

A study on the attitude of the customers and shopkeepers towards digital payment system

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Abstract: Due to the widespread use of internet-based shopping and banking, digital payment system grew fast. With technology development, many digital payment companies have been established to increase, improve, and offer secure e-payment transactions. In India Digital Payment has gained prominence especially after Demonetization and deliberate attempt by the government to adopt digital payments. This study is an attempt to analyse the acceptability of digital payment systems among the customers and shopkeepers and to know the issues faced by them while indulging in digital payments.

Keywords: Digital payment, payment apps

Payment systems may be physical or electronic and each has its own procedures and protocols. Standardization has allowed some of these systems and networks to grow to a global scale, but there are still many country-specific and product-specific systems. Modern payment systems use cash-substitutes as compared to traditional payment systems. This includes debit cards, credit cards, electronic funds transfers, direct credits, direct debits, internet banking and e-commerce payment systems. Traditional payment systems include negotiable instruments such as cash, drafts (e.g., cheques) and documentary credits such as letters of credit. With the advent of computers and electronic communications, many alternative electronic payment systems have emerged.

Limitations of traditional payment system

1. Traditional mode of payment is time taking.
2. One need to count and carry cash for traditional mode of payment.
3. Traditional mode of payment is complex in nature
4. It has risk of fraudulent activities.

Digital payment is a way of payment which is made through digital modes. In digital payments, payer, and payee both use digital modes to send and receive money. It is also called electronic payment. No hard cash is involved in digital payments. All the transaction in digital payments is completed online. It is an instant and is convenient way to make payments.

The origin of digital payment is associated with the beginning of the internet, which changed the world as nothing before. If there was no Internet, there wouldn't be e-services and online stores. Along, with the development of the internet, online payments began to operate in 1990s. Initially, online payment systems were not user-friendly and needed specialized Knowledge of data transfer protocol.

In the beginning, the major players in the digital payment market were Millicent and E-Cash, founded in 1995 and 1996 respectively. Most of the first online services used micro systems payment and their Shared characteristics was the attempt to have electronic Cash alternatives (like e-money, tokens, or digital cash).

Due to the widespread use of internet-based shopping and banking, digital payment system grew fast. With technology development, many digital payment companies have been established to increase, improve, and offer secure e-payment transactions. In India Digital Payment has evolved with the development of the E-Commerce Websites, wherein it has made way for the acceptance of Digital Payment as a means of payment.

From commonly used cards to newly launched UPI, digital payments have many types of payment. Some modes are meant for tech-savvies and some for less technical persons. Below mentioned are the various modes of digital payment which are prevalent in India

UPI Apps:

UPI or Unified Payment Interface is a payment mode which is used to make fund transfers through the mobile app. One can transfer funds between two accounts using UPI apps. For, which, one will have to register for mobile banking to use UPI apps which is available for downloads on Smart phones.

2. AEPS (Aadhar Enabled Payment System):

AEPS is an Aadhar based digital payment modes. Customer needs only his or her Aadhar Number to pay to any merchant. AEPS allows bank to bank transactions. One links their Aadhar Number to their Bank Account to use AEPS. Unlike Debit Cards and USSD, AEPS does not have any charges on transactions. The good thing about AEPS is that it doesn't need our signature, bank account details or any password. It uses one's fingerprint as a password.

3. Cards:

Cards are provided by banks to their account holders. These have been the most used digital payments mode till now. Many of us use cards for transferring funds and making digital payments. Credit Cards, debit (cards and prepaid Cards are the main types of Cards.

Credit Cards provide one with the ability to withdraw or use extra money. Debit Cards gives us the ability to use the withdrawal of money from the bank account. Prepaid Cards are such type of cards which needs to be recharged before using.

4. E-Wallets:

E- Wallets or mobile Wallet is the digital version of the physical Wallet with more version functionality. We can keep money in an E-Wallet and use it when needed. E-Wallets are an easy and faster way to make payments.

The digital payment industry is gaining momentum and is projected to grow at an exponential rate, 81% of existing digital payment users prefer the medium over other non-cash payments methods like cheques or demand drafts. Online payment of Utility bills; Shopping bills and movie tickets are the three things that an Indian User primarily pays for through digital platform. In India, these numbers saw a record jump after the government demonetized high Currency notes (Rs. 500 and Rs. 1000) — which counted to 86% of India's Cash in circulation. Digital wallet companies confirmed a growth of 271% for a total value of \$2.5 billion (Rs. 191 crores).

According to a report by Google and Boston Consulting Group (BCG), the Indian digital payments industry is estimated to touch \$500 billion by 2022, contributing 15% to the Country's GDP.

This exponential growth of the digital payment sector is driven by multiple factors including convenience to pay, the ever-growing Smartphone penetration, rise of non-banking payment institutions (payments bank, digital wallets, etc.), progressive regulatory policies and increasing Consumer readiness to the digital payment platforms.

Another key driver of digital payments is positive policy framework changes and government initiatives like launch of new payment systems like - UPI, Aadhar linked electronic payments and improvements of the digital infrastructure.

Clearly, the digital payment space is being transformed and the sector has witnessed tremendous growth, innovations, and regulatory support over the last two years. Such has been the changes that India has become the most evolved Country when it comes to the digital payment ecosystem. The focus should be to keep the momentum going with more support from the government and innovations, safety, and convenience from the players.

Moreover, with the various ways available for facilitating digital payments, these have become more Convenient than Cash payments. One need not to carry a lot of Cash with them all the time. And can instead make digital payments in seconds. And, it would be justifiable, if we can say that Digital Payments is the future of fund transfer and money transactions.

Literature reviews

Choudhary and Kumar (2013) have discussed about the usage of Digital Payment after demonetization. They found out that after demonetization, the usage of the digital payments increased substantially because of lack of Cash in the economy as the Indian Currency denomination of Rs. 500 and Rs 1000 were no longer Considered as a legal tender. It was also found that PayTm was the most used app. And it also brought into light that most of the merchants were not fully satisfied with the usage of online payment. And had provided with a view that the recently launched UPI system could replace Cash in future.

Madhaya, et al (2017) have tried to discuss the sustainability of small merchants through Digital technologies. They provided with an understanding to adaptability, affordability, and sustainability of the payments systems as seen from the point of views of small merchants with special focus to the use of point-of-sale (Pos) payment system installed and used by merchants for receiving payments from Customers. It also looked at the difficulties faced by them and their effect on their businesses. They found out that Cash remained the most preferred mode for business and as regarded to use of Pos, more awareness was needed to be created about the benefits in having non-cash transactions.

Byaked et al. (2018) have analyzed the penetration of digital payment System in Rural Areas. Samples were collected from rural areas of Karnataka After Conducting the study they found out that to provide an increased impetus to the adoption of Digital Payment System, the difficulties about usage of UPI and portable Wallets needs to be addressed and enhanced security of transactions needs to be ensured, which in order will be promoting more potential improvements and greater adoption of Digital Payment System.

Kapoor and Kaura (2018) have attempted to provide an insight as to the positive impact of digitization of payment system. According to it the transformation towards digital payment system has benefitted in more transparency in transactions which in turn empowers the country's economy. Also, it takes into Consideration as to recent development in the payment systems like digital wallets, UPI and BHIM apps for smooth shift to digital payments.

Pal, et al. (2018) have analyzed the discontents of shopkeepers towards digital payment and had analyze the government's push for Cashless transaction. Samples were collected from the Street Shops of Mumbai and Bangalore for conducting the Study. After conducting the Study, they have found that Cash Shortage increased digital payment adoption, but then also digital payments fell after new banknotes became available. Also, it was revealed that Digital payment adoption depended on the nature and Scope of

transactions, type of product sold, as well as personal factors specific to business owners such as comfort and familiarity with other digital technologies and online transactions. Moreover, the environmental pushes for technology adoption against prevalent transactional practices, trust, and control were examined and it was suggested that the move toward digital payments must be framed within a larger undertaking of technology - driven modernity that drives these initiatives, rather than just the efficiency or productivity gaining digital payments present.

In conclusion the studies highlight the need and preference of customers and shopkeepers towards digital payment. It was revealed that Digital payment adoption depends on the nature and Scope of transactions, type of product sold, as well as personal factors specific to business owners such as comfort and familiarity with other digital technologies and online transactions. It also brought into light that most of the merchants were not fully satisfied with the usage of online payment. They found out that cash remained the most preferred mode for business and as compared to POS terminals, and more awareness was needed to be created about the benefits in having non- cash transactions.

Objectives of the study

1. To study about the customers' preference of digital payment mediums.
2. To study the attitude of shopkeepers towards digital payment system.

Research methodology

Type of research

Descriptive Research is used for the research study. Descriptive Research is description of the situation as it exists at present and includes surveys and fact-finding enquires of different kinds.

Sampling procedure

Convenience Sampling Method has been considered for the research. Convenience Sampling is a non- probability sampling techniques where subjects are selected because of their convenient accessibility and proximity.

Sample size

Sample size means limited number of the respondents covered under the research study from the population. The research is based on sample size of 100 customers and 30 shopkeepers which has been taken from Guwahati city.

Tools of data analysis: The data collected are analysed by using tables, graphs, and percentages.

Data analysis

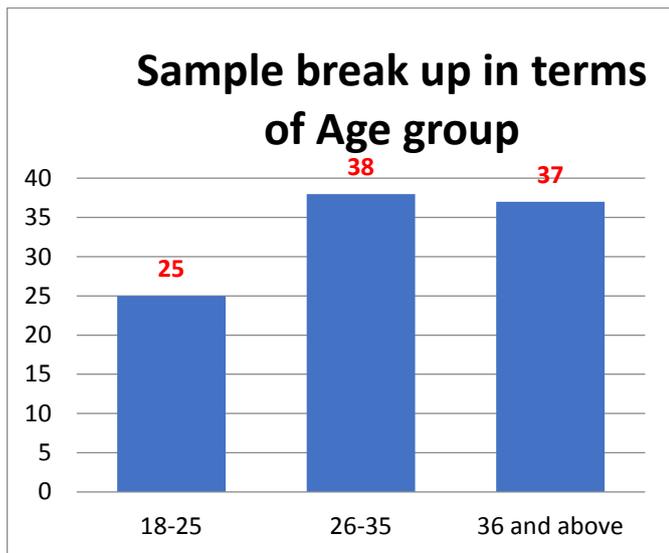
CUSTOMER PREFERENCE OF DIGITAL PAYMENT

Table No: 1 AGE OF THE RESPONDENTS

AGE	NO. OF RESPONDENTS	% OF RESPONDENTS
18-25	25	25
26-35	38	38
36 and above	37	37
Total	100	100

Source: Field Survey

Figure No:1 AGE OF THE RESPONDENTS



INTERPRETATION

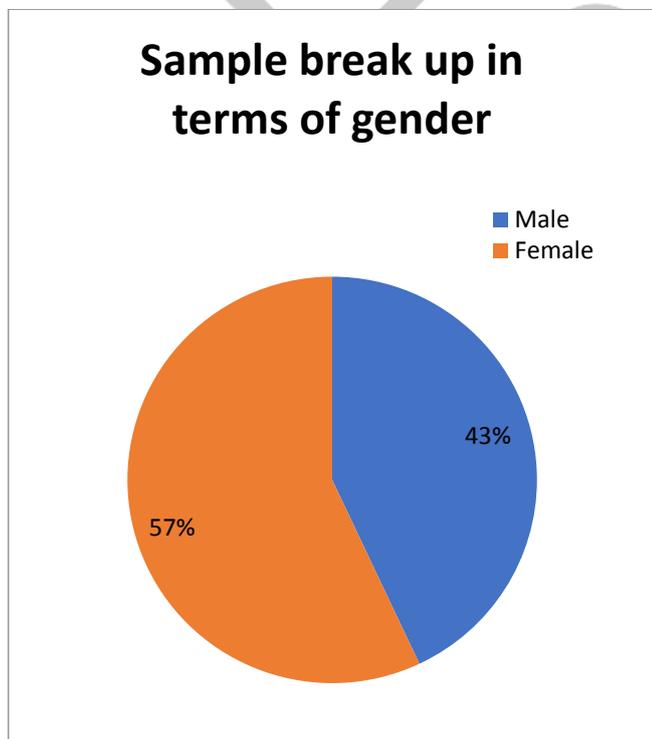
From the figure we can conclude that 25% of the respondents are between the age group of 18-25. 38% of the respondents are between the age group of 26-35 and 37% of the respondents are between the age group of 36 and above.

Table No:2 GENDER OF THE RESPONDENTS

GENDER	NO. OF RESPONDENTS	% OF RESPONDENTS
Male	43	43
Female	57	57
Total	100	100

Source: Field Survey

Figure No:2 GENDER OF THE RESPONDENTS



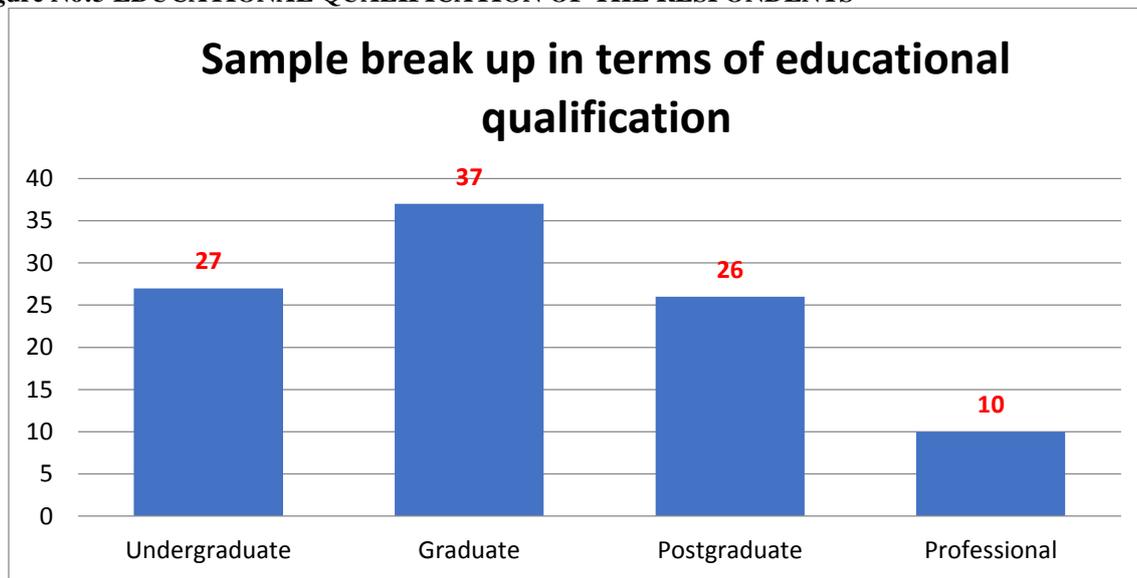
Interpretation

The figure shows that the total sample units included 43 male respondents and 57 female respondents.

Table No: 3 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

QUALIFICATION	NO. OF RESPONDENTS	% OF RESPONDENTS
Undergraduate	27	27
Graduate	37	37
Postgraduate	26	26
Professional	10	10
Total	100	100

Source: Field Survey

Figure No:3 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS**Interpretation**

The figure shows the educational qualification of the respondents. We find that 27% of the respondents are undergraduate, 37% of the respondents are graduate, 26% of the respondents are postgraduate, and 10% of the respondents are professional.

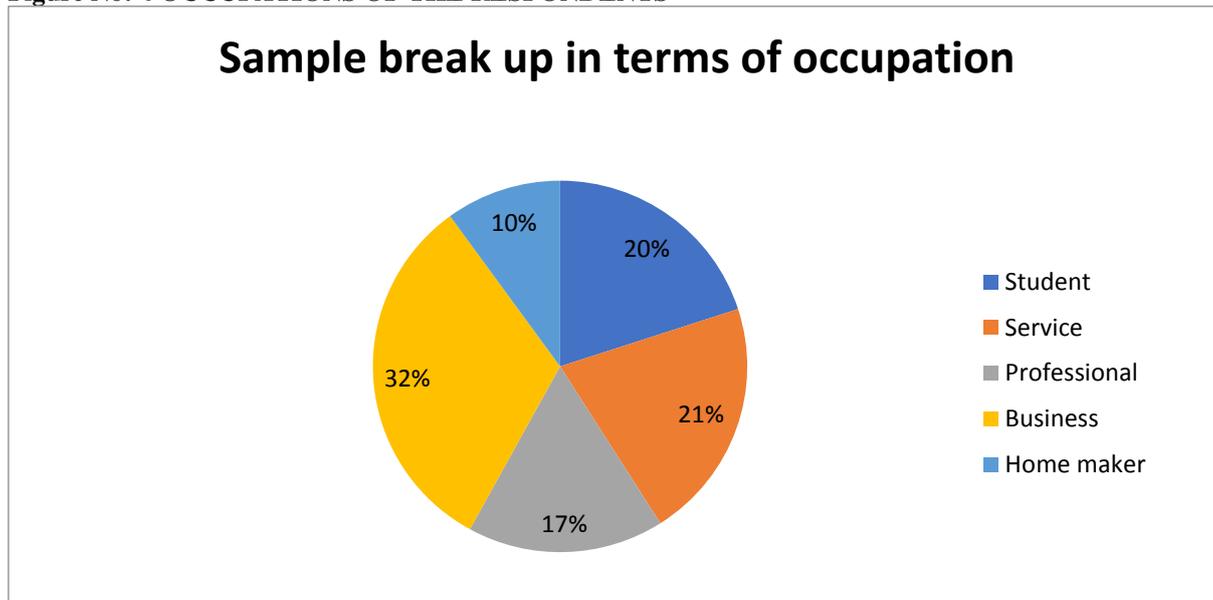
OCCUPATION OF THE RESPONDENTS

Table: 3.14

Table No: 4 OCCUPATIONS OF THE RESPONDENTS

OCCUPATION	NO. OF RESPONDENTS	% OF RESPONDENTS
Student	20	20
Service	21	21
Professional	17	17
Business	32	32
Home maker	10	10
Total	100	100

Source: Field survey

Figure No: 4 OCCUPATIONS OF THE RESPONDENTS

Interpretation

The figure shows that among the respondents there are 20% Students, 17% belong to some profession, 32% are belonging to business class, 21% are service class people and 10% are home maker. Having business class as the major respondents this helps in a better analysis of this questionnaire as they are more prone to witness digital payment.

Table No: 5 Annual income of the respondents

ANNUAL INCOME(Rs)	NO. OF RESPONDENTS	% OF RESPONDENTS
Less than 300,000	36	36
300,001-500,000	21	21
500,001-10,00,000	18	18
Above 10,00,001	25	25
Total	100	100

Source: Field survey

Figure No: 5 Annual income of the respondents

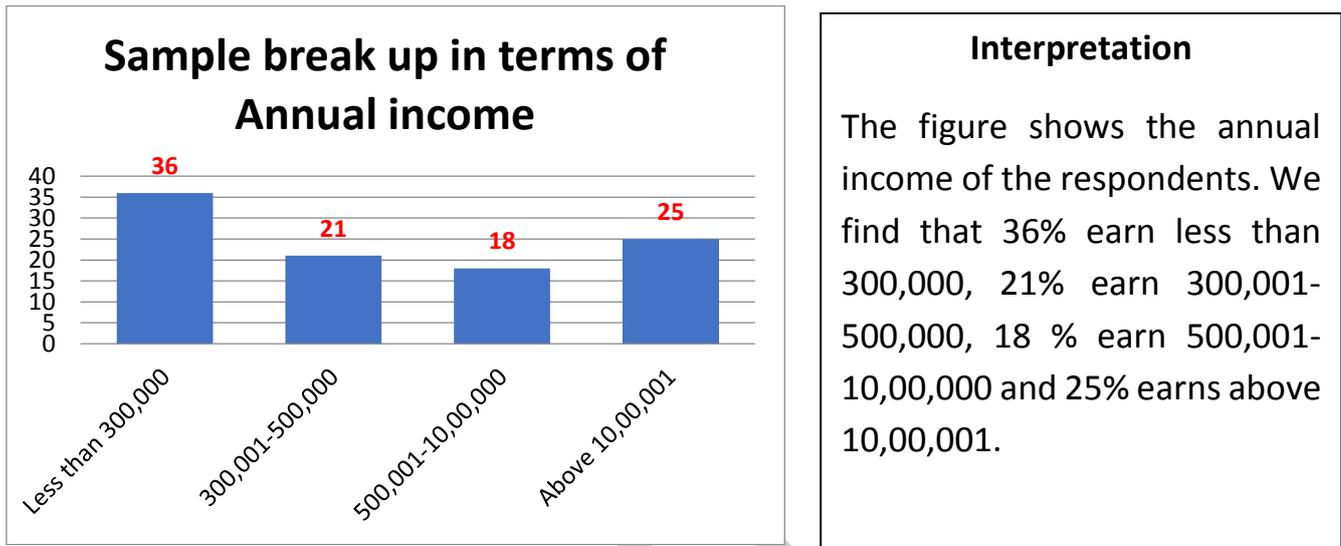


Table No: 6 FREQUENCY OF RESPONDENTS WHO HAVE USED DIGITAL PAYMENT

NO. OF USERS	NO. OF RESPONDENTS	% OF RESPONDENTS
YES	88	88
NO	12	12
TOTAL	100	100

Source: Field Survey

Figure No: 6 FREQUENCY OF RESPONDENTS WHO HAVE USED DIGITAL PAYMENT

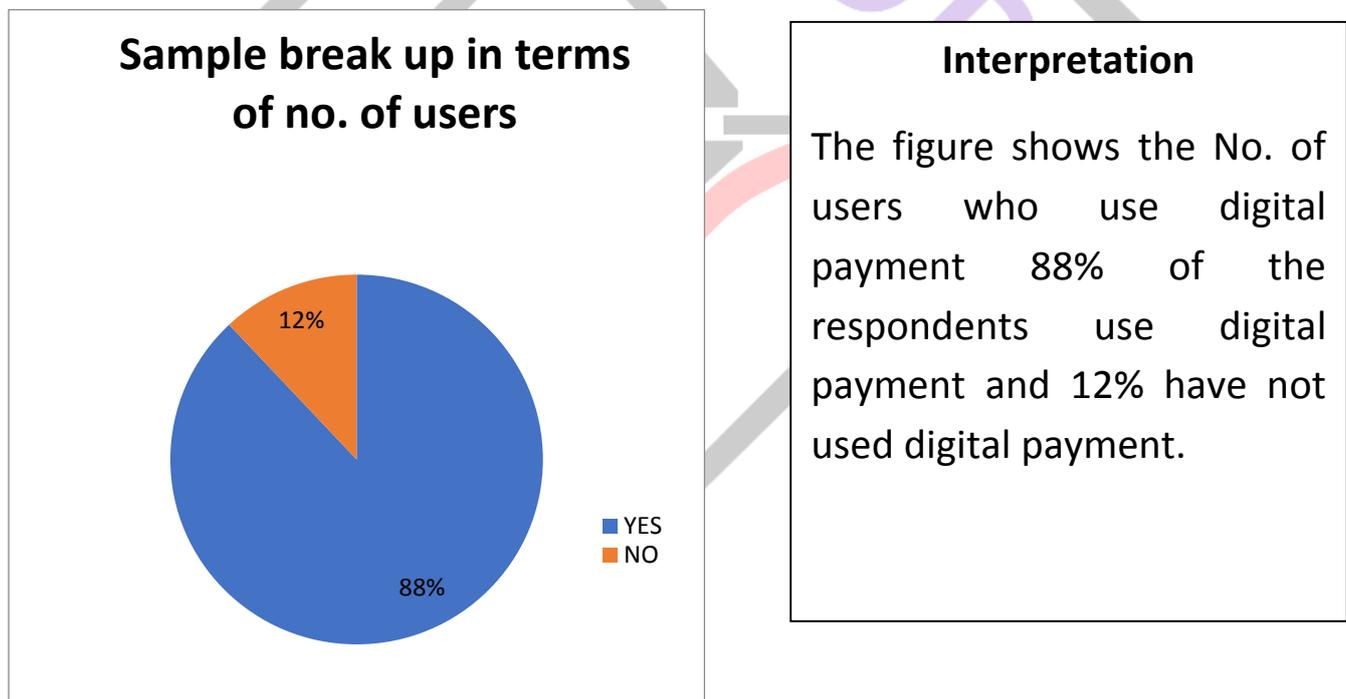
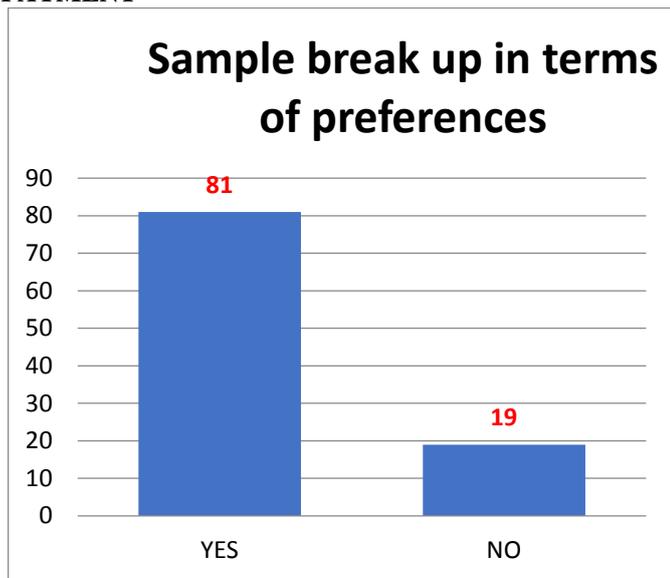


Table No: 7 RESPONDENT'S PREFERENCE TOWARDS DIGITAL PAYMENT OVER TRADITIONAL MODE OF PAYMENT

PREFERENCES	NO. OF RESPONDENTS	% OF RESPONDENTS
YES	81	81
NO	19	19
TOTAL	100	100

Source: Field survey

Figure No:7 RESPONDENT’S PREFERENCE TOWARDS DIGITAL PAYMENT OVER TRADITIONAL MODE OF PAYMENT



Interpretation

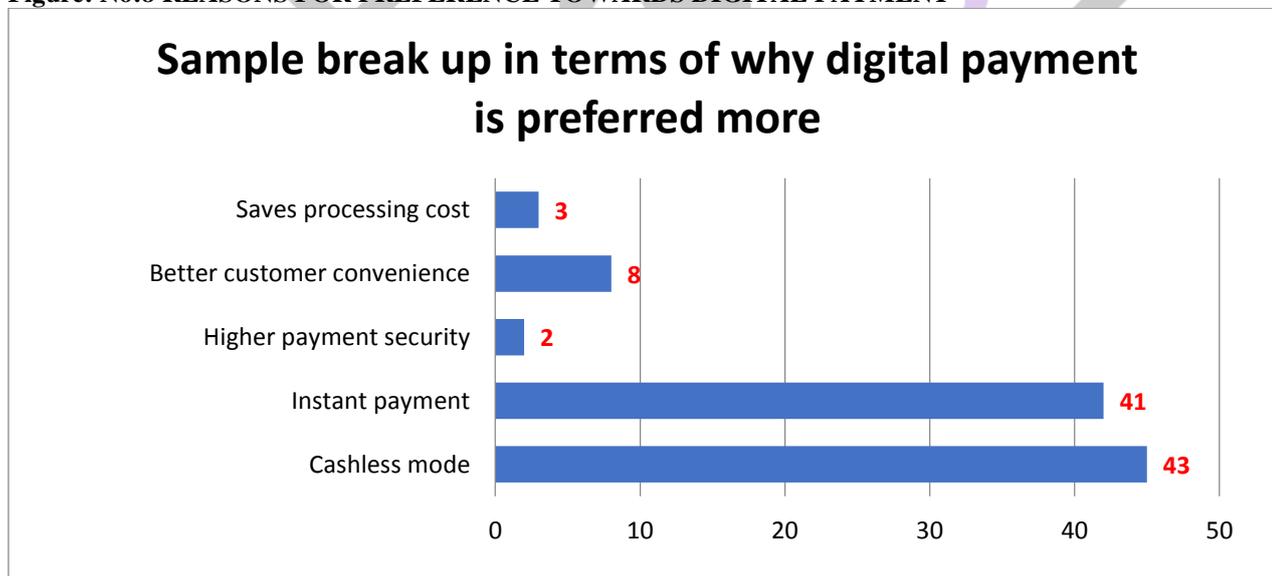
The figure shows the preference of the respondents to use digital payment over traditional mode of payment 81% of the respondents prefer digital mode and 19% prefer traditional mode.

Table NO: 8 REASONS FOR PREFERENCE TOWARDS DIGITAL PAYMENT

REASONS	NO. OF RESPONDENTS	% OF RESPONDENTS
Cashless mode	35	43
Instant payment	33	41
Higher payment security	2	2
Better customer convenience	8	10
Saves processing cost	3	4
Total	81	100

Source: Field Survey

Figure: No:8 REASONS FOR PREFERENCE TOWARDS DIGITAL PAYMENT



Interpretation

The bar chart shows that 43% of the respondents prefer digital payment because of cashless mode, 41% because of instant payment, 8% because of better customer convenience, 3% because it saves processing cost and 2% because of higher payment security.

REASONS FOR NOT PREFERING DIGITAL PAYMENT

Table No: 9 REASONS FOR NOT PREFERING DIGITAL PAYMENT

REASONS	NO. OF RESPONDENTS	% OF RESPONDENTS
Complex Procedure	8	42
Risk of Fraudulent activities	7	37
Unawareness	2	10.5
No. reason as such	2	10.5
Total	19	100

Source: Field Survey

Interpretation

The bar chart shows that 37% of respondents prefer less of digital payment because of risk of fraudulent activities, 10.5% due to unawareness, 8% because of complex procedure.

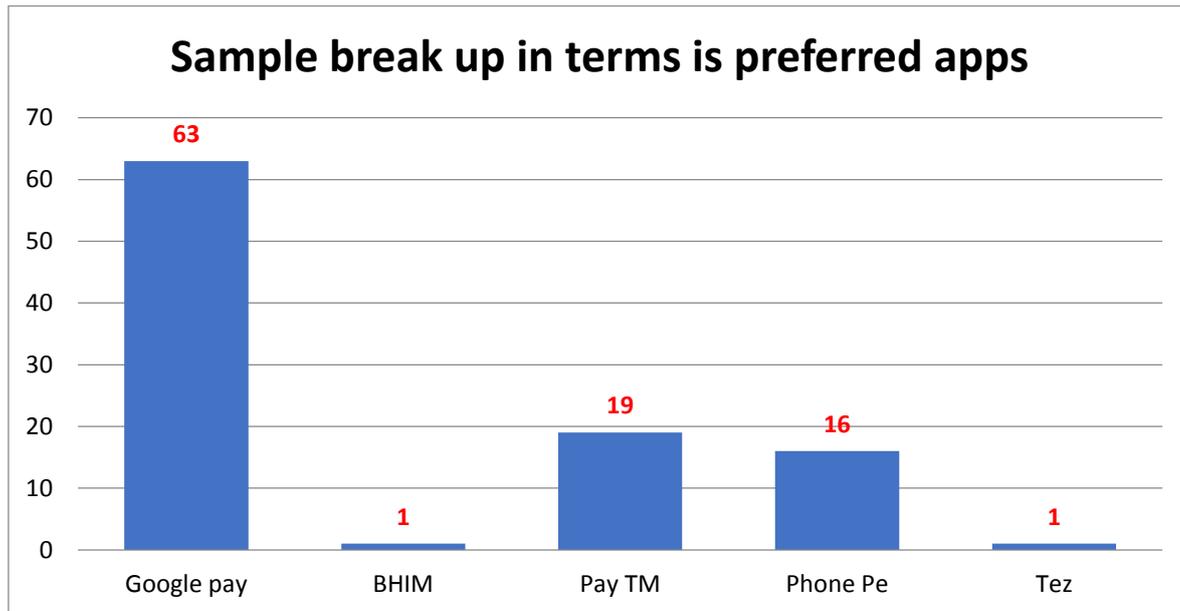
Table No:10 PREFECENCES OF RESPONDENTS FOR THE FOLLOWING DIGITAL PAYMENT APPS

APPS	NO. OF RESPONDENTS	% OF RESPONDENTS
Google pay	63	63
BHIM	1	1
Pay TM	19	19
Phone Pe	16	16
Tez	1	1
Total	100	100

Source: Field Survey

THE PREFECENCES OF RESPONDENTS FOR THE FOLLOWING DIGITAL PAYMENT APPS

Figure No: 8



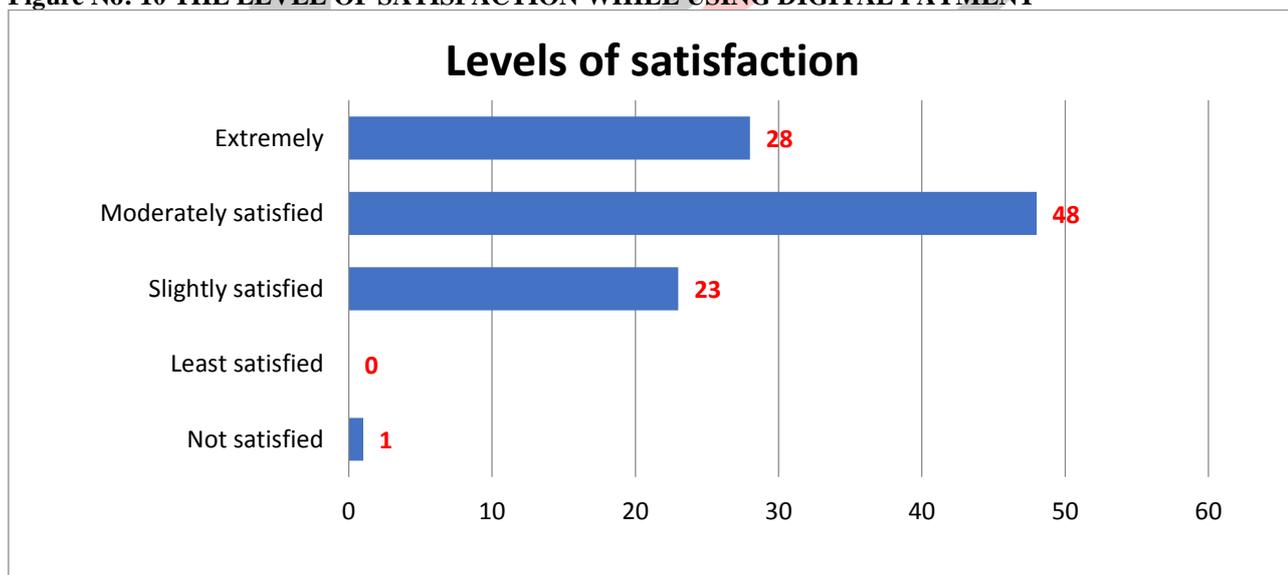
Interpretation: This figure reveals that Google pay is the most preferred among the respondents and BHIM & Tez is the least preferred.

Table No:11 THE LEVEL OF SATISFACTION WHILE USING DIGITAL PAYMENT

LEVELS	NO. OF RESPONDENTS	% OF RESPONDENTS
Not satisfied	1	1
Least satisfied	0	0
Slightly satisfied	23	23
Moderately satisfied	48	48
Extremely	28	28
Total	100	100

Source: Field survey

Figure No: 10 THE LEVEL OF SATISFACTION WHILE USING DIGITAL PAYMENT



Interpretation

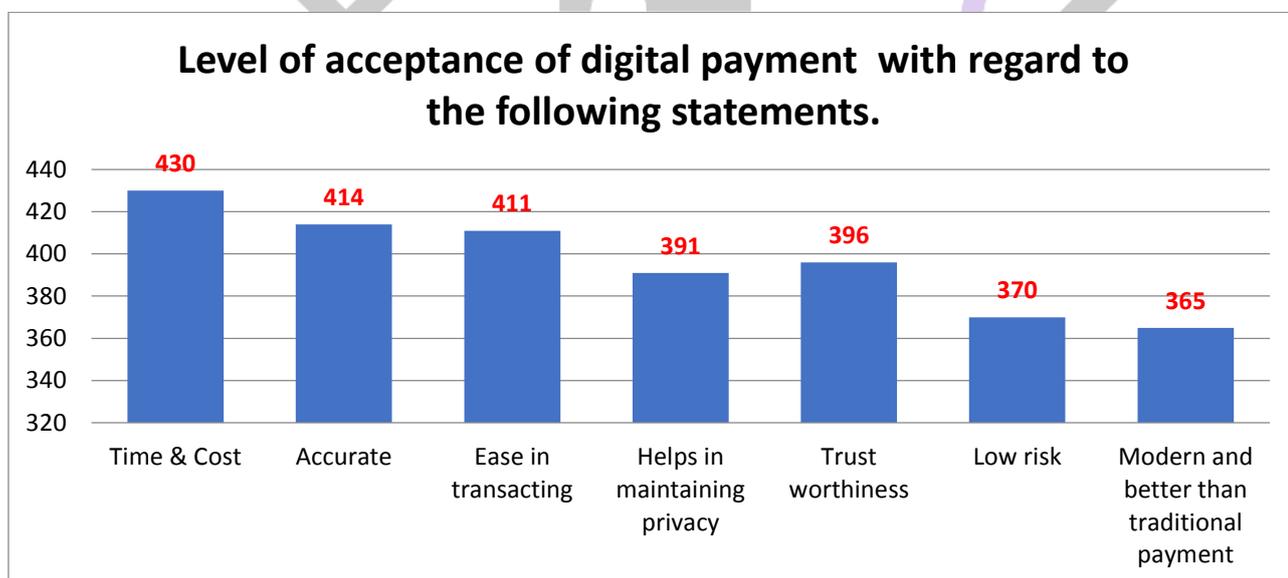
As we can see 28% of the respondents are extremely satisfied, 48% are moderately satisfied, 23% are slightly satisfied and 1% is not satisfied with the usage of digital payment system.

Table: 12 **THE LEVEL OF ACCEPTANCE WITH REGARD TO THE FOLLOWING STATEMENTS**

PARTICULARS	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE	Total Score
Time & Cost	44	45	8	3	0	430
Accurate	40	36	22	2	0	414
Ease in transacting	38	42	13	7	0	411
Helps in maintaining privacy	30	37	27	6	0	391
Trust worthiness	30	40	26	4	0	396
Low risk	20	38	36	4	2	370
Modern and better than traditional payment	27	45	14	4	0	365

Source: Field Survey

Figure No 11 Levels of acceptance



Interpretation

This figure reveals that time and cost is the most scored amongst all the statements i.e., 430. Then it is accurate i.e., 414, ease in transacting i.e., 411, trust worthiness i.e., 396, helps in maintaining privacy i.e., 391, low risk i.e., 370, modern and better than traditional payment i.e., 365.

SHOPKEEPERS PREFERENCE TOWARDS DIGITAL PAYMENT

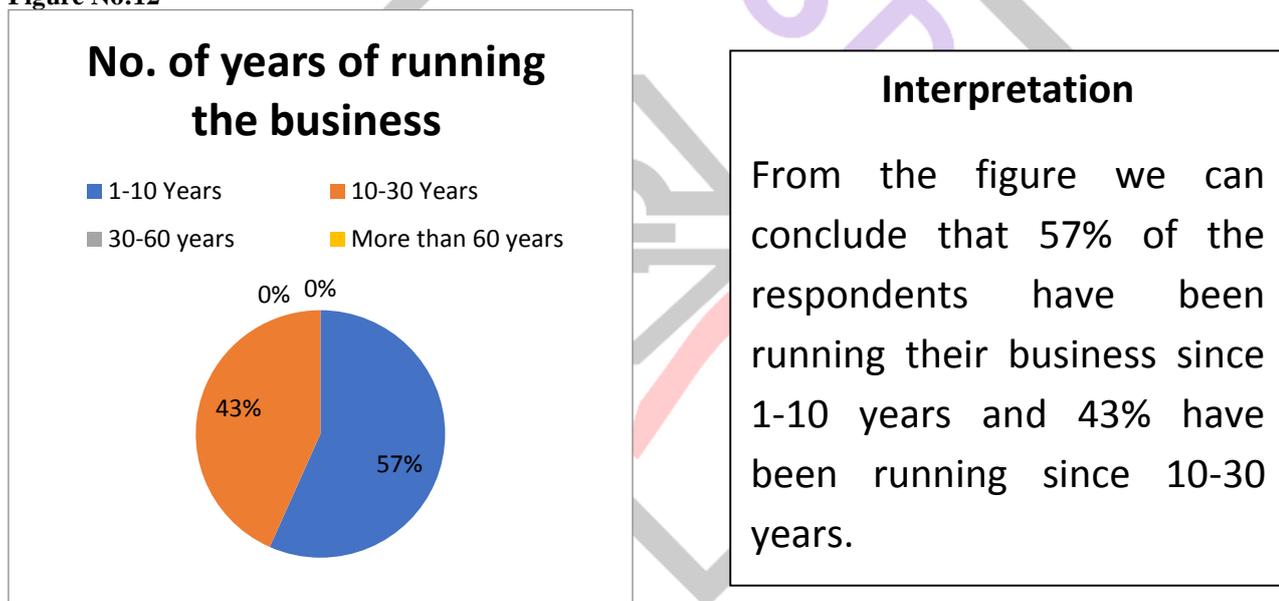
Table No:13 **NO. OF YEARS OF RUNNING THE BUSINESS**

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
1-10 Years	17	56.7
10-30 Years	13	43.3
30-60 years	0	0
More than 60 years	0	0
Total	30	100

Source: Field Survey

NO. OF YEARS OF RUNNING THE BUSINESS

Figure No:12



AVERAGE MONTHLY SALE OF THE FIRM

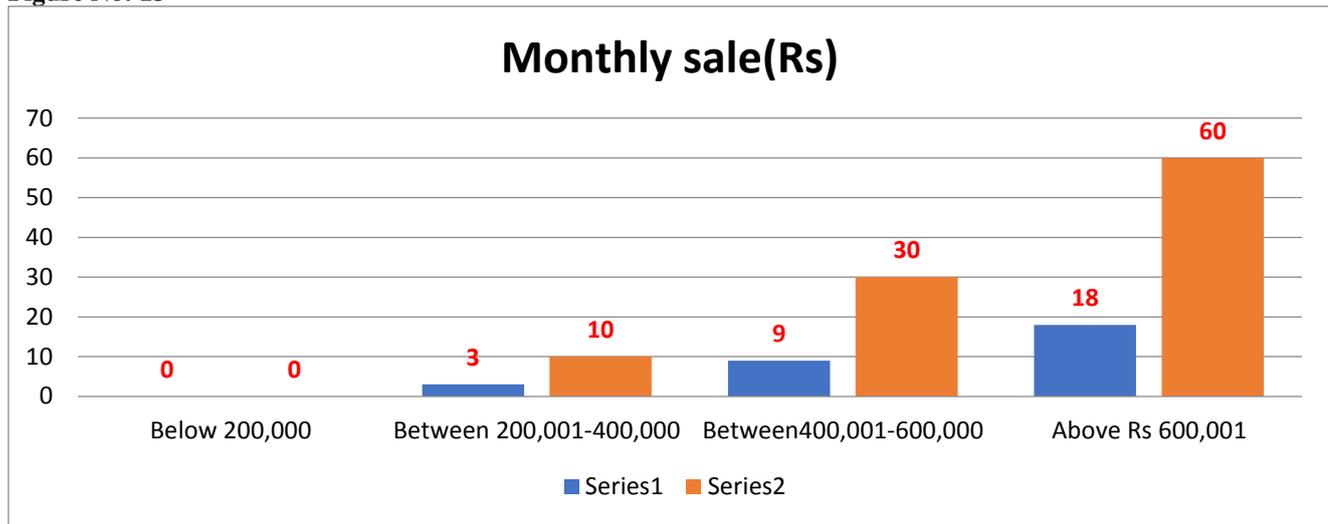
Table No: 14

MONTHLY SALE(Rs)	NO. OF RESPONDENTS	% OF RESPONDENTS
Below 200,000	0	0
Between 200,001-400,000	3	10
Between 400,001-600,000	9	30
Above Rs 600,001	18	60
Total	30	100

Source: Field Survey

Monthly Sale of the Firm

Figure No: 13



Interpretation

This figure reveals the monthly sale of the respondents. 10% is between 200,001- 400,000, 30% between 400,001- 600,000 and 60% above 600,001.

SINCE WHEN HAVE YOU BEEN USING DIGITAL PAYMENT

Table No: 15 SINCE WHEN HAVE YOU BEEN USING DIGITAL PAYMENT

PARTICULARS	NO. OF RESPONDENTS	% OF RESPONDENTS
Before Demonetization	16	53.3
After Demonetization	14	46.7
Total	30	100

Source: Field Survey

Figure No: 14 SINCE WHEN HAVE YOU BEEN USING DIGITAL PAYMENT

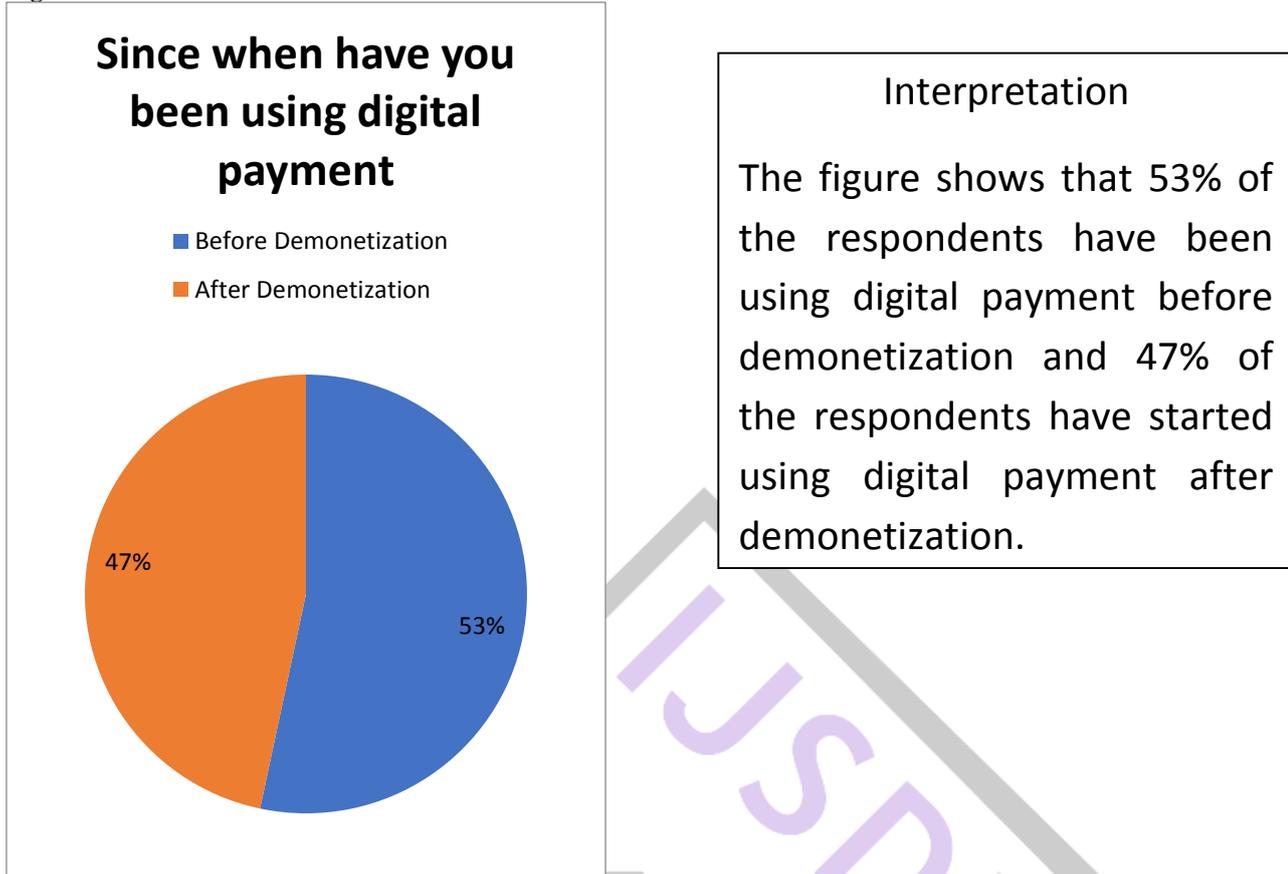
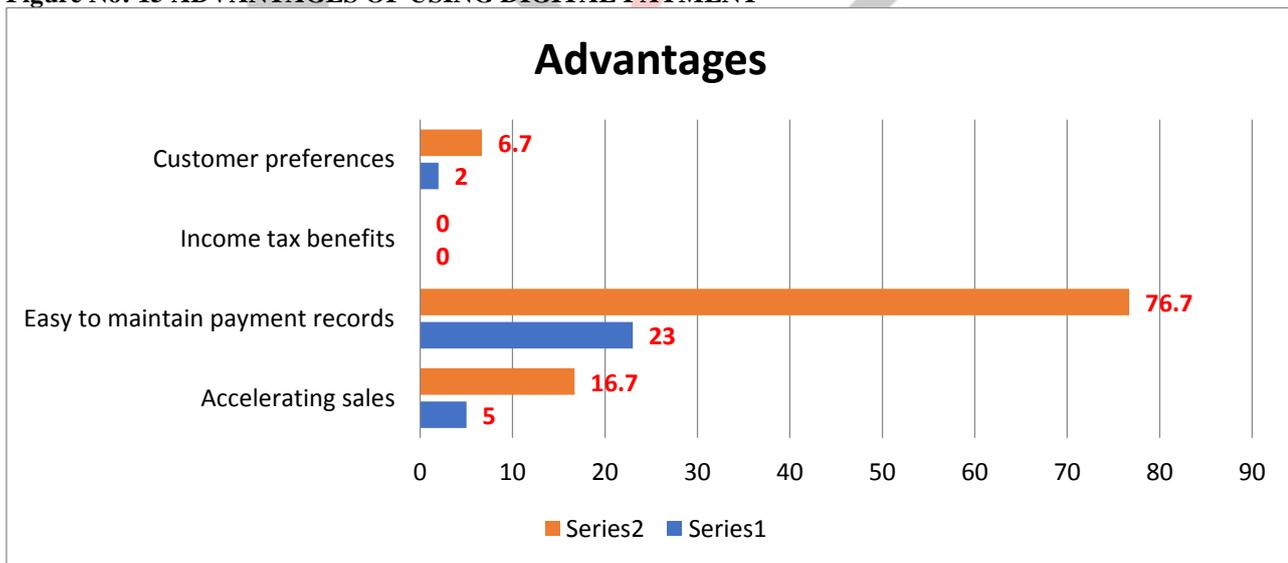


Table No: 16 ADVANTAGES OF USING DIGITAL PAYMENT

ADVANTAGES	NO. OF RESPONDENTS	% OF RESPONDENTS
Accelerating sales	5	16.7
Easy to maintain payment records	23	76.7
Income tax benefits	0	0
Customer preferences	2	6.7
Total	30	100

Source: Field Survey

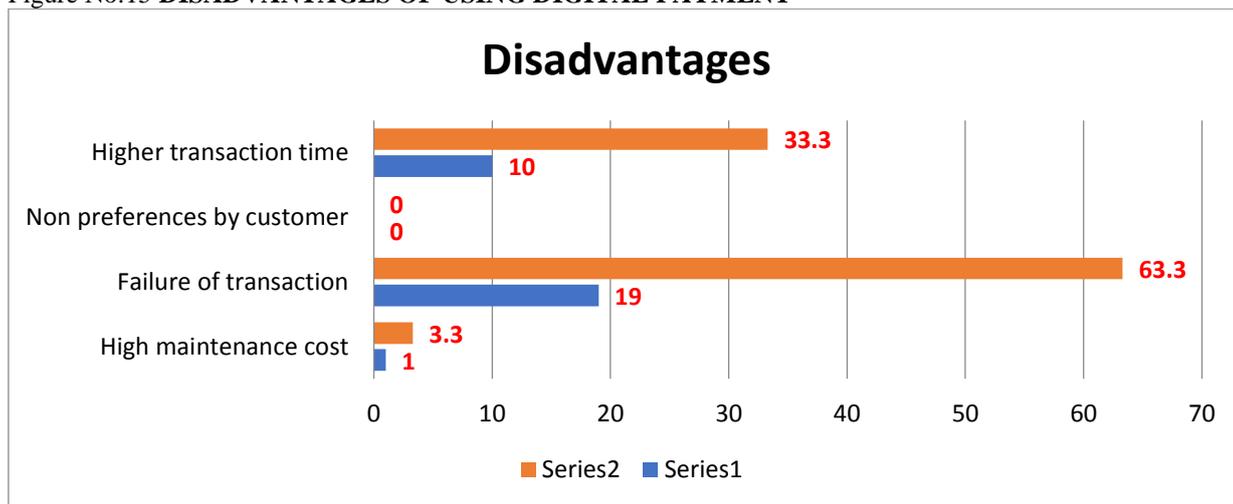
Figure No: 15 ADVANTAGES OF USING DIGITAL PAYMENT



Interpretation

This figure reveals the advantages of using digital payment. 76.7% believes that digital payment is easy to maintain payment records, 16.7% believes it has customer preferences and 16.7 % believes it helps in accelerating sales.

Figure No:15 **DISADVANTAGES OF USING DIGITAL PAYMENT**



Interpretation

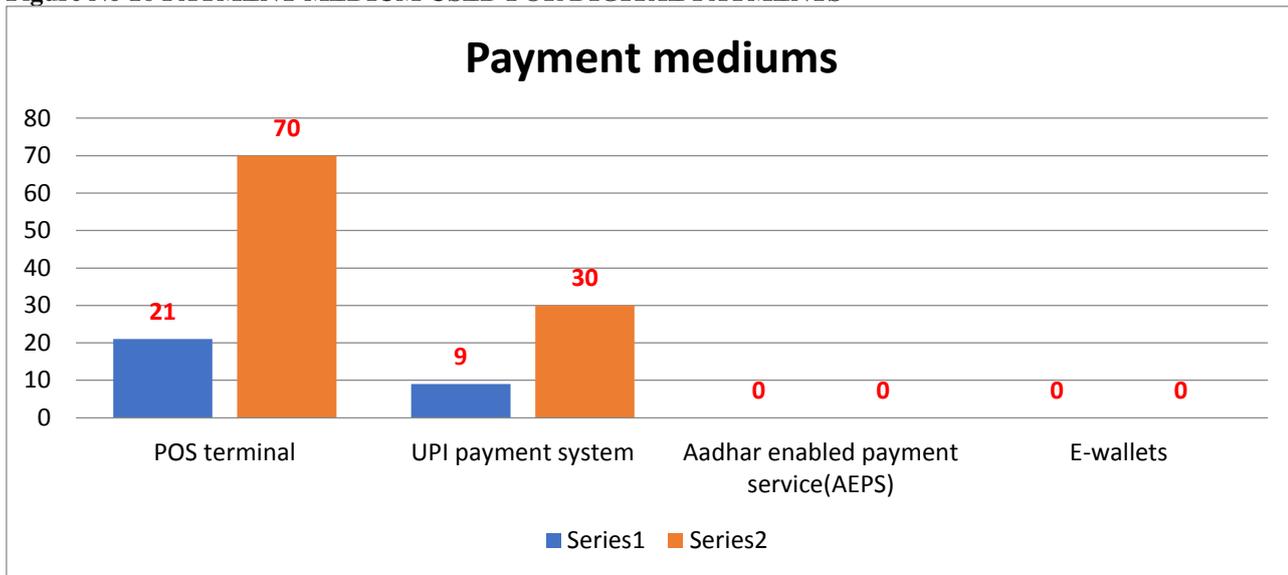
This figure reveals the disadvantages of using digital payment. 63.3% believes that failure of transaction, 33.3% believes higher transaction time & 3.3% believes high maintenance cost is a disadvantage of digital payment.

Table No 17: **PAYMENT MEDIUM USED FOR DIGITAL PAYMENTS**

PAYMENT MEDIUMS	NO. OF RESPONDENTS	% OF RESPONDENTS
POS terminal	21	70
UPI payment system	9	30
Aadhar enabled payment service(AEPS)	0	0
E-wallets	0	0
Total	30	100

Source: Field Survey

Figure No 16 PAYMENT MEDIUM USED FOR DIGITAL PAYMENTS



Interpretation

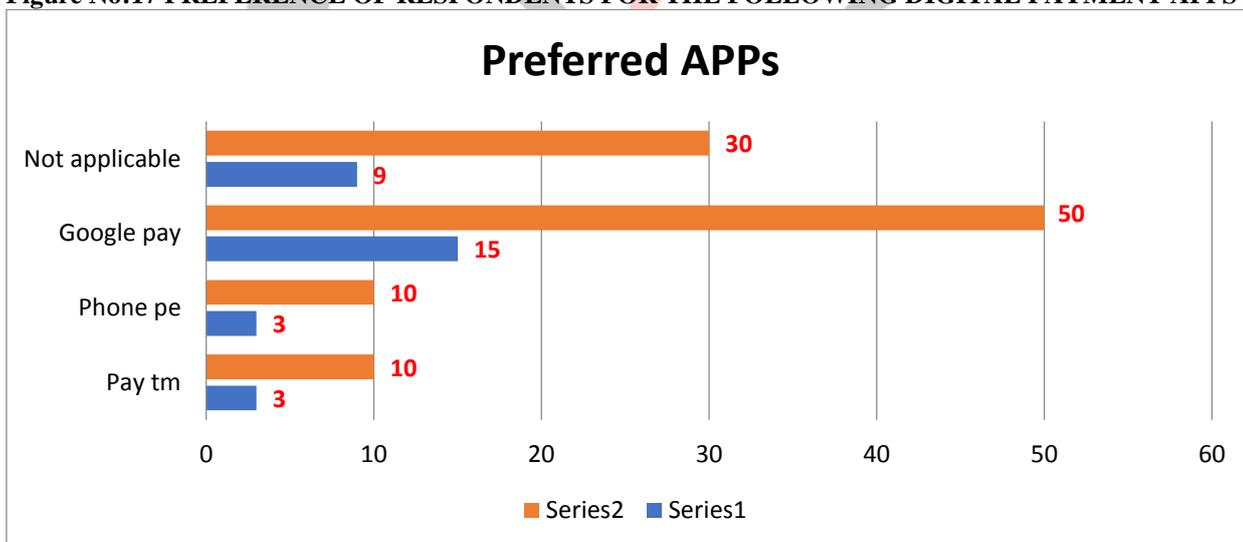
This figure reveals that 70% of the respondents use POS terminal and 30% uses UPI payment system as payment mediums.

Table No 18: PREFERENCE OF RESPONDENTS FOR THE FOLLOWING DIGITAL PAYMENT APPS

APPS	NO. OF RESPONDENTS	% OF RESPONDENTS
Pay tm	3	10
Phone pe	3	10
Google pay	15	50
Not applicable	9	30
Total	30	100

Source: Field Survey

Figure No:17 PREFERENCE OF RESPONDENTS FOR THE FOLLOWING DIGITAL PAYMENT APPS



Interpretation

This figure reveals that 50% of the respondents prefer Google pay, 10% phone pe and 10% pay tm. 30% of the respondents do not use the following apps.

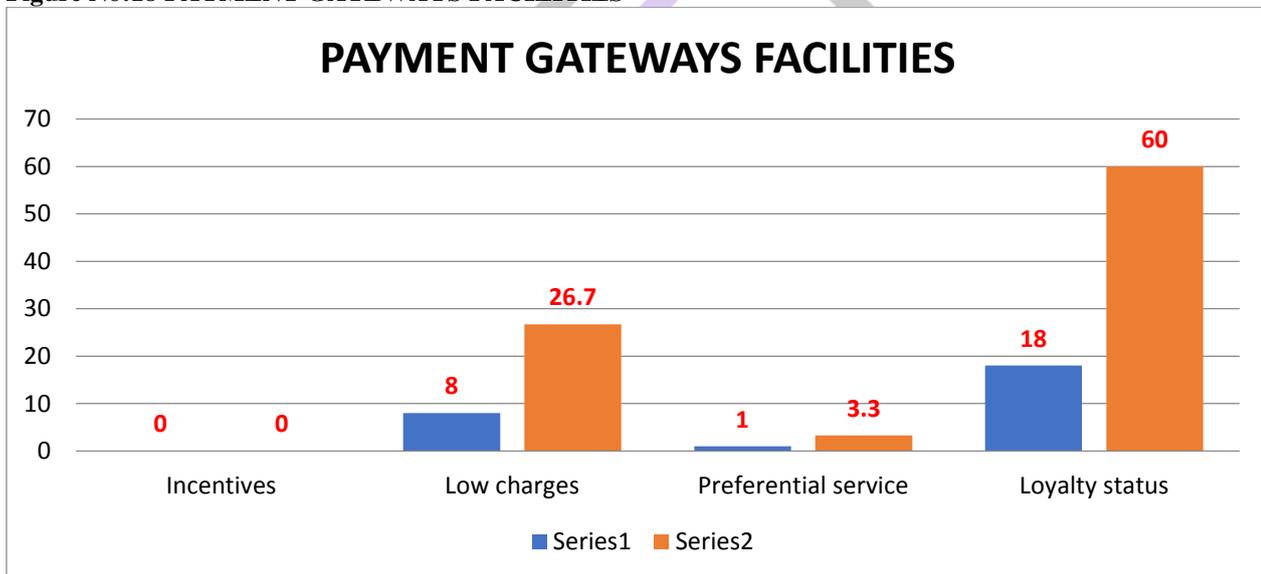
PAYMENT GATEWAYS FACILITIES

Table No 19 PAYMENT GATEWAYS FACILITIES

FACILITIES	NO. OF RESPONDENTS	% OF RESPONDENTS
Incentives	0	0
Low charges	8	26.7
Preferential service	1	3.3
Loyalty status	18	60
Total	30	100

Source: Field Survey

Figure No:18 PAYMENT GATEWAYS FACILITIES



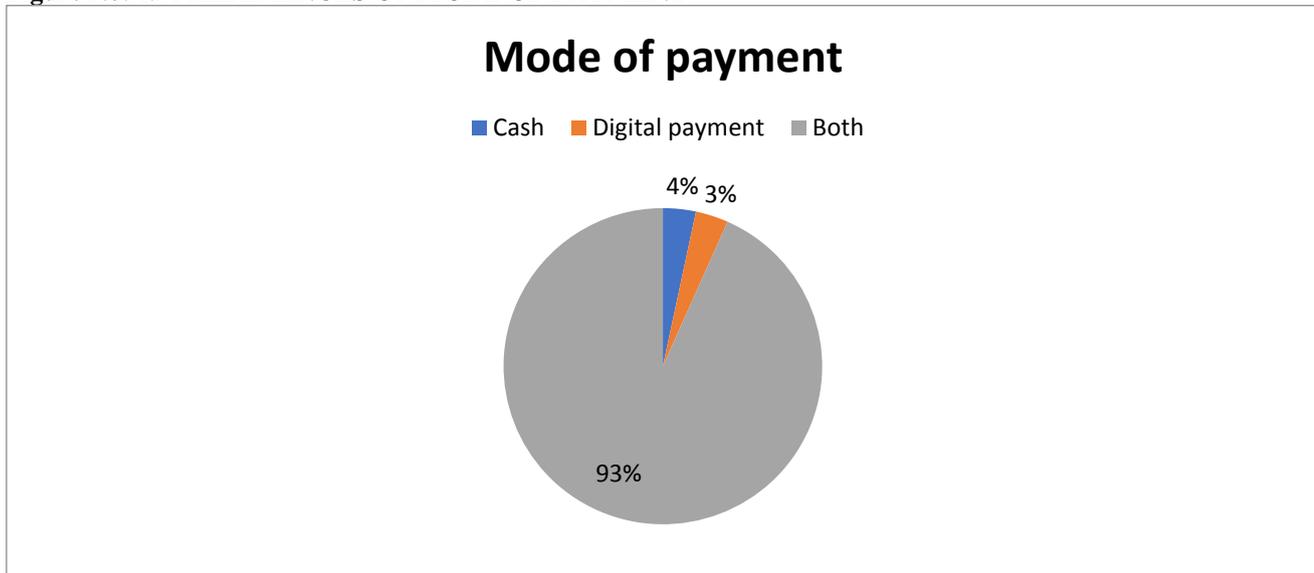
Interpretation

Through this figure we can find out that 60% of the respondents gets loyalty status as payment gateways facility, 26.7% as low charges, 3.3% as preferential service.

Table No: 20 **PREFERENCES OF MODE OF PAYMENT BY THE CUSTOMER**

MODE	NO. OF RESPONDENTS	% OF RESPONDENTS
Cash	1	3.3
Digital payment	1	3.3
Both	28	93.3
Total	30	100

Source: Field Source

Figure No: 19 **PREFERENCES OF MODE OF PAYMENT**

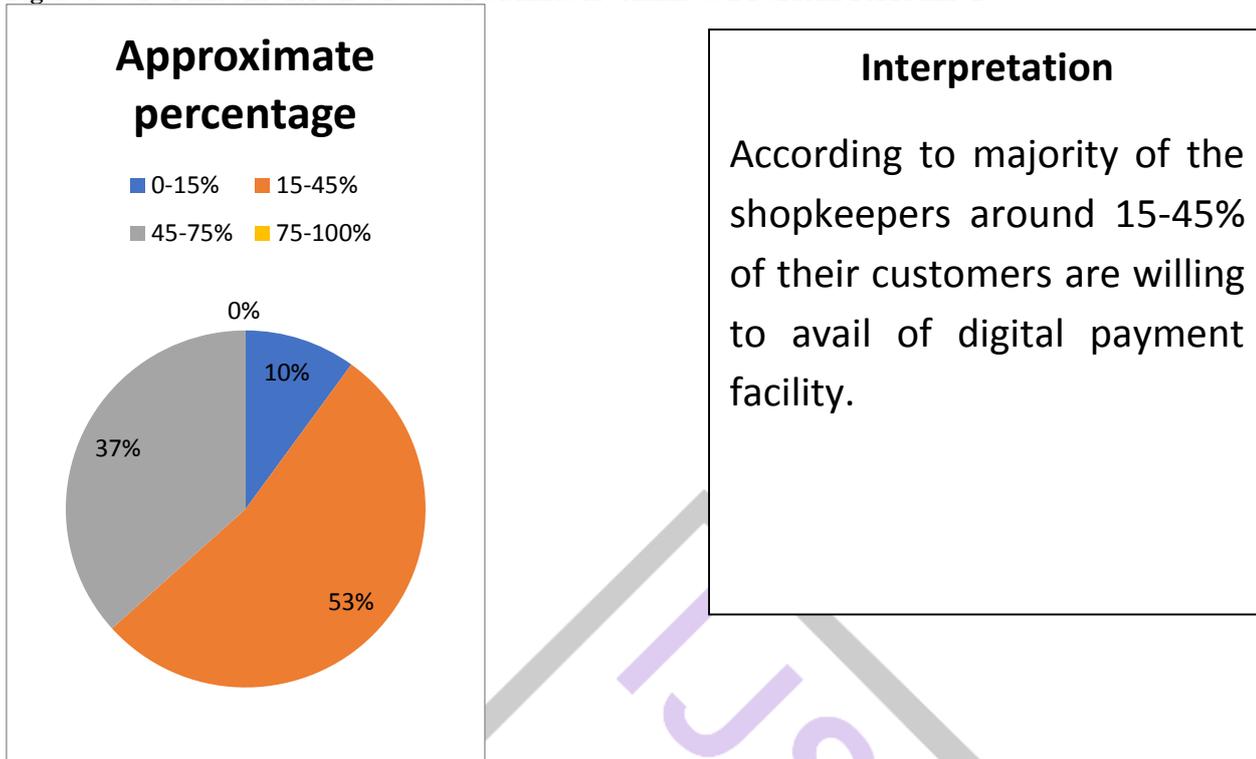
Interpretation

Through the pie chart we can interpret that, 93% of the Respondents said that the customers prefer both digital and cash mode of payment and 4% said cash and 3% said digital payment.

Table No: 21 **PERCENTAGE OF CUSTOMERS AVAILING DIGITAL PAYMENT**

PERCENTAGE of customers AVAIING DIGITAL PAYMENT FACILITY	RESPONSE	%
0-15%	3	10
15-45%	16	53.3
45-75%	11	36.7
75-100%	0	0
Total	30	100

Source: Field Survey

Figure No: 20 PERCENTAGE OF CUSTOMERS AVAILING DIGITAL PAYMENT**FINDINGS**

After collecting and analyzing the data gathered from the customers and shopkeepers, the researcher has found out the following facts in relation to the adaptability of digital payment system and the problems of digital payment system:

Findings from CUSTOMER PREFERENCE OF DIGITAL PAYMENT

1. From the present study, we find that 25% of the respondents are between the age group of 18-25, 38% of the respondents are between the age group of 26-35 and 37% of the respondents belong to the age group 36 and above.
2. Through the analysis, we found that 43% of the respondents are male and 57% of the respondents are female.
3. From the present study, we find that 27% of the respondents are undergraduate, 37% of the respondents are graduate, 26% of the respondents are postgraduate, and 10% of the respondents are professional.
4. The study reveals that 20% of the respondents are Students, 17% belong to some profession, 32% are belonging to business class, 21% are service class people and 10% are home maker.
5. From the present study, we can find that 36% earn less than 300,000, 21% earn 300,001-500,000, 18 % earn 500,001-10,00,000 and 25% earns above 10,00,001.
6. Through the analysis, we found that 88% of the respondents use digital payment and 12% have not used digital payment.
7. From the present study, we find that 81% of the respondents prefer digital mode and 19% prefer traditional mode.
8. The study reveals that 45% of the respondents prefer digital payment because of cashless mode, 42% because of instant payment, 8% because of better customer convenience, 3% because it saves processing cost and 2% because of higher payment security.
9. Through the analysis, we can find that 45% of respondents prefer less of digital payment because of risk of fraudulent activities, 10% due to unawareness, 8% because of complex procedure and no reason as such for 37%.
10. From the present study, we can find that 63% of the respondents prefer Google pay, 19% prefer Paytm, 16% prefer phone pe and 1% of the respondents prefer BHIM and Tez.
11. The study tells us that 28% of the respondents are extremely satisfied, 48% are moderately satisfied, 23% are slightly satisfied and 1% is not satisfied with the usage of digital payment system.
12. From the present study, we can find that time and cost is the most scored amongst all the statements i.e., 430. Then is accurate i.e., 414, ease in transacting i.e., 411, trust worthiness i.e., 396, helps in maintaining privacy i.e., 391, low risk i.e., 370, modern and better than traditional payment i.e., 365.

SHOPKEEPERS PREFERENCE TOWARDS DIGITAL PAYMENT

1. From the present study, we can find that that 57% of the respondents have been running their business for 1-10 years and 43% have been running since 10-30 years.
2. The study reveals that the monthly sale of the respondents 10% is between 200,001- 400,000, 30% between 400,001-600,000 and 60% above 600,001.

3. From the present study, we can find that 53% of the respondents have been using digital payment before demonetization and 47% of the respondents have started using digital payment after demonetization.
4. From the present study, we can find that 76.7% believes that digital payment is easy to maintain payment records, 16.7% believes it has customer preferences and 16.7 % believes it helps in accelerating sales as advantages of digital payment.
5. Through the analysis, we found that 63.3% believes that digital payment causes failure of transaction, 33.3% believes digital payment takes higher transaction time & 3.3% believes digital payment has high maintenance cost as a disadvantage of digital payment.
6. The analysis states that 70% of the respondents use POS terminal and 30% uses UPI payment system as payment mediums.
7. Through the study, we can find that that 50% of the respondents prefer Google pay, 10% phone pe and 10% pay tm. 30% of the respondents do not use the following apps.
8. From the present study, we can find that 60% of the respondents gets loyalty status as payment gateways facility, 26.7% as low charges, 3.3% as preferential service.
9. The analysis tells us that 93% of the Respondents said that the customers prefer both digital and cash mode of payment and 4% said cash and 3% said digital payment.
10. According to majority of the shopkeepers around 15-45% of their customers are willing to avail of digital payment facility.

Conclusion

Digital Payment System is the alternative way of payment other than Cash. It is necessary to adopt digital payment system to develop India as a Cashless economy. As, digital payment market is growing at an exponential rate, it is thus necessary that every person is aware and related to digital payment system. That is why the Study has been conducted to know the readiness of the market towards accepting digital payment system and to know the problems faced from it. The Study has also paid emphasis on the reasons for adapting digital payment systems. After making analysis of the collected data, it has been found that shopkeepers have been using digital payment system mainly because it helps in maintaining records. Also, it was found that due to failure of transaction many a times many of the shopkeepers did not prefer digital payment. The problem can be solved by providing standardized network so that proper connectivity can be maintained in between the terminal and banks to avoid failure of transactions. Most of the customers and the shopkeepers prefer Google pay among all the other apps. The study helps us to know that the customers are moderately satisfied with the usage of digital payment. In the study, it was also revealed that most of the customers believe that digital payment helps in reducing Time & Cost as compared to traditional mode of payment. After the analysis it can also be found that the customers prefer digital payment because of Cashless mode. Also, it was found that due to Risk of fraudulent activities many customers do not prefer digital payment. In the study, it was found that customers prefer both digital payment and cash. This viewpoint could be changed by providing various incentives to the customer on payment via digital means to small merchant as well as if the scheme is implemented by the banks then the Shopkeepers will encourage their customers to pay via digital means.

It has become quite necessary that every shopkeeper adopt Digital payment system as digital payment scope is rising day by day and that customers have started shifting to digital payment methods for payments other than Cash. To develop India as a Cashless Economy, digital payment system should be well developed and the factors affecting digital payment negatively should be rectified. Thus, every measure should be adopted to boost the usage of digital payment system.

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