use of mobile wallet among students is same irrespective of gender.

• **Thilina & Bandara (2021)** The consumption of Internet based financial services like mobile marketing is at an immature level due to many reasons including, income, age, wealth, and experience. The mobile banking is an online platform of many banks for payment, money transfer, book maintenance etc. The lower income, direct cash payment, lack of feel of banking as need, accessibility etc reduce the financial inclusion. This influences the subscribers to mobile banking as well. The mobile banking also depends of potential to access digital gadgets like smartphone or computer, data expenses, signal strength, and awareness on using latest apps.

Statement of the problem

Mobile wallet is technically a mobile application which can be downloaded freely in the play store of the smart phones. Numbers of m-wallets are available in the market to download by different vendors. Since the smart phones with internet are part of everyone's life, m-wallets are the good option for making various daily payments. Due to the central government digital awareness campaign and demonetisation the number of m-wallets payments increased (annual report of RBI-2021) but the awareness, usage, easiness and issues of m-wallets by all the class of retailers is still questionable. This study aims at addressing the issues at Bangalore rural district.

Objectives

The main objective of this study is to analyse the awareness, usage, easiness and issues of m-

wallets among the retailers in Bangalore rural district.

Research methodology

This study is descriptive and analytical in nature, The primary data for the study was collected from 153 retailers of Bangalore rural district using a structured questionnaire whose validity and reliability was tested using test and re-test method, respondents are of different ages, gender, income, education, and locality. The data was analysed using SPSS and Microsoft excel. The statistical tools used in the analysis such as percentage, cross tabulation and chi-square test for the interpretation of the data.

Hypothesis

1. H0 - There is no significant and positive relationship between usage of m-wallet and the respondent's age, gender, income, educational qualifications and their locality.
2. H1 - There is significant and positive relationship between usage of m-wallet and the respondent's age.
3. H2 - There is significant and positive relationship between usage of m-wallet and the respondent's gender.
4. H3 - There is significant and positive relationship between usage of m-wallet and the respondent's income.
5. H4 - There is significant and positive relationship between usage of m-wallet and the respondent's educational qualifications.
6. H5 - There is significant and positive relationship between usage of m-wallet and the respondent's locality.

Data Analysis and Interpretation

Table-1- Demographic profile of the respondents

Variables	Category	No. of respondents	Total percentage
Age	Up to 35	43	28
	36-50	76	49
	51 and above	34	23
Gender	Male	117	76
	Female	36	24
Monthly Income from the shop	Up to 25000	98	64
	25001 to 50000	23	15
	50001 and above	32	21
Educational qualifications	10 +2	75	49
	Graduation	49	32
	Post-graduation	29	19

Locality	Rural/ Hobli HQ	67	44
	Town municipal council	39	25
	City municipal council	47	31

From the table it is analysed, 49% of the respondents are belongs to the age category of 36 to 49 year, the 23% of the respondents belongs to the age category of 51 and above and 76% of the respondents are male. 64% of the respondents are earning the monthly income up to 25000 and minimum, 15% of the respondents

are earning between 25001 to 50000 rupees. 49% of the respondents have done their schooling and only 19% have done post-graduation in term of education. From the point of respondents locality, 44% of the respondents are from either rural or holbi level and 25% are belongs to the municipal limit.

Table-2- Are you aware about m-wallets

Variable	Category	No. of respondents	Total percentage
Awareness	Yes	127	83
Awareness	No	26	17
	Total	153	100

Regarding the respondents awareness about the m-wallets 83% of them are aware and 17% are not aware.

Table-3- How many m-wallets are there/ downloaded in your smart phone

Variable	Category	No. of respondents	Total percentage
Usage	Nil	55	36
Usage	1-3	63	41
Usage	More than 3	35	23
	Total	153	100

From the study point of view very important to understand that how many respondents are using m-wallets? 36% of the respondents are

not using any wallets, 41% are using 1 to 3 wallets and only 23% of the respondents are using more than.

Table-4- In a day on an average how many total financial transaction you experience

Variable	Category	No. of respondents	Total percentage
Number of Transactions	0-10	51	33
Number of Transactions	11-20	47	31
Number of Transactions	21-30	38	25
Number of Transactions	More than 30	17	11
	Total	153	100

It is observed from the data, 33% of the respondents are experiencing 0-10 transactions, 31% between 11-20 transactions, 25% between

21-30 and minimum 11% of the respondents are finding more than 30 financial transactions in a day.

Table-5- How frequently you are using m-wallets to accept the payment against your daily number of transaction

Variable	Category	No. of respondents	Total percentage on 98 users
Frequency	1 to 5 times	39	40
Frequency	6 to 10 times	34	35
Frequency	More than 10 times	25	25
	Total	98	100

Out of total 98 m-wallets using retailers, the frequency of usage, 1 to 5 transactions in a day

is maximum that is 40%, 6 to 10 transactions is 35% and the minimum is more than 10 transactions that is only 25% of the retailers.

Table-6- Does m-wallets are making your financial transaction easy?

Variable	Category	No. of respondents	Total percentage on 98 users
Easiness	Strongly disagree	29	30
Easiness	Disagree	31	32
Easiness	Neutral	13	13
Easiness	Agree	12	12
Easiness	Strongly agree	13	13
	Total	98	100

From the total of 98 m-wallet using retailers, 62% said that m-wallets are not making their transaction easy, 13% of the respondents are

neutral and only 25% of the respondents said transactions are easy because of m-wallets

Table-7- Would you like to adopt m-wallets to accept the payment in future

Variable	Category	No. of respondents	Total percentage on 55 non users
Future acceptance	Yes	8	15
Future acceptance	No	27	49
Future acceptance	Can't say	20	36
	Total	55	100

From the total 55 number of m-wallet non-using retailers, 49% are not ready to adopt in

future also but 15% are ready to adopt m-wallets in future

Table-8- Which are the issues faced by you while accepting the m-wallet payments

Variable	Category	No. of respondents	Total percentage on 98 users
Issues	Transaction failure	59	60
Issues	Network connectivity	53	54
Issues	Double payments	4	04
Issues	Afraid of scams	37	38
Issues	No updates or communication	27	28
Issues	Delay in refund of money from wallet service providers if transaction failure	61	62
Issues	Multiple issues	54	55

While using the m-wallets retailers are finding different issues, out of total 98 respondents maximum 62% said delay in refund of money, 60% said transactional failure, 54% said network connectivity, 38% said afraid of scams, 28% said no updates from the service providers and minimum only 4% said double payments.

Hypothesis testing

Hypothesis testing is a statistical inference used to frame the possible conclusions. The statistical framework in the analysis is focussing on the Chi-square test with the respondent's age, Gender, income, educational qualifications and their locality. The outcome of the data analysis regarding age resulted with 0.89, gender resulted with 0.71, income resulted with 0.61, educational qualifications resulted with 0.04 and locality resulted with 0.038. Hence in case of age, gender and income null hypothesis is accepted whereas in

case of educational qualifications and locality alternative hypothesis is accepted. From the analysis it can be concluded that respondent's age, gender and income are not framing any positive and significant relationship with usage of m-wallets but educational qualifications and respondent's locality are showing significant and positive relationship with usage of m-wallets

Major findings of the study

1. Regarding the respondents awareness about the m-wallets 83% of the retailers are aware and 17% are not aware.
2. From the study point of view very important to understand that 36% of the respondents are not using any wallets, 41% are using 1 to 3 m-wallets and only 23% of the respondents are using more than.
3. It is found that, 33% of the retailers are experiencing 0-10 transactions in a day, 31% between 11-20 transactions, 25% between 21-30 and minimum 11% of the respondents are finding more than 30 financial transactions in a day.
4. Out of total 98 m-wallets using retailers, the frequency of usage, 1 to 5 transactions in a day is maximum that is 40%, 6 to 10 transactions is 35% and the minimum is more than 10 transactions that is only 25% of the retailers.
5. From the total of 98 m-wallet using retailers, 62% said that m-wallets are not making their transaction easy, 13% of the respondents are neutral and only 25% of the respondents said transactions are easy because of m-wallets
6. From the total 55 number of m-wallet non-using retailers, 49% are not ready to adopt in future also but 155 are ready to adopt m-wallets in future
7. While using the m-wallets retailers are finding different issues, out of total 98 retailers maximum 62% said delay in refund of money deducted from the account, 60% said transactional failure, 54% said network connectivity, 38% said afraid of scams, 28% said no updates from the service providers and minimum only 4% said double payments.

Implications and conclusions

This research was aimed at finding the retailers awareness, usage and issues in using m-wallets

keeping their age, gender, income, education and locality at Bangalore rural district. The outcomes of this descriptive study are even in the advanced tech world 37% of the retailers/ respondents are not using m-wallets for financial transactions. Hence regulatory bodies and policy maker's needs to understand the ground level challenges in making easy the transaction of retailers to increase the financial inclusions. Service providers are advised to create awareness among the rural m-wallet users through various promotional programmes. Again it is required from banks, device manufacturers and m-wallet service providers to simplify the wallet technology to increase the adoption rate through uncomplicated and customary technology across all the wallets in the country. It is important that standardization in downloading and installation procedure, authorization, charges for payment, security measures and performance of the wallets as many retailers are facing many issues like network failure, delay in transaction and scams.

Limitations and directions for future research

This study was restricted to 153 respondents of Bangalore rural district due to various constraints. Consumer's oriented research cannot give long lasting results due to timely changes. The same research can be extended with more number of respondents, comparative study between urban and rural, comparative study between districts, states, corporates, non-corporates and country also.

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