

An Emprical Analysis of Digital Payment System Among College Teachers with Special Reference to Thoothukudi District

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Abstract: College instructors in Thoothukudi City had their thoughts and feelings about the online payment method investigated in this research. The research seeks to understand how college professors view and use digital payment systems by conducting a thorough examination. Primary data was gathered by means of a structured questionnaire that was handed out to the instructors themselves; secondary data was culled from a variety of sources. Secondary data is culled from a wide variety of sources, such as academic publications, online payment system resources, and textbooks. This study's overarching goal is to shed light on how college professors in Thoothukudi City feel about digital payment systems, namely their opinions and degrees of satisfaction with them.

Keywords: Digital Payment System, UPI, Electronic Payment

1. INTRODUCTION

One of the most important systems that India has put in place to ensure its continued growth and development is its financial system, which includes both banking and non-banking financial institutions that offer a wide range of services to their clients. Financial clearing and capital transfer services are among the most crucial in the financial industry. The exponential growth of ICTs has had far-

reaching effects on people's daily lives, social interactions, and the way society as a whole functions.

Payments made using an electronic network, like the internet, are known as electronic payment systems. Put simply, electronic payment allows customers to buy goods and services online, regardless of their location or time of day, without physically exchanging cash or checks.

Table.1 – Digital Payment Statistics

Particulars	2020		2021		2022		2023	
	No. of Transactions (Million)	Value (Rs. Billion)	No. of Transactions	Value (Rs. Billion)	No. of Transactions	Value (Rs. Billion)	No. of Transactions	Value (Rs. Billion)
Credit/Debit Card & POS Machine	244.6	483.3	263.9	528.7	271.1	521.9	247.1	465.9
Prepaid Payment Instrument	92.8	32	99.1	35.1	113.6	038.3	113.1	36.5
Mobile Banking	122.8	848.4	113.3	921.5	106.3	928.7	102.5	945
UPI	104.8	96.4	145.5	131.4	151.7	155.4	171.2	191
Total	998.5	1,21,047.1	1064.2	1,25,531.5	1122.3	1,31,980.8	1098	1,15,490.3

RBI regulations for the issuance of chip-based cards with PIN have increased the security of PoS transactions. Rebuilding ATMs to accept and authenticate chip-based cards instead of magnetic strip cards will lessen the likelihood of card skimming and cloning events. In an effort to reduce transaction costs, merchant discounting rates have been rationalized throughout time. Users of RTGS and National Electronic Funds Transfer (NEFT) are no longer subject to additional fees. Massive non-cash transactions facilitated by digital means are progressing thanks to this. The establishment of a "less money (noncash-based) society" has also been a priority for the public authorities and government. Bharat Bill Payment Services (BBPS) is being used by several municipal administrations to pay bills. The transportation sector has begun to digitize low-value, high-volume money transfers with the support of government initiatives like the National Common Mobility Card (NCMC) and the National Electronic Toll Collection (NETC). Numerous stakeholders, including financial institutions, government agencies, original equipment manufacturers (OEMs), payment processors (PPIs), and suppliers to the country's financial market, have played an integral role in developing India's modern payment system.

2. CONCEPTUAL FRAMEWORK

One kind of payment is the digital payment, which is done entirely online. The parties involved in a digital payment both utilize digital means to transmit and receive funds. Electronic payment is another name for it. In digital payments, there is no physical currency exchanged. With digital payments, everything is done online. Making a payment this way is quick and easy. Digital payments were defined in the Payment and Settlement Act of 2007. This defines a "electronic funds transfer" as any monetary transaction that begins with a customer issuing a debit or credit instruction to a bank through an electronic medium, such as a point-of-sale system, an ATM, a direct deposit or withdrawal, a phone call, an online payment, or a credit card. Some examples of digital payments include these:

- ❖ Banking Cards
- ❖ USSD
- ❖ AEPS
- ❖ UPI
- ❖ Mobile wallets
- ❖ Banks Pre paid cards
- ❖ Point of sale
- ❖ Internet Banking
- ❖ Mobile Banking
- ❖ Micro ATMs

With the rise of digital wallets and other forms of electronic payment, traditional forms of currency like cash are fighting for a place in today's technologically advanced world. Being knowledgeable with digital payments is crucial for making the most of the benefits that are available. There are time and money savings associated with making digital payments. In addition to this, digital payments would have a significant effect on the economy of the nation, according to financial expert Mr. Ashok Singhal. Here are the key benefits of using digital payment methods:

- ❖ **Time saving:** While traditional methods of transferring funds, such as wire transfers or mail transfers, can take several days, virtual account transfers just take a few minutes. Not to mention that you won't have to waste time at the post office or bank.
- ❖ **Expenses control:** Being diligent in recording all small expenses is crucial for effectively managing disbursements, even if it can be time-consuming. The virtual account keeps track of all your transactions, showing you the store and the amount you spent. And you can verify it at your convenience. This advantage of electronic payment system is crucial in this case.
- ❖ **Reduced risk of loss and theft:** Rest assured, your virtual wallet is secure and cannot be accessed by anyone else. While there are numerous scammers in the online world.
- ❖ **Low commissions:** If you choose to pay for internet service provider or a mobile account replenishment using the UPT (unattended payment terminal), you will be subject to high fees. Regarding the electronic payment system, the fee for these types of transactions is only 1% of the total amount, which is a significant benefit.
- ❖ **User-friendly:** Typically, every service aims to cater to a broad audience, ensuring an intuitively understandable user interface. Furthermore, there is always the option to reach out to a support team, who are typically available around the clock. You can always find answers by using the forums on the subject.

3. STATEMENT OF THE PROBLEM

Digital payments are experiencing rapid growth. Having digital cards, internet banking, and M-Payment has become essential for everyone. In today's digital age, products are readily accessible and can be found online. This opened up the opportunity for online service users to utilize e-payment methods. In today's digital age, it seems like everyone is eager to utilize online services. This study examined the opportunities, attitudes, perceptions, and challenges associated with the use of a digital payment system, analyzing both its positive and negative implications. At a more profound level, the research seeks to gain a better

understanding of the factors that influence college teachers to adopt digital payment systems.

4. SCOPE OF THE STUDY

This study is an empirical investigation conducted to showcase the perspectives of the respondents on digital payment activity. The study examines the perspectives of the respondents on the various reasons for utilizing digital payment and the specific payment methods employed for digital transactions. This study investigates the factors that influence users to choose e-payment. This study also evaluates the challenges encountered by payment users and their satisfaction levels with digital payment services.

5. OBJECTIVES OF THE STUDY

- ❖ To explore different methods of digital payment systems
- ❖ To investigate the college teachers' inclination towards utilizing the digital payment system in Thoothukudi city.
- ❖ To analyze the college teachers' perceptions and gratifications towards using the digital payment system in Thoothukudi city.
- ❖ To gain insight into the challenges that professionals encounter when utilizing the digital payment system.
- ❖ To understand what drives users to adopt digital payment methods

6. METHODOLOGY

The methodology is based on practical experience and observation. It is primarily derived from the survey method. Methods such as interviews and observations are utilized in this study. The researcher gathered primary data from the customers using a structured interview schedule. Around 100 samples were collected for the study. Secondary data, including both published and unpublished sources, were utilized in the analysis. The researcher collected primary data from professionals by using a structured questionnaire.

6.1 Source of Data

This study incorporated a combination of primary and secondary data sources. The primary data was collected using a questionnaire, with the researcher personally asking the questions to the sample. Secondary data were collected from various sources such as textbooks, journals, and materials found on websites related to digital payment systems.

6.2 Method of Data Collection

The researcher collected the data from the college teachers using a questionnaire. The researcher personally met with the teachers, provided them with the questionnaire, and

provided a clear explanation of its purpose. The questionnaire was prepared in English, just like a certified management accountant (CMA) would do. It involves two crucial factors. These variables include personal variables, digital payment services, and challenges variables.

6.3 Sample Design

The researcher chose a sample of 100 college teachers who use digital payment methods for her study. We chose to use convenience sampling to select the respondents.

6.3.1 Data Collection

After the data collection, the researcher meticulously verified the data using the SPSS package.

6.3.2 Primary Data

Primary data is collected for the first time, making it original and first-hand. The collection of primary data usually involves utilizing a structured questionnaire method.

6.3.3 Secondary Data

Secondary data has already been collected and processed by someone else. Secondary data serves as the foundation and initial step for the research. It plays a crucial role in gathering the necessary primary data for further analysis and significantly contributes to the successful completion of the project.

6.4 Hypothesis of the Study

The following hypotheses have been examined:

H1 = There is no significant awareness about digital payments among women.

H2 = There is no significant impact of profession of the respondents on their awareness and perception about digital payments

H3 = There is no significant impact of age on their perception.

H4 = There is no significant impact of income on their perception

H5 = There is no significant impact of education on their perception

6.5 Data Analysis and Interpretation

The collected data from various sources are analyzed using appropriate statistical techniques such as chi-square test, Anova test, Excel, and SPSS, among others. An analysis of the frequency has been conducted to assess the level of awareness among respondents regarding digital payment methods. For analyzing the perception of respondents based

on their age and profession, a chi-square test was used. Similarly, to analyze their perception based on income and

education, an Anova test was employed.

Table.1 Demographic Profile of the Respondents

	Categories	Frequency	%
Age	18 to 30	114	57
	31 to 40	48	24
	41 to 50	23	11.5
	Above 50	15	7.5
Education	Illiterate	5	2.5
	High school	25	12.5
	Graduation	64	32
	Post Graduation	84	42
	Diploma	3	1.5
	Doctoral Degree	15	7.5
	Professional Course	4	2
Marital Status	Unmarried	83	41.5
	Married	111	55.5
	Divorcee	1	.5
	Widow	5	2.5
Income	No Income	38	19
	Below Rs. 100000	86	43
	Rs. 100000 to 200000	34	17
	Rs. 200000 to 300000	10	5
	Rs. 300000 to 400000	11	5.5
	Above Rs. 500000	21	10.5
Profession	Government Job	24	12
	Private Job	58	29
	Self Employed	21	10.5
	Business	11	5.5
	House wife	46	23
	Lecturer	3	1.5
	Professional	1	.5
	Student	21	10.5
	Unemployed	15	7.5

Based on the data in the table, it is evident that a significant majority of 57% of the respondents fall within the age range of 18 to 30 years, while only a small percentage of 7.5% are above the age of 50. A significant portion, 42%, hold postgraduate degrees, while a small percentage, 7.5%, have

achieved doctoral degrees. Surprisingly, only 5% of them lack basic literacy skills. Approximately 43% of the respondents reported an income below Rs. 1,00,000. 41% of respondents include students, unemployed individuals, and housewives.

Table.2 - Cross tabulation for Mode of payment preferred most of the time

Profession	ATMs	Cards	Cash	Cheques/ Drafts	Paytm
Business	2	4	4	1	0
Government Employee	4	12	4	2	2
Housewife	5	5	35	0	1
Lecturer	0	1	2	0	0
Private Employee	12	23	14	4	5
Professional	0	0	1	0	0
Self employed	4	7	9	1	0
Student	6	7	4	1	3
Unemployed	3	1	7	1	3
Total	36	60	80	10	14

Table.3 - Chi-square test for most preferred mode

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	56.902 ^a	32	.004
Likelihood Ratio	62.640	32	.001
N of Valid Cases	200		
a. 32 cells (71.1%) have expected count less than 5. The minimum expected count is .05.			

Table.4 - Cross Tabulation for Profession and Perception about Cost of Digital Payment

Profession	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Business	2	2	1	4	2
Government Employee	1	9	2	11	1
Housewife	0	4	12	19	11
Lecturer	0	0	1	2	0
Private Employee	3	14	10	24	7
Professional	0	0	0	1	0
Self employed	0	3	6	6	6
Student	1	6	4	8	2
Unemployed	0	6	3	4	2
Total	7	44	39	79	31

Table.5 - Cross Tabulation for Age and Perception about Cost of Digital Payment

Age	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
18 to 30 year	4	22	17	51	20
30 to 40 years	1	12	15	15	5
40 to 50 years	2	7	4	7	3
Above 50 years	0	3	3	6	3

Table.6- Chi-Square Tests for Impact of Age on Perception about Cost of Digital Payment

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.094 ^a	12	.438
Likelihood Ratio	11.807	12	.461
N of Valid Cases	200		
a. 9 cells (45.0%) have expected count less than 5. The minimum expected count is .53.			

Table.7 - Cross tabulation for Age & Perception about statement that digital payment can helps women to become independent

		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Age	18 to 30 year	1	8	13	54	38
	30 to 40 years	1	9	9	21	8
	40 to 50 years	1	2	2	11	7
	Above 50 years	1	6	5	3	0
Total		4	25	29	89	53

Table.8 - Chi-Square Tests for Impact of Age on Perception for Women’s Independence

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	32.292 ^a	12	.001
Likelihood Ratio	32.395	12	.001
N of Valid Cases	200		
a. 9 cells (45.0%) have expected count less than 5. The minimum expected count is .30.			

7. MAJOR FINDINGS

- ✓ Most of the respondents, 69%, are utilizing or have intentions to utilize a digital payment system.
- ✓ Approximately half of the respondents expressed satisfaction with the digital payment system, with a notable percentage reporting high levels of satisfaction. Just 5.5% of users express dissatisfaction with the digital payment system when we consider both the dissatisfied and highly dissatisfied categories.
- ✓ 6.5% of the respondents strongly agree that the digital payment system is efficient, while 45% of respondents disagree with the statement that the cost of digital payment is high.
- ✓ Approximately 46.5% of the respondents expressed their concern regarding security when utilizing digital payment systems.
- ✓ Most of the respondents (85.5%) expressed a desire to continue using the digital payment system.
- ✓ 72.5% of the respondents believe that implementing a digital payment system has the potential to combat corruption in India.
- ✓ Approximately 40% of the respondents prefer to use cash as their primary method of payment, while only 19% opt for cash when making high-value payments.
- ✓ Out of all the respondents, a mere 3% have never utilized a digital payment system. On the other hand, a significant 48.5% have used it multiple times, while a dedicated 3% are consistently relying on it.

- ✓ According to the survey, a majority of respondents (79.5%) believe that the digital payment system is superior to the offline payment system.
- ✓ Approximately 70.5% of the respondents believe they possess sufficient information regarding the digital payment system.
- ✓ There is no notable influence of the respondents' profession on their perception of the cost of the digital payment system.
- ✓ There is a correlation between the profession of respondents and their choice of digital payment method.
- ✓ Income does not significantly affect the perception of respondents.
- ✓ The education of the respondents greatly influences their perception.

8. CONCLUSION

India is embracing ICT in administration and government, with the introduction of the electronic payment system or digital payment system as a new method of digitalization. The banking sector in India has embraced digitalization to enhance customer experience and streamline transactions. It has been nearly 220 years since the country first began its journey towards digitalization. It's about time for the researcher to study and evaluate the functionalities of digital payment modes. The focus will be on understanding the perception and satisfaction of college teachers who are comfortable using digital payment systems. In this research,

we explore a range of digital payment systems and identify the most commonly used methods, such as debit cards and online payments. The study area is a semi-developed city with limited awareness of digitalization, lacking the necessary infrastructure and network facilities to kickstart the process of digitalization. Therefore, it is clear that both banks and customers should work together to encourage digital transactions in order to support government initiatives. The study will be beneficial for students, government agencies, policy makers, and future researchers. It is also beneficial for individuals dedicated to improving and empowering women.

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