

**A STUDY ON CASHLESS PAYMENT AND IT'S IMPACT ON
BUYING BEHAVIOUR OF YOUNGSTERS**

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BONAFIDE CERTIFICATE

This is to certify that this dissertation entitled “A STUDY ON CASHLESS PAYMENT AND IT’S IMPACT ON BUYING BEHAVIOUR OF YOUNGSTERS” is a record of original work done by CHRISTY BENNY (REG NO - 200021077019), DEVIKA KS (REG NO - 200021077019) and FARZEENA ABDUL KALAM (REG NO - 200021077020), in partial fulfillment of the requirement for the Degree of Bachelor of Commerce – Finance and Taxation under the guidance of Asst. Prof. ARYA T.S, Department of Finance and taxation, the work has not been submitted for the award of any other degree or title of recognition earlier.

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DECLARATION

We, CHRISTY BENNY, DEVIKA K S and FARZEENA ABDUL KALAM, hereby declare that the project report titled “A STUDY ON CASHLESS PAYMENT AND IT’SIMPACT ON BUYING BEHAVIOUR ON YOUNGSTERS ”, is a Bonafide Record of work done by us under the guidance and supervision of Asst. Prof. ARYA T.S, Department of Finance and Taxation, BHARATA MATA COLLEGE, THRIKKAKARA. We also declare that this report embodies the findings based on our study and observation and has not been submitted earlier for the award of any Degree or Diploma to any institute or university.

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CHAPTER 1
INTRODUCTION

INTRODUCTION

The core foundation of a nation's financial system, which includes all its institutions, technologies, information, and standards that facilitate economic intervention, is its "financial infrastructure." The majority of developed and developing economies' payment systems have undergone significant modernization. The primary effect of all of these changes is that many other forms of digital and electronic payment have taken the place of physical cash.

Countries exchanged goods and services through barter in the past. After that, it switched to a standard currency. With the rise of electronic, mobile, debit and credit card payments, mobile wallets, internet payments, and other forms of payment, the cash-based trend is now waning. In the long run, all of these would focus on a new phenomenon known as the cashless economy.. As per statistics, there are a lot of countries like the US, which has restrictions on usage of cash, and according to Federal Reserve Payments (2013), the US accounts for 55% of noncash transactions.

In the ongoing financial climate, the credit only exchange is encountering huge development. The practice of making purchases without the use of actual cash is known as "cashless transactions," and it represents a means of advancing technology in the global economy. People who stop using money to exchange goods and services by sending electronic transfers or making non-electronic payments with checks are known as cashless payers. Since the last decade of the twentieth century, primarily, technological advancement has characterized our economic environment;

In addition, these changes have not only been numerous but have also occurred at an alarming rate, resulting in significant shifts in our daily lives.

Any number of middle-aged people who are still able to recall the ordeal suggested by telecommunications not too long ago could be identified by conducting a thorough search or conducting it in the farthest reaches of the globe.

The first method of transaction barter was converted to cash or ornaments by the time, just as the current cash system will be weak once it is to be removed from society after the invention of the cash system was unstable and gradually removed from society. Over the past few years, the method by which payments are made has evolved toward a cashless system in which we pay for our day-to-day card transactions and other cashless modes. The banking system underwent a radical transformation thanks to the RTGS and NEFT. We are now able to transfer money from one account to another, making this a more convenient option for customers. The electronic banking system is a novel approach that banks are increasingly adopting worldwide by holding the money segment because it provides clients and banks with greater assistance.

The number of cashless transactions and economies has skyrocketed in the last ten years. Not only have cashless transactions increased dramatically in developed nations, but also in many developing nations. The majority of today's market is going through a phase of change. The development of cashless transactions in grocery stores, hypermarkets, electronic markets, and other advanced consumer-serving products and services can be observed across all market segments. The developing use of plastic cards, web based shopping, and versatile installments is gathering energy that goes past customary installment frameworks. Customers are motivated to switch from cash-based to cashless systems as a result of the government's initiative to provide high-tech services in collaboration with other

organizations. This results in increased efficiency and decreased process costs. As a result, the idea of a cashless society in the future has emerged.

CONSUMER BEHAVIOR

Consumer behavior is a concept which describes the attitudes, responses and rationale behind the decision making of individuals, groups, and organizations while buying and disposing of a good or service. Understanding consumer behavior helps the companies in customizing goods and services according to consumers' preference and it eventually reduces the obsolete products in the market. With the increased use of digital devices consumers' behavior towards digital payment applications and digital shopping has changed. Thus, advancements in technology have made it equally important to understand the shifts in consumer behavior over time.

Advancement in information technology and accessibility of internet enhances the online activities and hence, increases the scope of online shopping activities in India. It is found that due to aggressive deals available on the shopping websites and many other factors like ease of shopping, website attractiveness, electronic word-of-mouth etc., shoppers do feel urge to buy impulsively on the internet. Thus e-impulse can be considered as the medium to generate high sales volume and increase the capital revenue of the online shopping portals. Hence it is obvious that this phenomenon is at the center of attention for the online retailers. Consumers took to the online, contactless mode of buying and this resulted in a significant shift in the buying behavior. Various promotional schemes were introduced which

rewarded the consumer on using that particular digital payment system. Collaborations among various brands emerged, thereby instigating consumers to purchase more.

In this project, it has introduced to the topic of contactless payments and their influence on customer behavior among youngsters. At the beginning of this section, we will examine the research question and analyze the relevant topics. The main focus will be on the factors that influence consumer behavior when it comes to the usage of contactless payment methods. Subsequently, the given topic is identifying a gap in the research within factors that influence consumer behavior while using the contactless payment method. This study also analyzes the role of cashless payment among youngsters. We will also try to understand the effect of various promotional techniques that influences them. Finally, we will be able to understand whether contactless payment is preferred over cash payment and the reasons behind it.

STATEMENT OF THE PROBLEM

It is essential to study the impact of cashless payment on the buying behavior of consumers. In order to get an understanding about this behavior change a survey is conducted among a group of youngsters. The purpose of this study is to analyze the factors of cashless payments that influences the buying behavior of the youngsters. It is also a base understanding about how it has influenced the students in their daily life.

OBJECTIVES OF THE STUDY

- To determine the factors and reasons for using cashless payment system that influence buying behavior
- To study the impact of cashless payment among students
- To study the level of awareness and role of cashless system.
- To evaluate various aspect and different uses of cashless system among college students

SCOPE OF THE STUDY

The study focuses on the impact of cashless payment among youngsters as a result of increasing trend of cashless transaction in the society. It also provides the buying behavior of the youngsters due to the cashless payment systems.

RESEARCH METHODOLOGY

Type of the study :- Analytical

Sources of data:- Primary data is used for analysis and secondary data for further study.

Method of primary data collection:-Questionnaire is used for data collection

Respondents:- college students

Sampling size:- 60 respondents are considered are samples

Sources of secondary data:- journals, books, articles and websites

Sampling procedure:-convenience sampling

Sampling tools:-pie chart, bar diagram, graph etc.

Technique used for analysis:- percentage technique

LIMITATION OF THE STUDY

1. Since the study confides to students of colleges, the conclusion is only about students.
2. Since the sample size is small, conclusion may vary when we compared the study with big sample size analysis / research papers.
3. The finding of the study depends on the information provided by the population , some replies of the respondents may be biased therefore it is less reliable.
4. The advanced statistical tools are not used for analysis.

CHAPTER 2
LITERATURE REVIEW

RIVIEW OF LITERATURE

Europe. Sweden, one among the European countries, who were pioneers in introducing banknotes in 1661, has gone a long way in becoming the most likely first country to declare the entire nation cashless shortly (Arvidsson, 2013). The changes have been brought about not only in the payment infrastructures but also in different industries and concerns. For donations, where the churches install card terminals, banks are no longer in possession of liquid money, and where signposts which say " we don't take cash- cards only." in most stores, with a no-cash policy in Stockholm Museum, ABBA and so on (Wolman, 2014). At present, small value coins are endangered species in Sweden. In Sweden, hard cash constitutes just two percent of the economy as mobile payments and cards take over.

The cash usage pattern by Germans is adaptable with organized monetary decision making (Kalchkreuth, Schmidt & Stix, 2009). The consumers decide the adoption of payment cards, and then according to the transaction available, payment medium is used concerning the personal characteristics. Compared to younger customers, older customers use cash more frequently. Age alone does not account for the disparity in payment behavior between these groups; rather, the differences in these groups' characteristics play a larger role.

Bengtsson (2003) described money as a numeraire, an exchange medium, unit of account, pack of value, the standard of value, etc. and stated that the central bank might emerge to fill the role as a focal point to determine the future price levels. When this view was taken from the financial institution, Alinvi (2009) researched banks ' customer expectations of becoming

cashless, where banks lack information about the same, by listing potential merits and demerits for transformation into cashless banking to build profitable customers. Similar research was conducted (Carlsson, Larsson, Astron,2015) to analyze the consumption patterns in the digital society.

A comprehensive comparative study on one of the dominant cashless payment methods between European and Non-European markets, Mobile Payments, a morphological box, and analysis of the below was developed (Karthikeyan, 2012).

- a. Payment characteristics and instances
- b. Mobile Payment characteristics;
- c. Technology value analysis for the European and Non-European markets;
- d. Examination of the positions of various players on the European and Non-European markets;
- e. Comparison of switching costs, marketing strategies, and pricing between the European and Non-European markets

The above-analyzed Mobile Payment Model case studies and factors influencing Mobile Payments' success. The retail industry and its trend by using mobile payments (Apanasevic, 2014) were analyzed by factors like a.) characteristics of adoption, b.) marketing activity by the supplier, c.) perceived attributes of innovation, d.) social networks, and e.) influences of the environment. In order to assess the level of merchant acceptance of mobile payments, market fragmentation in the Swedish market, specifically with regard to merchants, was identified as a result of the presence of some competing Mobile Payments.

Arvidsson (2013) discusses how instable the payment system is, which may turn out to be a self-reinforcing process that is negative. However, using the theory of causal texture and scenario analysis, the industry's institutional structure would be established if the payment system's significant inertia and confusion were tested. According to the findings, systems-driven industries and demanding sectors like banking and telecom would benefit from renewal and innovation to increase acceptance of potential collaboration and/or overcome integration barriers.

The European Central Bank (Bleyen et al., 2009) classified payment instruments, and a model was launched at the University of Regensburg by the Institute for banking innovation (IBI, 2006) which explained (Stahl, 2006) a matryoshka approach which included money type, underlying payment mechanisms, networks and channels, form factor, certification devices, and generic payment methods. Many other studies also covered; morphological box to classify mobile payments (Kreyeretal, 2002), micropayments (Parhonyi et al., 2006), encoding and decoding mechanisms (Yu et al., 2002), e-cash or tokenbased and debit & credit cards (Abhrazhevich, 2004), morphological box for the recognition and use of mobile payments (Pousttchi, 2003), Consumers ' expectations of innovations and changes in payment practices (Dahlberg & Oomi, 2006) using diffusion of Innovation Theory and Theory of Planned behaviour, security issues in mobile payments (Key, Wiedemann & Dietmar, 2006), e-invoicing's adoption and diffusion among private and public sector organizations in Germany (Haag, Born, Kreuzer & Bernius, 2013) and so on.

Cash prohibition is not just something Sweden is interested in. Denmark's neighbor, is also making significant efforts to reduce the country's use of

banknotes. Belgium, France, Finland, Italy, Germany, Norway, the Netherlands, Switzerland, Spain, and the United Kingdom are just a few of the other European nations that have taken great care to transition to a cashless society.

Nigeria. Due to Nigeria's massive money handling costs, corruption, and Risk of money used in public, Nigeria's central bank launched the new cash policy in 2012. Before this structure brought in, Nigeria had used mobile money in the early 2000s even before Kenya launched M-pesa in 2007. Mobile payments were used as a medium to curb the cash used to safeguard it.

Several models and methods, such as the Technology Acceptance Model (Venkatesh & Bala, 2008), the Theory of Reasoned Action (Fishbein & Ajzen, 1967), and Roger's Diffusion of Innovation (Odumeru, 2013), have been proposed to explain the factors that led to the adoption of mobile banking as a means of going cashless. The factors of Roger's Diffusion of Innovation Theory, age, and educational background (Odumeru, 2013), were used to investigate the factors that influence mobile banking adoption. This demonstrated that these factors had a beneficial effect on its adoption.

Olusola & Aderonke (2015) used the Keynesian IS-LM Model and the Vector Error Correction Model (VECM) to investigate the role of cashless policy in money demand. The money demand was negatively impacted by the cashless ATM and POS systems. The theoretical relationship between money demand and the weighted average interest rate and the exchange rate was found to be negative, while money demand was positively influenced by inflation, government spending, real GDP, and web transfers. However, strict cybercrime laws and regulations will be implemented as well as an aggressive internet infrastructure.

Alternative payment means such as Cheques, bank drafts, ATM, NEFT, RTGS, mobile money, e-transfers, POS terminals, etc. have contributed to developing a cashless economy (Okoye & Ezejio, 2013). These provided adequate quality service to various interest groups like customers, corporations, government, banks, and the economy. This was proved in a sample population of civil servants, businessmen, and students by administering ANOVA and chi-square tests.

Odior & Banuso (2012) proposed a new way of looking at the cashless economy. The transition is as follows: "cash economy – cash-less economy – cashless economy." This implied that the transition from an economy which was cash-based to a whole non-cash economy was challenging due to a lot of factors such as lack of infrastructure, power, the predominance of e-fraud, levels of literacy, religious beliefs, security, lack of trust, etc.(Olusola et al., 2013)

Incorporating cashless modes of business transaction onto the society and threats related to the security of payments and the possibility of administering data mining techniques to control the security threats effectively are specific issues connected to the cashless economy (Akinola, 2012). A data mining model for extracting knowledge from transaction data was developed. Online banking and payments have a significant share in contributing towards a cashless society. The financial institutions, banks, lawmakers, and the government have a vital role to play. A performance evaluation dealing with the quality of retail electronic banking was conducted (David West, 2012) to evaluate the consumer perception of e-banking using constructs such as acceptability, accessibility, competence, convenience, reliability, and so on. Banks now use verification with electronic signature and face recognition (Ibiyemi, Aliu & Daramola; 2012)

as a means to provide security to customers and to avoid fraud. The effect of fraud on bank results is a concern to be tackled (Nwankwo & Odi, 2013).

The users' awareness and their attitude (Adeleye, Olukumoro & Asafe; 2014) of using cashless systems, are confident that they know that this would help reduce money laundering and corruption and decline the cost of using cash. In the case of employment options for the society, open-source entrepreneurship (Osunade, 2012) can succeed if the entrepreneurs have computing and business skills. However, from the consumers' angle, overspending (Ochie, 2012) is an issue to tackle among the cashless payment users.

The nation's policymakers and the law will have a very dominant part to play towards making it a cashless economy primarily through the payment system. The financial infrastructure and the system should provide a platform for the other stakeholders to work conveniently towards attaining this goal. Nigeria's Central Bank's policy of cashless has started to contribute effectively in the financial statement reporting (Emengini, Emika & Chukwubuzo; 2014). Nigeria has just adopted the IFRS, and AS & compliance with these cashless standards will enhance the economy. Despite this new venture, the impact of transaction costs on vendors while disposing of their wares are a concern and its effect on the balance of payments.

Nowadays, different retail sectors in the economy have been implementing a cashless policy to contribute to the growth of the nation. The perception of various stakeholders of the construction industry in Anambra State gave an insight into how the cashless system is perceived by them (Okechukwu, Chukwudi & Chuks, 2016). Even with the unorganized infrastructure for

cashless payments, the desire to use the cashless system is on the increase and is supported.

In the field of education (Jonathan & Ugwonna; 2014), the policy of cashless has marked its significance very effectively. However, they have challenges in implementing an effectively cashless economic system among staff and students due to factors such as online frauds, insecurity of personal data, operators' network, service fluctuation, etc. (Muyiwa, Tumibi & Dewole; 2013).

For a country to attain a full economic development, there has to be inclusive growth. The financial services and systems in the economy have to be affordable and available to the significant mass. Factors like awareness of services, customer value, infrastructures play a substantial role in this development through financial inclusion (Bayero, 2014). Moreover, the vast informal economy of Nigeria driven by traders, artisans, smallscale farmers, and other tiny and medium-sized enterprises would be accommodated into the formal sector (Niyi, 2013). The financial service providers' business model also contributes to financial inclusion. Even though this development is significant, the mediating and moderating roles of the employment levels, religious faith, income distribution, etc. and their relationship between financial integration and cashless economies has to be investigated more.

Australia. The Reserve Bank of Australia (RBA)'s distinct concerns of law enforcement about e-cash were mainly illicit funds' transportation, counterfeiting, inability to track cash flows, and so on (Wahlert, 1996). The issues of issuers' integrity, the technology's security and efficiency, their scope for money laundering have been concern. The RBA wanted to reconfirm and motivate innovation while catering to the issues required by

the public interest. At present, the RBA has seen a drop in coins and notes from 70 % to 47% in their transactions (Hunter, 2016). The government has to keep consideration with a business-driven shift and its consumers in the way Australians do commerce.

The RBA prohibited no-surcharge rules and reduced the exchange fee for four-party credit cards by half during this transition, giving merchants the freedom to charge additional fees. The RBA thought about that these forcing of rules would result in:

- Making distributors more competitive and ensuring that customer service fees are included in product and service prices.
- It grants merchants the authority to levy surcharges, despite the fact that this practice may be unfamiliar.
- Driving credit card holders to switch to debit cards, which are more efficient forms of payment, by raising fees and reducing benefits.

By such a change, it was felt that it would result in three things (Das & Agarwal, 2010). Customers would reduce:

- (1) usage of high-priced credit cards,
- (2) Costs for non-card customers would be lower if distributors were making a good profit, and
- (3) Credit card companies would lower fees to make their cards more competitive once again.

The country has always been welcoming innovations, especially in terms of payment. Sydney could be the first in Australia to go cashless (Brook, 2015).

The USA. The Rasmussen Survey (Kavoussi, 2012) found that 43% of Americans are able to go a week without spending money. When debit or credit cards are used instead of cash to make payments, consumers tend to make more purchases. Despite these issues, there is strong evidence that the nation is moving toward a cashless society, as most countries worldwide are doing.

The production of a penny (currency) and coins comes at a significant cost. Buses are one example of a cashless industry where tickets are paid for with pre-loaded cards rather than cash, restaurants abolishing cash and accepting only cards, and so on. On one side, when there is a trend been built, there remains a part of the society that does not have debit or credit cards as they are unbanked or not having a formal platform for banking or saving.

We are much closer to a cashless society than anyone could have imagined. Three out of four Americans utilize less money today contrasted with what they utilized ten quite a while back (Cole, 2012). The majority of banks and the government are encouraging the abandonment of coins and paper currencies in this digital age. For the following reasons, the majority of governments are eager to transition to a cashless society:

- It costs a lot to print, check, move, protect, and store money.
- Counterfeiting will continue to be a concern as long as paper currency is in circulation.
- Because there is no more evidence, criminals are looking for money. Drug dealers and other criminals will have a very hard time doing business once cash is out of use.

- The government is getting more in control of a cashless society. They would practically have the option to screen all business and would likewise have the option to make charge consistence a lot nearer.

Cash's role in payments is changing quickly. Coin-operated virtual slot machines and parking meters are currently being developed as credit card-carrying automated devices or mobile payment apps for smartphones. Because it is much more lucrative, a society without cash is preferred by banks. Debit card fees bring in billions of dollars, and credit card fees bring in a lot of money for big banks. Numerous nations are significantly ahead of the United States when it comes to mobile payment methods and the elimination of paper currency. The Bank for International Settlements says that only 3% of Sweden's economy is made up of coins and notes. The economy of the United States depends on money of about 7%. Biometrics and RFID, among other innovations, are expanding. Cryptocurrencies and other variants of virtual currencies are a welcome development that will provide competition to existing payment methods and government regulations (Vora, 2015). Bitcoins are an additional innovation in this field that provides economic agents with alternative means of transaction.

Transportations have become another driver of cashless societies. Many colleges and universities have advantages of technological advances to transform modest ID cards (Kennedy & Mike, 2004) into a powerful commercial tool to enhance campus security. This is because there are unexplored benefits and costs of phasing out paper currency, beginning with large denominations to the smaller coins (Rogoff, 2014).

When it comes to the households, they are more likely to use direct withdrawals for fixed amount payments such as mortgage than for variable amount payments (Stavins & Joanna, 2001). However, this scenario has changed a long way, and more have come a long way from using paper currencies towards the use of alternative electronic payment options. Consumer use of payment tools varies with demographic characteristics, with more trained, younger customers with higher incomes more likely to use e-payments.

According to Au & Zafar (2008), many of the factors that influence the growth of various other payment options, particularly mobile payments, are related to the ways stakeholders interact with one another and the conditions of the environment in which macro and micro actors operate. The cashless society has seen the right number of people who are welcoming this trend, which ought to bring economic development and make life much more comfortable, regardless of the specific challenges the economy has faced with payments.

India. By focusing primarily on the payment industry, the government and the Reserve Bank of India (RBI), the country's central bank, are encouraging India to move toward a cashless economy. This is needed to give people more control over how money moves, reduce the black economy, and get more people into a structured banking system.

The retail electronic payments in India constitutes of ECS, credit and debit cards, EFT/NEFT, prepaid payment instruments, prepaid wallets, mobile banking, and so on (Das & Agarwal, 2010). Card use is on the rise, mobile payments are making a significant impact on the payment industry, and all of these factors have contributed to the country's progress toward a cashless future.

In the consumer and merchant market, cash has a predominant role, and that role is tough to be replaced. Even though the majority of the world has adopted towards a cashless society, the behavior towards cashless transactions is different due to factors like trust, security, frauds, risks and so on (Kumar, 2015). The amount of notes and coins in the economy as a percentage of GDP is 12.2%, which is higher than countries such as Russia (11.9%), Mexico (5.7%), Brazil (4.1%) and so on. (Joseph, Korenke, Mazzotta & Chakravorti, 2013).

The majority of Indians primarily deal in cash. This is primarily due to the lack of options for accepting non-cash payments. The increase in value of card payment transactions has far outpaced that of ATM transactions. In spite of its advancements in information technology and telecommunications, its competitors in mobile payments lag behind. Due to the widespread use of smartphones and the internet, mobile payments have grown a lot and continue to grow in the country. There are however no structured, integrated and widely accepted mobile payment procedures that are essential for the effective dissemination of mobile payments (Zhong, 2009).

To achieve its inclusive financial objectives, the RBI made a deliberate decision to adopt a bank-led model rather than a telecom-driven or business-led model. Serving the unbanked population would be less expensive with Aadhaar, an India-specific identification initiative. Even though the country is on the path to becoming cashless, there appears to be a reluctance among stakeholders for a variety of reasons, one of which is the emotional and sentimental value of cash. This is despite the fact that there is a difference in the demographic pattern of the community.

There exist a lot of reasons why the stakeholders in the payment industry are concerned about, and measures are to be taken to minimize the risks due to the growing use of electronic money and e-payment systems (Chelewat & Trivedi, 2014). Since there are a great deal of private players in the installment biological system and on the grounds that there is an absence of uniform framework for installments, cash the board turns into a worry. Stakeholders' conceptions of cashless transactions vary, as do their behavioral intentions to accept and use cashless payments. The Government and the RBI are encouraging India to move towards a cashless economy by mainly emphasizing on the payment industry. This is achieved for reducing the black economy, bringing more individuals into a formal banking system and making money flow more accountable. Indian retail electronic payments constitute ECS, debit and credit cards, EFT/NEFT, prepaid payment instruments, mobile banking, prepaid wallets, and so on (Das & Agarwal, 2010). Card use is on the rise, mobile payments are making a significant impact on the payment industry, and all of these factors have contributed to the country's progress toward a cashless future.

Cash plays a significant role in the consumer and merchant markets, and it is difficult to replace it. Even though the majority of the world has adopted towards a less-cash society, the behaviour towards cashless transactions is different due to factors like trust, security, frauds, risks, and so on (Kumar, 2015). As a percentage of GDP, the value of notes and coins in the economy is 12.2 percent greater than nations like Russia (11.9 percent), Mexico (5.7 percent), Brazil (4.1 percent), and so on (Joseph, Korenke, Mazzotta & Chakravorti, 2013).

Most Indians transact primarily in cash. The primary reason is the absence of technical support, even if they want to use non-cash payments. The value

of card payment transactions has far outperformed the volume of ATM transactions. In spite of its progress in information technology and telecommunications, its competitors in mobile payments lag behind. Due to the widespread use of smartphones and the internet, mobile payments have grown significantly and continue to do so in the country. There are, however, no integrated, structured, and widely accepted mobile payment procedures that are essential for the effective dissemination of mobile payments (Zhong, 2009).

India's government, led by Prime Minister Narendra Modi has been missioning India toward a cashless economy to shrink our economy's reliance on money and become more dependent on cashless payment methods. This was done to bring out the unrecorded money and to account for the same. When the demonetization move was announced on November 8, 2016, India had only 2 percent of its total transaction through cashless methods compared to other nations that show that our country has a long way to reach the cashless economy trend. India's Reserve Bank has very intentionally selected a bank-led model over a business-led or telecom-led one to attain its objective of economic inclusion.

The Indian government has ensured by taking appropriate steps to digitally improve payments as part of its objective of transforming India into a digital and cashless economy. An initiative led by RBI and the Indian Banks Association, National Payments Corporation of India (NPCI), introduced the Unified Payments Interface (UPI) on April 11, 2016. This system manages various bank accounts smoothly within any participating bank's mobile application. India's general ranking on government implementation of e-payments rose to 28th in 2018, from 36th in 2011, but more needs to be done on socio-economic variables and access to digital infrastructure.

There exist a lot of reasons why the stakeholders in the payment industry are concerned about, and measures are to be taken to minimize the threats resulting from increased use of e payment systems and electronic money (Chelewat & Trivedi, 2014). Considering that there are a lot of private players in the payment ecosystem and lack of standardized payment infrastructure, currency management becomes a problem. Different stakeholders have notions of cashless transactions, and their behavioral intention towards adopting and accepting cashless payment may vary.

“A study on Paytm services in promoting cashless economy after demonetization in India and an outline on its support towards making India digital” [Nazim Sha S, Rajeswari Mannu]

Paytm, a secure, application-based payment app, has established itself in the market by earning customers' trust. During Demonetization, Paytm was one of India's most significant innovations, assisting the country in becoming a cashless economy. Because of its many options for sending and receiving money, wallets have become increasingly important to people of all socioeconomic levels. They have also made it easier for even the smallest businesses to use technology in their day-to-day transactions. Users in India are pleased with Paytm's flexible services and its status as an alternative to cash transactions, according to this study. Paytm is an important part of India's day-to-day life and has helped the country become more digital.

“In-store shopping environment and impulsive buying” [Mariri Tendai, Chipunza Crispen]

Global retailing has recently experienced significant trends. A rise in sales is possible for retailers in shopping malls with appealing amenities and a

well-balanced marketing strategy. When it comes to influencing consumers' purchasing decisions, economic factors like coupons, discounts, and gift cards are some of the most important ones. The theory of impulsive buying behavior refers to erroneous, unplanned, and spontaneous purchases. These discounts and offers may play a significant role in impulsive buying. Coupons and vouchers, store display, advertisements and promotions, staff behavior, and price were all found to be significant determinants of impulsive buying among the nine factors examined, according to the study's findings. Importantly, these factors are included in Zhou and Wong's (2004) list of factors that have an effect on promotion and the economy. On the other hand, all of the factors that did not support the hypothesis belonged to the category of factors that had an effect that was atmospheric, entertaining, experiential, or hedonic.

“Influence of promotions and change in buyer behavior due to COVID 19 on the intent to increase usage of digital payment systems. [Mark David Devanesan, Deepa Ittimani Tholath, Sunil Vakkayil]

The Coronavirus pandemic disturbed the purchasing behaviors of numerous customers, independent of their segment. Digital 2098 Payment Systems (DPS) were used by many of them when they made the switch, and these DPS also offered numerous promotions to encourage more people to use them. In the midst of emergencies, shoppers will generally turn out to be more cost delicate and pick less expensive/neighborhood options of the item. based on demographics like age, gender, and so on. DPS increases in varying degrees. According to the study, consumers' purchasing patterns have changed in response to the COVID-19 pandemic, leading to an increase in the use of DPS. Rewards programs and offers must be included to encourage customers to use DPS more frequently.

“Online discount coupon promotions and repurchasing behaviors”

[Lvovskaya Yulia, Tan Sheena, Zhong Chloé]

As of late, organizations both deep rooted and new companies utilize different advertising blend to advance their items and deals. Coupons, gift cards, cashback, and other incentives can all help boost sales on online platforms. Increased sales and increased customer awareness are expected to be the immediate outcomes of these marketing efforts. In the meantime, businesses must also take into account the proportion of customers who use coupons to repurchase the same brand. Our study's empirical results show that after using a coupon for a discount, customers are most likely to buy again from a local business because of the price. However, our empirical data also demonstrated that other factors, such as service and quality, may be necessary for repurchasing, whereas a company's location plays no significant role.

“A study on growing popularity of payment apps in India” [Satinder

Bal Gupta, Raj Kumar Yadav, Shivani]

Phone Pe, Paytm, and Google Pay are three of the most widely used payment apps for making digital payments. The utilization of these have dramatically increased over the most recent couple of years. The study reveals that these three payment apps do not significantly differ from one another, with the exception of the supported languages, security features, wallet facilities, and so on. The number of people using these facilities is significantly rising.

“A study on consumer perception towards Paytm” [Rohini Rajesh

Shinde, Geethanjali Sindhe, Prof. Jayprakash Lamoria]

The government of India wants to make the country a digital economy after demonetization. Paytm and other technological advancements are crucial to this goal. Paytm is a popular e-payment app that offers a variety of payment services to its users and has recently introduced new products to expand its customer base. E-payment companies are able to develop services that are more user-friendly and focused on their customers by studying the level of satisfaction and perceptions of their customers. The trends that indicate India's transition to a cashless economy are generalized in this paper. It suggests that the customer's level of education influences their decision to use Paytm. It has been observed that people who have used the internet for a longer period of time are aware of Paytm and use it. Paytm usage was also influenced by the user's age range of 20 to 99. It is seen that the clients in the age gathering of 18 to 30 know about Paytm and are utilizing Paytm for different reason.

“Trends in digital payments system in India- a study on google pay, phone pe and paytm” [Dr.C.Mallesha, Priyanka Godugu]

After India's demonetization in 2016, digital payment platforms saw a surge in usage. Before this, digital payment apps like Phone Pe and PayTM were used. were minimal either because people didn't know enough about the subject or because they didn't trust these applications. This has significantly changed as a result of numerous government initiatives and increased internet accessibility. After demonetization, an increase in the use of digital payment systems, particularly Paytm, Phone Pe, and Google Pay, has occurred.

“Impulsive buying behavior; an online-offline comparative and the impact of social media” [Laura Aragoncillo, Carlos Orús]

Depending on the products, impulse buying is a phenomenon that has been around for some time and accounts for a significant portion of purchases. Customers are influenced to make these impulsive decisions by a variety of factors both in the physical store and the online store.

CHAPTER 3
THEORITICAL FRAMEWORK

THEORETICAL FRAMEWORK

The demonetization of 500 and 1000 rupee notes in India was announced by Prime Minister Narendra Modi on November 8, 2016, at 8 p.m. There were many reasons for that historic decision. Putting the foundation in place for the aspiration of a cashless India was one of the reasons.

The exchange of tangible, hard cash is the traditional method of transferring money between parties. India's cashless economy will almost eliminate it. Given the concerns regarding the exchange of physical cash, this idea has received a significant amount of support as a result of the ongoing COVID-19 pandemic. Going cashless has a lot of advantages. Keep in mind that everything has both positive and negative aspects. Going cashless doesn't mean that there won't be any drawbacks, but the good news is that you'll likely find ways to mitigate these drawbacks. All you have to do is exercise greater caution. As we all know, prevention is always better than cure.

MEANING

Let's begin by comprehending the concept of a cashless economy.

A cashless economy is one in which digital or plastic currency is used to exchange liquid goods and services through the system.

Not only does going cashless make life easier, but it also makes it easier to verify and formalize transactions. This contributes to the reduction of corruption and the movement of illicit funds, thereby enhancing economic expansion. The printing and transportation of currency notes are reduced in cost. Due to a technological gap and a lack of adequate education, cashless

transactions are not widely practiced in India. Even though these are concerns, the government or financial institutions are working to solve them to build a strong cashless economy.

DEFINITION

Digital methods of exchanging financial transactions between two parties are known as cashless payments. An alternative to using traditional paper or coin currency is making use of cashless payments. A payment gateway is used to electronically transfer funds via mobile phone, website, kiosk, or other digital device using debit cards, credit cards, or ACH.

FEATURES OF CASHLESS PAYMENT

1. Less cash decreased crimes

Individuals and businesses alike can cut costs in half. One's pocket is frequently severely damaged by theft. This will go on until individuals convey cash and by going credit only the equivalent can be diminished. This also has an effect on the government because it allows them to cut back on the money spent on catching the criminals. Since the government switched to electronic transfers for social welfare payments, burglaries and assaults have decreased by about 10% in nations like the United States. However, the government must take action to reduce instances of identity theft and online scams.

2. More spending helps improved economic growth

A rise in economic activity is to be expected whenever a nation moves toward a cashless economy. From 2011 to 2015, increased card use contributed

approximately \$296 billion, or 0.1%, to global consumption, in nations like the United States. Shopping online is simple because there are many ways to pay; from bank cards to online banking. Cashless payments can lead to more impulsive purchases.

3. Saves money and time

Since they will no longer require the manual accounting work to be done, businesses and governments will become more effective and be able to cut costs. Accounting and cash management both have very high costs.

4. . Less cash means more data

The data generated by cashless transactions can be used by the government to enhance and analyze its policies. Officials can use this data to predict or identify activity patterns and use it for urban planning in energy management, housing, and transportation sectors.

ADVANTAGES OF USING ELECTRONIC PAYMENT SYSTEM

1. Time savings

With an electronic payment system, you don't have to stand in long lines at banks and post offices, where your transaction could take hours or days to complete. Instead, you save time and money. You can quickly and efficiently transfer funds by using an e-payment system.

2. Reduced risk of money lost

Because they are virtual, electronic wallets cannot be stolen or left somewhere. You simply have to ensure you have a protected e-installment record and afterward you don't need to worry about forgetting your virtual wallet somewhere or you are the casualty of robbery. E-payment eliminates the risks to security associated with handling cash.

3. Reduction of Black Money

The money that is earned but not included in taxes is known as "black money." People hide that money from paying taxes. An illegal tool in the economy, this black money has the potential to render a government bankrupt. Since digital money cannot be concealed, unlike hard cash, the cashless economy will ensure that there is no black money. At the very least, there is currently no method that would make hiding possible. Advanced cash empowers state run administrations to follow all exchanges in an economy that helps keep the pay valid and straightforward. However, the technology that underpins the digital economy needs to be up to date and dependable.

4. Low transaction costs

Utilizing electronic instalment framework you will emerge unscathed for making a money instalment. It can cost you cash to get to store to buy something and furthermore checks postage can be exorbitant as well. On the other hand, you probably already know that paying for internet or mobile phone bills with an unattended payment terminal incurs high fees for customers, whereas using an electronic payment system would only cost 1% of the total fee, which is a significant amount.

5. Fast and easy transaction

When you use an electronic payment system, you can pay for goods and services online at any time, anywhere in the world, as you please. Traditional payment methods like cash and checks cannot be used at any time of day or night. Customers don't have to wait in long lines to pay or spend time traveling to the store or service provider.

6. No geographical barriers

People would be able to access online websites and purchase any kind of product or service from anywhere and at any time with the help of an electronic payment system because there would be no geographical or time constraints. They will use an electronic payment method rather than standing in line to buy goods or services. This would make your business run better and make customers more likely to buy from you.

DIS - ADVANTAGES OF USING ELECTRONIC PAYMENT SYSTEM

1. Security concerns

E-payment is still susceptible to hacking, despite the implementation of stringent safeguards like symmetric encryption. Fraudsters, for example, are used by fraudsters to trick users into giving them the login information for their e-wallets. Once they have this information, they use it to access the victims' personal and financial information. E-payment systems are also plagued by inadequate authentication.

2. Disputed transactions

You would make a claim with your bank, online payment processor, or credit card company if someone used your company's electronic money without

your permission. But it can be hard to win the claim and get a refund if there isn't enough information about the person who did the transaction.

3.Low Literacy Rate

The low literacy rate is a major factor in a number of current problems. It is not an easy task to establish a cashless economy or digitally literate India. Electricity and water are still scarce in many locales. Thus, PCs and the web are a long ways. Most of the population lives in the majority of the rural areas, which lack these necessities.

4. Chances of corruption

Even though digitizing financial transactions is one benefit, there is no guarantee that crime will decline. A person offering a bribe in cash may in the future require it in the form of a mobile phone or computer system—this is all speculation.

5.Cyber Crime

Due to global bank and private account hacking, India will need to strengthen its cybersecurity. A nation like India, which is still in its infancy when it comes to cybersecurity, might be more susceptible to these kinds of threats.

6.Overspending

It goes without saying that it is easier to conduct cashless transactions with a single click; Payments can be made by people. This benefit of exchanges prompts an overspending inclination, especially among the advanced age.

7. Identification Fraud

One of the major drawbacks of the cashless economy in the Indian subcontinent is the possibility of identity theft. Hacking is becoming more risky as the rate of online fraud continues to rise. Not everyone is exceptionally tech-savvy or knowledgeable about all technical devices. A lot of people might lose their personal identity in the online forum of creepy lurkers while attempting to make digital transactions.

INFLUENCE OF CASHLESS PAYMENTS ON SPENDING BEHAVIOUR

INTRODUCTION

The Indian population has recently shifted toward cashless transactions rather than physical cash transactions. Cashless transactions are those monetary exchanges which happens electronically without the presence of actual money. Online banking services and other mobile apps have made it easier for customers to conduct financial transactions anywhere and at any time thanks to the growth of the internet. Not only does going cashless make life easier, but it also makes it easier to verify and formalize transactions. The economy is also known as the internet economy or the digital economy. Various digital payment options, including banking cards, UPI, mobile wallets, bank pre-paid cards, Internet banking, point of sale, mobile banking, and micro-ATMs, are available to encourage cashless transactions and transform India into a cashless society. Over time, a number of service providers have developed a number of wallets and apps for making payments to other people and accepting payments from other people. Compared to any other standardized currency, cashless transactions have been around for a significantly longer time.

FACTORS AFFECTING CASHLESS PAYMENT

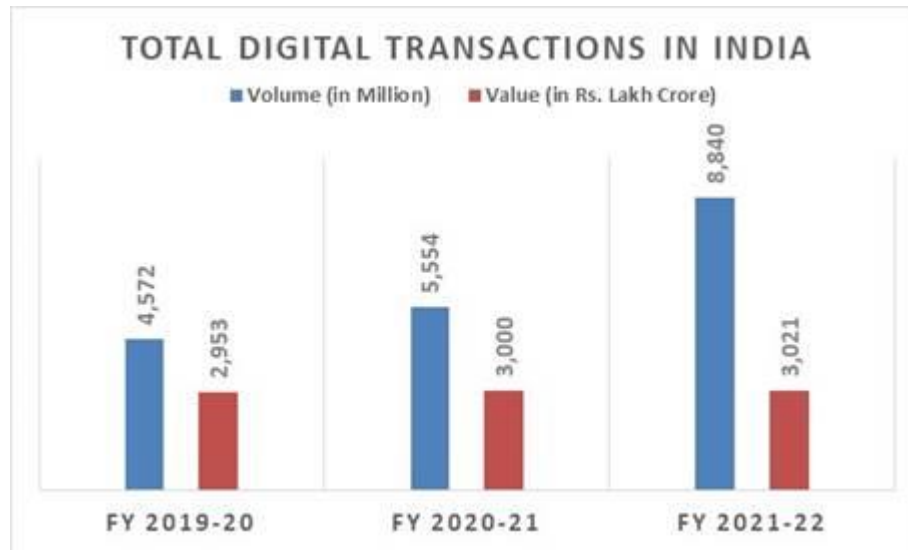
1. The amount of time required to complete a transaction has decreased
2. Credit is an extremely convenient option for cashless transactions
3. It is very convenient to use cashless transactions
4. For day-to-day transactions, cashless methods are becoming increasingly popular
5. Cashless transactions provide us with numerous advantages
6. The use of cashless payment options has made it simpler to conduct transactions
7. We no longer have to rely on banks and other financial institutions for money because of cashless methods
8. In India, cashless transactions gained popularity following demonetization.
9. Cashless transactions make it easier to track spending.

There are a number of factors that push people toward a cashless society. One of the most important factors in India is how the government encourages consumers to use cashless transactions. By providing mobile banking and net banking services, both public and private banks help their customers move toward cashless transactions. Customers are able to track, transact, pay, recharge, book, etc., done by utilizing mobile wallets. In addition to all of these discounts, deals, cash back, 24-hour access, and other amenities, consumers are also drawn to cashless transactions. From the aftereffect of the review made by KPMG, a portion of the elements which upgrade the utilization of digital payments are simplicity of doing payments, tracking of payment, and friendly user navigation. Mahor, N. (2017) found that individuals are influenced by information technology, willingness to pay,

social influence, and comfort zone of payments, regardless of whether they are making cash or cashless transactions.

DIGITAL PAYMENT ECOSYSTEM INDIA

"Faceless, paperless, and cashless" status is one of Digital India's primary goals. The Indian government has given the promotion of digital payments top priority in order to officially incorporate digital payment services into every sector of our nation. The goal is to offer seamless digital payment to all Indian citizens in a way that is quick, secure, easy, and affordable. In India, digital payment transactions have experienced unprecedented growth over the past three years. Methods of transaction that are simple and convenient, like the Bharat Interface for Money-Unified Payments Interface (BHIM-UPI); Service for Immediate Payments (IMPS); The National Electronic Toll Collection (NETC) system and pre-paid payment instruments (PPIs) have seen significant growth and have transformed the digital payment ecosystem by increasing payments between individuals and businesses (P2M and P2P). Debit cards, credit cards, National Electronic Funds Transfer (NEFT), and Real-Time Gross Settlement (RTGS) are some of the pre-existing payment methods that have also expanded rapidly. Users now use BHIM-UPI as their preferred method of payment. The digital payment solution e-RUPI, which is a contactless and cashless instrument for digital payment, was also launched by the Indian government. It is anticipated to significantly increase the effectiveness of Direct Benefit Transfer (DBT) in digital transactions across the nation. A robust ecosystem for a digital finance economy has been created by all of these facilities taken together.



CASHLESS PAYMENT METHODS

1. check

One of the oldest forms of non-cash payment is the check. Everyone is familiar with this approach. You do this by writing a check to someone else for a specific amount. The check gets saved in the separate bank. Through a clearing house, a payment is processed by the bank. The cheque transaction is recorded as a whole, and there is evidence of payment. However, mismatched signatures or insufficient funds can result in dishonoured cheque payments. You can use other cashless payment options to avoid this problem.

2. Credit Card or Debit Card

Another way to pay without cash is with a credit or debit card. In India, credit and debit cards were rarely used. However, credit card and debit card usage is on the rise right now. The merchant-side availability of a swipe card facility (PoS) is the payment method's limitation.

3. E-Wallets

E-wallet is next credit only instalment choice. E-wallets can be used to buy everything from airline tickets to groceries. Customers and merchants alike need a smartphone with an active internet connection in order to use E-

wallets. PayPal is the most well-known example of an e-wallet. You can use Pioneer, Transfer wise, Skrill, and PayZa in addition to PayPal. You must link your credit or debit card to your E-wallet id after registering for E-wallet. E-wallets can be used for online shopping and fund transfers. The simplest cashless method is this one.

4. Mobile Wallets

A mobile wallet is the next cashless payment method. When you use a mobile wallet to pay, you don't need a password for your internet banking, debit card, or credit card. Simply use IMPS to load funds into your wallet and use them anywhere. The Play Store has a mobile wallet app that you can download. Mobile wallets include Paytm, PayUmoney, Oxigen, Lime, MobiKwik, and others.

5. UPI Apps

UPI is a mobile payment system that lets you make a variety of financial transactions with your phone. UPI permits you to send or get cash utilizing virtual payment address without entering bank data. Traders can select with banks to acknowledge payments utilizing UPI. To accept UPI payments, the merchant would need a current account with a bank, just like with a PoS machine. SBI Pay, ICICI Pocket, Axis Pay UPI, Union Bank UPI, PNB UPI, PhonePe, TranZapp, and others are a few examples of UPI apps.

6. Gift Card

A gift card is the next cashless payment option. Gift voucher is a readymade card and can be bought from a vendor or from the bank. The gift card has a predetermined cash balance, and you can use it to buy anything from a particular vendor.

7. Aadhaar Enabled Payment System

One of the best cashless payment options is the Aadhaar Enabled Payment System (AEPS). Similar to Micro ATMs, AEPS processes transactions using a smartphone and a finger-print scanner. You must link your Aadhaar card to your bank account in order to use this feature. You can make Aadhar-to-Aadhar fund transfers, cash withdrawals, cash deposits, and other transactions

CHAPTER 4
DATA ANALYSIS AND INTERPRETATION

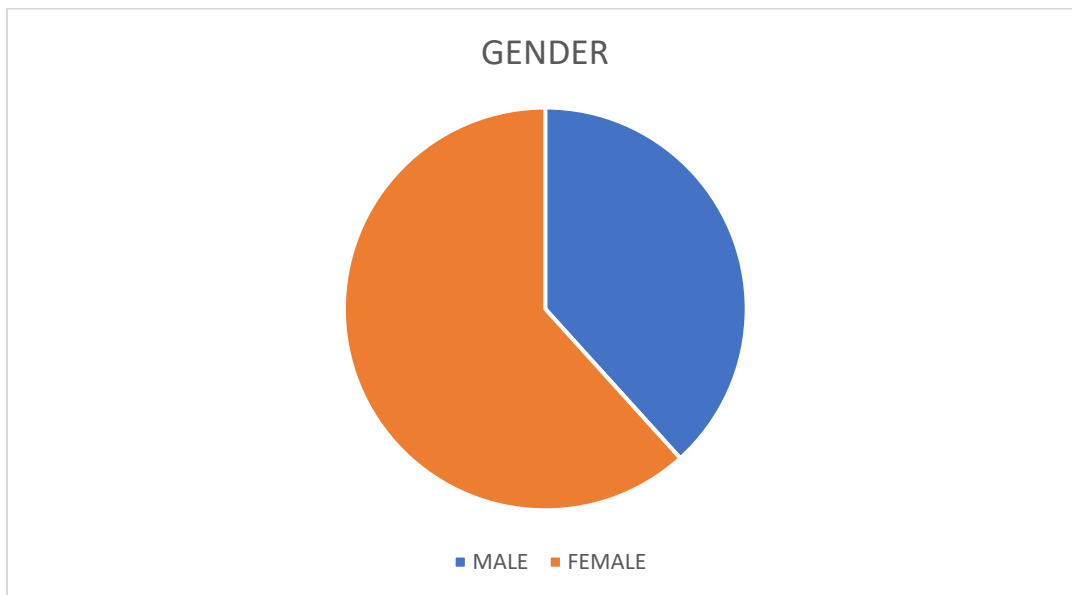
DATA ANALYSIS AND INTREPRETATION

This chapter deals with the analysis and interpretation of data which is collected from college students. The study is based on a sample space of 60 students. The data is collected with the help of a questionnaire containing 25 questions.

Table 4.1; Table showing the gender of the respondents

Response	No. of respondents	Percentage
Male	23	38.3
Female	37	61.7
Total	60	100

Figure 4.1; Figure showing gender of respondents



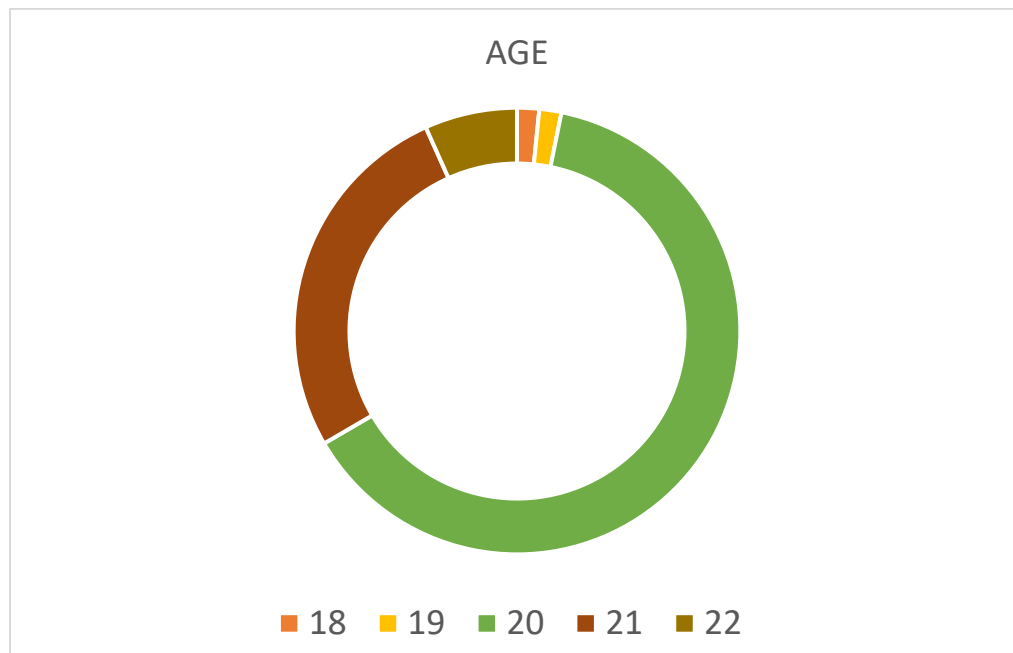
INTERPRETATION

Out of 60 respondents 23 are males and 37 are female. The majority of the respondents are female which shows they are the most interested towards the study on cashless payment and it's impact on consumption behaviors.

Table 4.2; Table showing age of respondents

Response	No. of respondents	Percentage
18	1	1.6
19	1	1.6
20	38	63.4
21	16	26.7
22	4	6.7
Total	60	100

Figure 4.2; Figure showing age of respondents



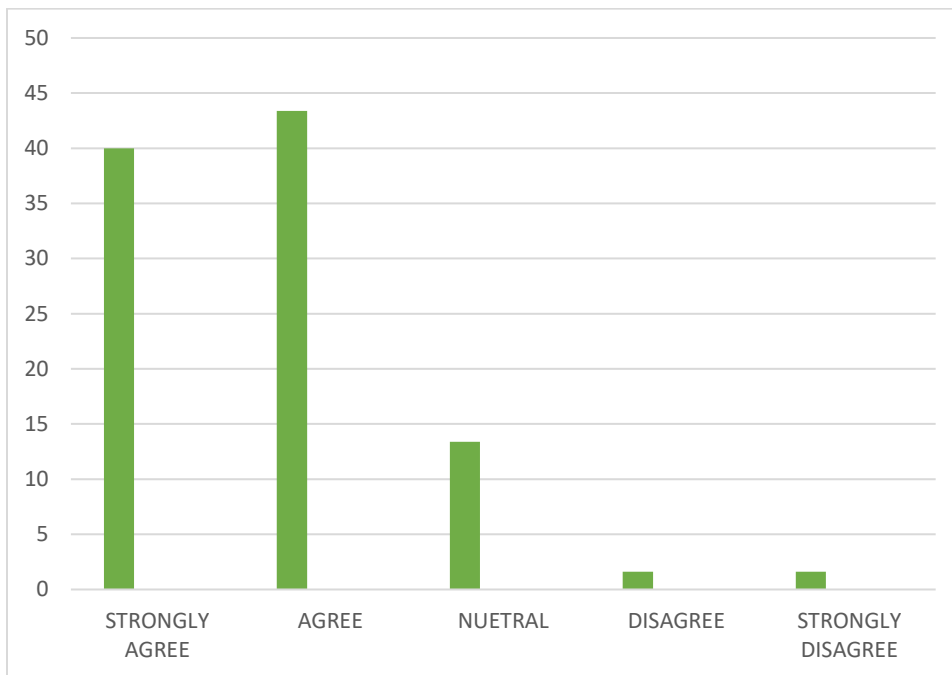
INTERPRETATION

From the graph we can understand that most of the respondents who use cashless payment comes in the age group of 20 with 63.4%, followed by the age groups of 21 with 26.7%, 22 with 6.7% and the least are the age group of 18 and 19. Most of them are youth because they are more exposed to technologies and know more about it.

Table 4.3; table showing about usage of cashless payment

Response	No. of respondents	Percentage
Strongly agree	24	40
Agree	26	43.4
Neutral	8	13.4
Disagree	1	1.6
Strongly disagree	1	1.6

Figure 4.3; Figure showing usage of cashless payment



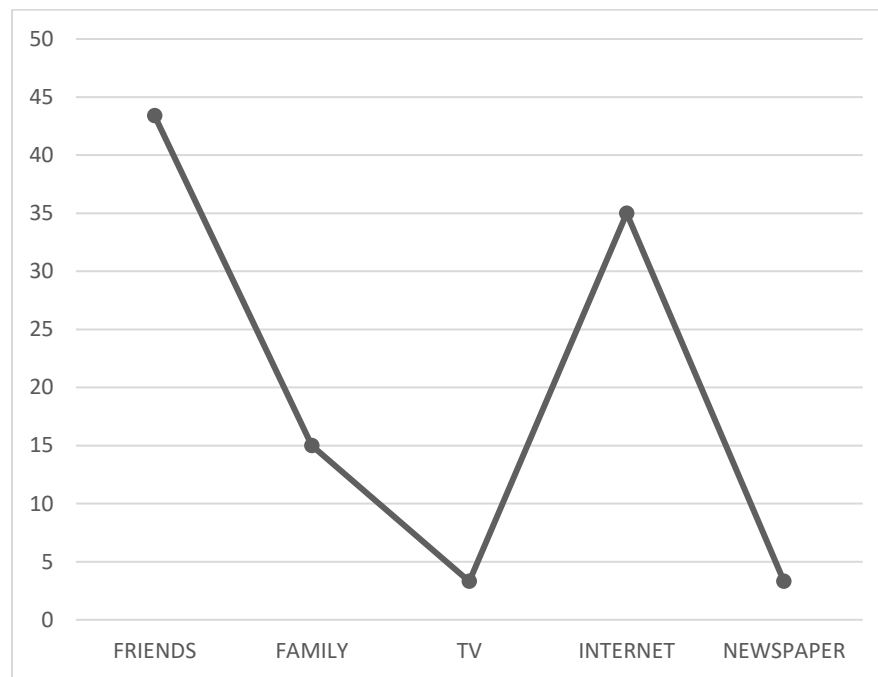
INTREPRETATION

The graph shows that majority of the youngsters use cashless payment, that is about 50 of the respondents out of 60. Only 2 doesn't use cashless payment from which we can conclude that most of the youngsters use cashless payments and only few doesn't.

Table 4.4; Table showing how youngsters came to know about cashless payments

Response	No of respondents	Percentage
Friends	26	43.4
Family	9	15
TV	2	3.3
Internet	21	35
Newspaper	2	3.3

Figure 4.4; Figure showing how youngsters came to know about cashless payments



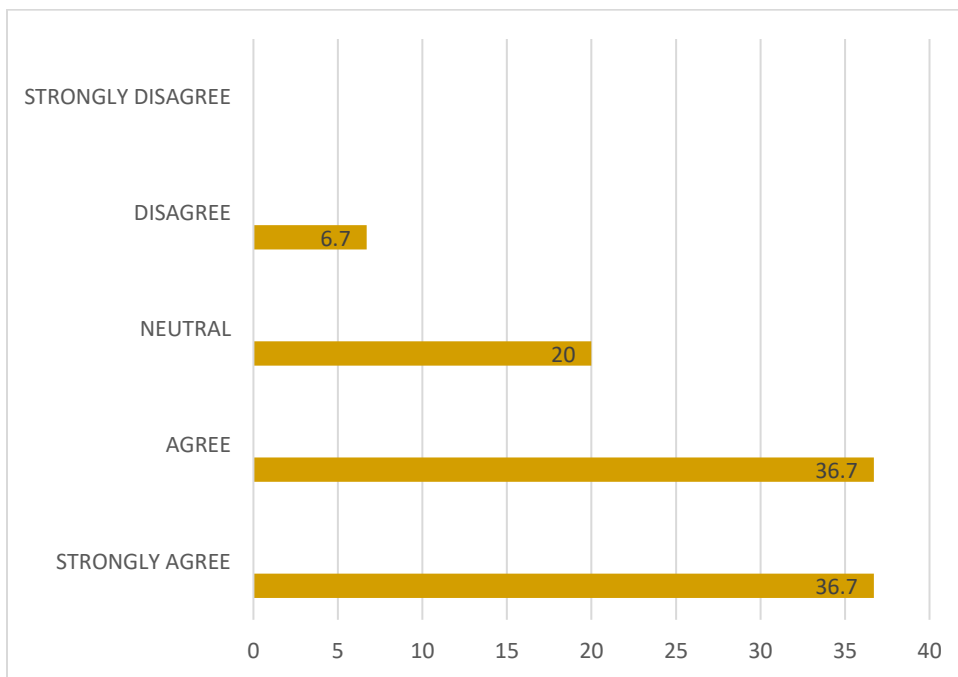
INTREPRETATION

The results shows that friends influenced the youngsters the most with 43%, to use cashless payment. Internet also played an important role in influencing 35% of the respondents. Only 15% were influenced by their family. TV and newspaper influenced them the least. Thus the influence of friends and internet increased the use of cashless payment among students.

Table 4.5; Table showing whether cashless payment is preferred over cash payment

Response	No. of respondents	Percentage
Strongly agree	22	36.7
Agree	22	36.7
Neutral	12	20
Disagree	4	6.7
Strongly disagree	0	0

Figure 4.5; Figure showing whether cashless payment is preferred over cash payment



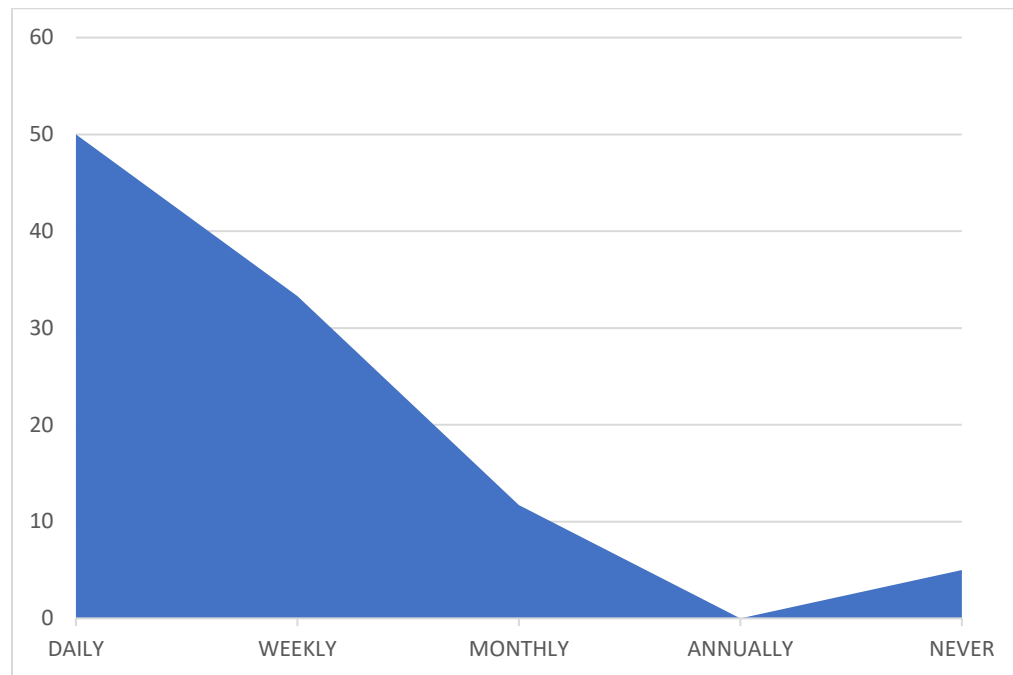
INTREPRETATION

44 out of 60 respondents prefer cashless payment over cash payment which shows the popularity of cashless payment. 12 stand neutral on the statement and only 4 of them preferred cash payment over cashless payment. This shows that due to the influences cashless payment is more popular among youth than cash payment.

Table 4.6; Table showing how often cashless payment is used

Response	No. of respondents	Percentage
Daily	30	50
Weekly	20	33.3
Monthly	7	11.7
Annually	0	0
Never	3	5

Figure 4.6; Figure showing how often cashless payment is used



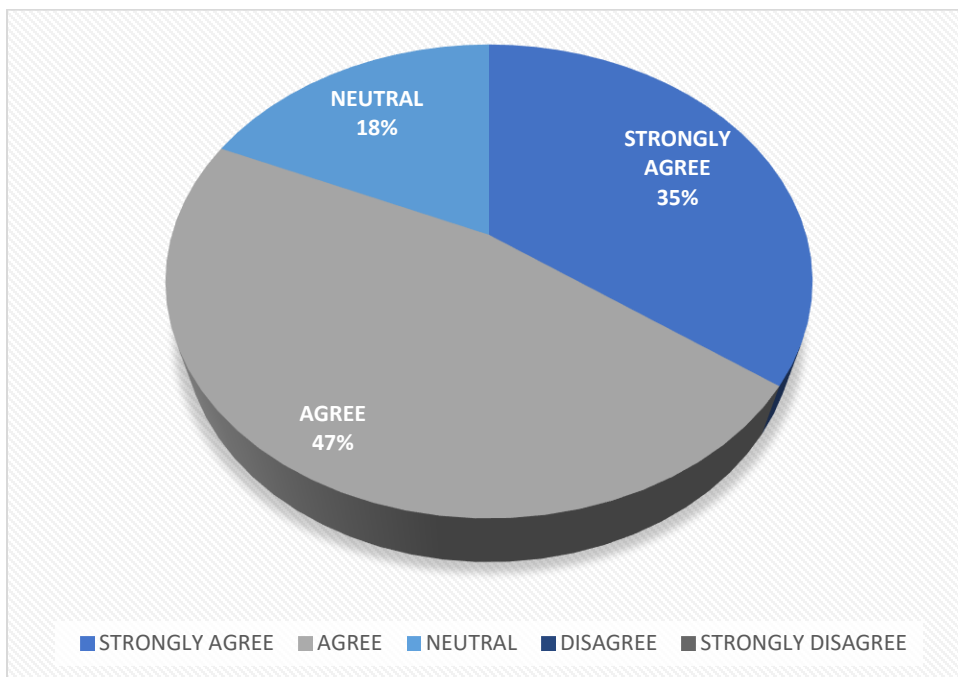
INTREPRETATION

From the graph we can understand that most youngsters widely use cashless payment on a daily basis with 50% and 33% on weekly basis and 11% on monthly basis. From this we can conclude that cashless payment is used very often by the youngsters. This may be because youth find it more convenient and easier to use cashless payment. So youth are the most users of cashless payment

Table 4.7; Table showing whether cashless payment have reduced transaction time

Response	No. of the respondents	Percentage
Strongly agree	21	35
Agree	28	46.7
Neutral	11	18.3
Disagree	0	0
Strongly disagree	0	0

Figure 4.7; Figure showing whether cashless payment have reduced transaction time



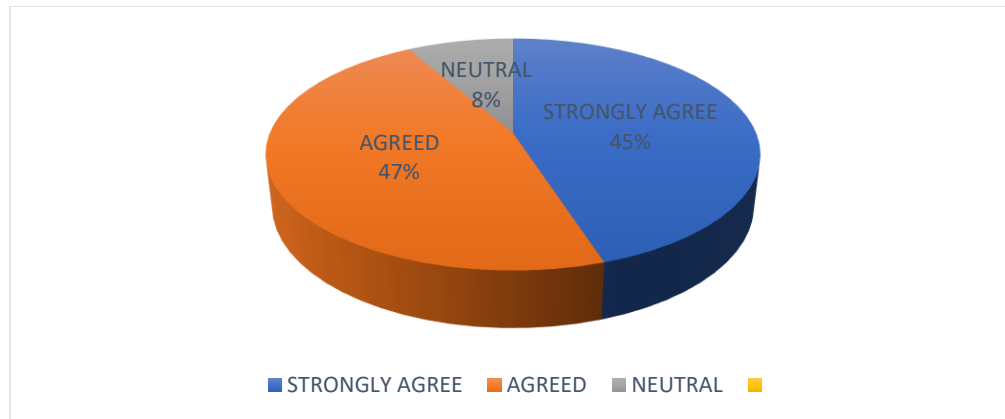
INTERPRETATION

The results shows that 82% of the respondents feel that cashless payment have reduced their transaction time and 18% stand neutral on this statement. None of them disagreed to the statement. This proves that cashless payment is quicker than cash payment. This has increased the popularity of the use of cashless payment among youth.

TABLE 4.8 SHOWING EASE OF TRANSACTION

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	27	45%
AGREED	28	46.7
NEUTRAL	5	8.3
DISAGREE	0	0
STRONGLY DISAGREE	0	0

FIGURE 4.8 SHOWING EASE OF TRANSACTION



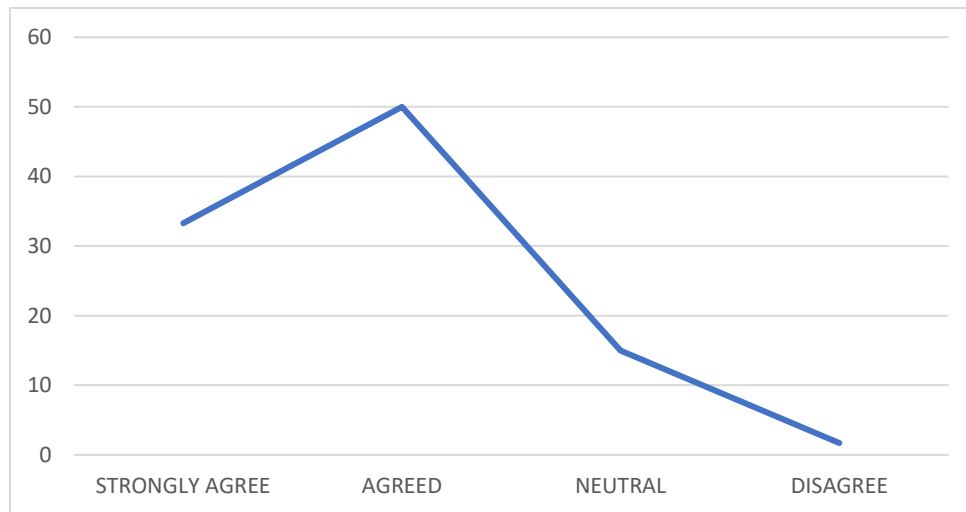
INTERPRETATION

Half of the respondents were agreeing to the ease of the online transaction. 45 percentage of the respondents strongly agree to the online transaction. Only below 10 percentage were on a neutral stand. Nobody disagreed to the easiness of transaction. This may be because cashless payment can be used within a tap and only takes less time than arranging cash to pay.

TABLE 4.9 SHOWING WHETHER CASHLESS PAYMENT OFFERS MANY BENEFITS AND REWARDS LIKE DISCOUNT, CREDITS, CASHBACK etc.

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	20	33.3
AGREED	30	50
NEUTRAL	9	15
DISAGREEE	1	1.7
STRONGLY DISAGREEE	0	0

FIGURE 4.9 TABLE SHOWING WHETHER CASHLESS PAYMENT OFFERS MANY BENEFITS AND REWARDS LIKE DISCOUNT, CREDITS, CASHBACK etc.



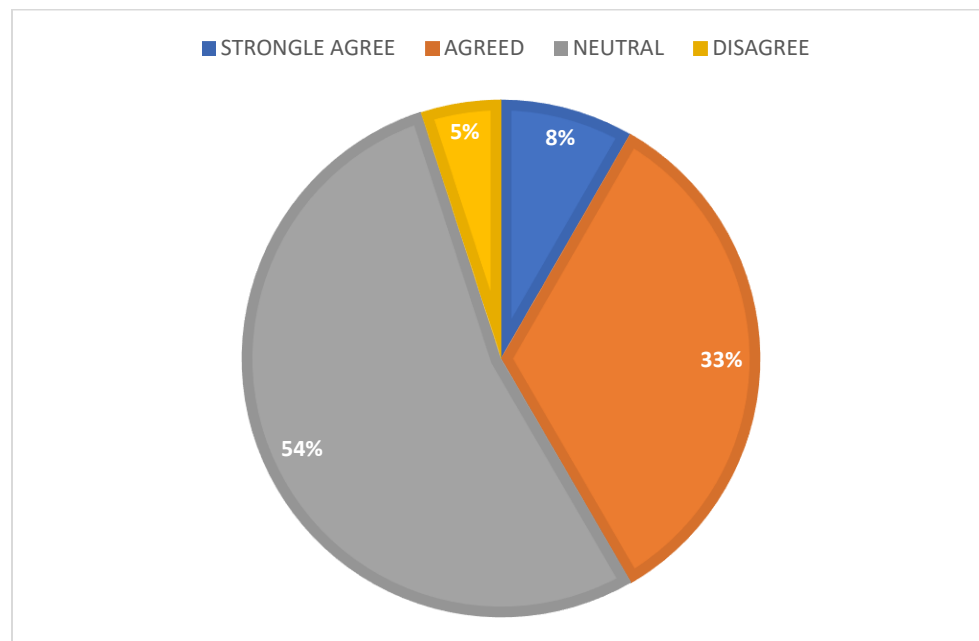
INTERPRETATION

Table 4.9 shows 33.3% of the respondents were strongly agreeing to the fact that cashless payment offers many benefits as well as rewards like discount credit cashback etc. Exactly half of the respondents agreed to this fact and 15% of the respondents took a neutral stand and only 1.7% of the respondents disagreed to this. These benefits encourages the youth to use it more thereby increase the use of cashless payments.

TABLE 4.10 SHOWING CASHLESS PAYMENTS ARE SAFE

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	5	8.3
AGREED	20	33.3
NEUTRAL	32	53.3
DISAGREEE	3	5
STRONGLY DISAGREE	0	0

FIGURE 4.10 SHOWING CASHLESS PAYMENTS ARE SAFE



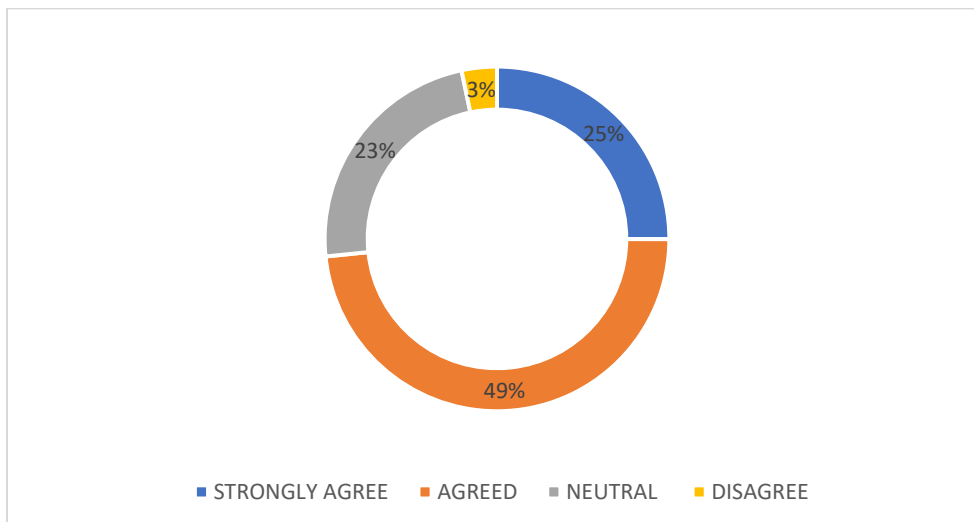
INTERPRETATION

Table 4.1 0 shows that 33.3% of the respondents agreed to the fact that cashless payments are safe and only 8.3% of the respondents were strongly agreeing to the same. And half of the respondents were keeping a neutral stand and 5% of the respondents disagreed to the fact that cashless payment are safe. This may be because due to the increase in internet frauds youth are concerned about the safety in using these.

TABLE 4.11 CASHLESS TRANSACTION HELP TRACK EXPENDITURE

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	15	25
AGREED	28	48.3
NEUTRAL	14	23.3
DISAGREEEE	2	3.3
STRONGLY DISAGREEE	0	0

FIGURE 4.11 CASHLESS TRANSACTION HELP TRACK EXPENDITURE



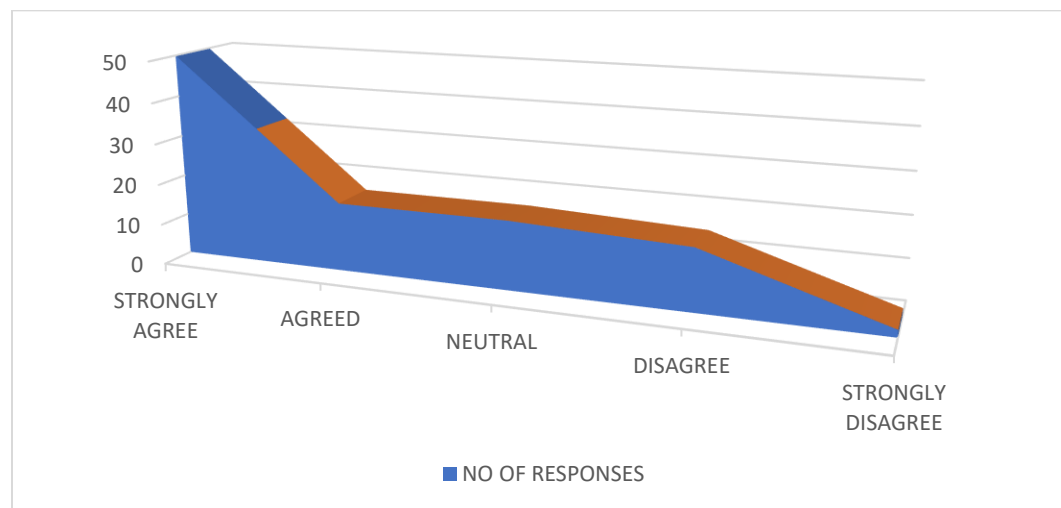
INTERPRETATION

Table shows that by clubbing strongly agree and agree 3/4th of the respondents could keep track of their expenditure through cashless payment. 23.3% of the respondents were keeping a neutral stand and 3.3% of the respondents were disagreeing to this fact. This is because the payment methods show a statement of their spending and they can examine their spending and keep track of it.

TABLE 4.12 SHOWING WHETHER MORE MONEY IS SPENT BY CASHLESS PAYMENT THAN BY CASH PAYMENT

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	30	50
AGREED	10	16.7
NEUTRAL	10	16.7
DISAGREEE	9	15
STRONGLY DISAGREE	1	1.7

FIGURE 4.12 SHOWING WHETHER MORE MONEY IS SPENT BY CASHLESS PAYMENT THAN BY CASH PAYMENT



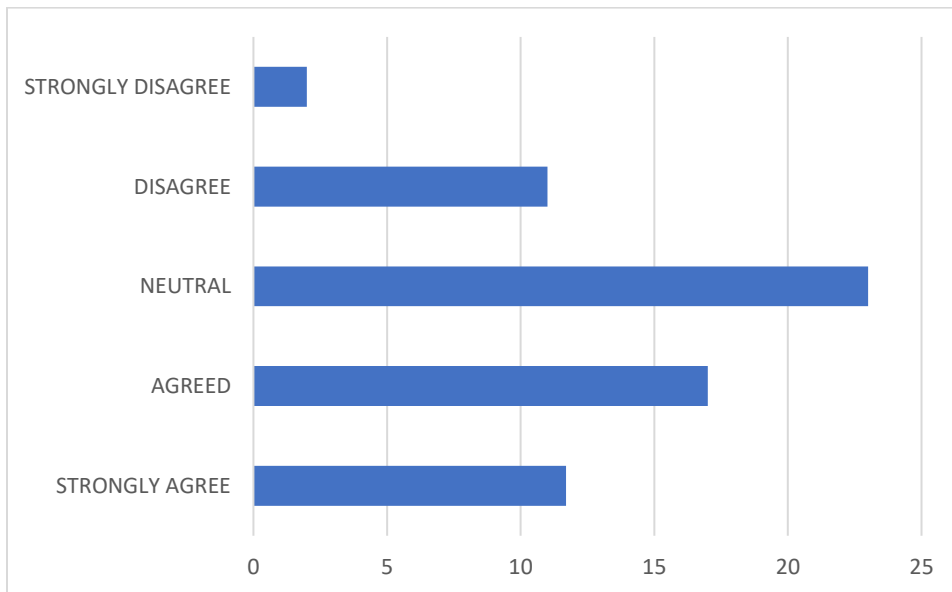
INTERPRETATION

Table 4.12 shows 50% of the respondents were strongly agreeing to the fact that more money is spent by cashless payment than by cash payment and 16.7% of the respondents also agreed to this. 16.7% of the respondents were keeping a neutral stand. 16.7% of the youth didn't feel they were spending more money through cashless payment. This may be because they are not feeling the physical presence of cash which make them careless in spending.

TABLE 4.13 SHOWS WHETHER STANDARD OF LIVING HAS INCREASED DUE TO CASHLESS PAYMENT

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	7	11.7
AGREED	17	28.3
NEUTRAL	23	38.3
DISAGREED	11	18.3
STRONGLY DISAGREE	2	3.3

FIGURE 4.13 SHOWS WHETHER STANDARD OF LIVING HAS INCREASED DUE TO CASHLESS PAYMENT



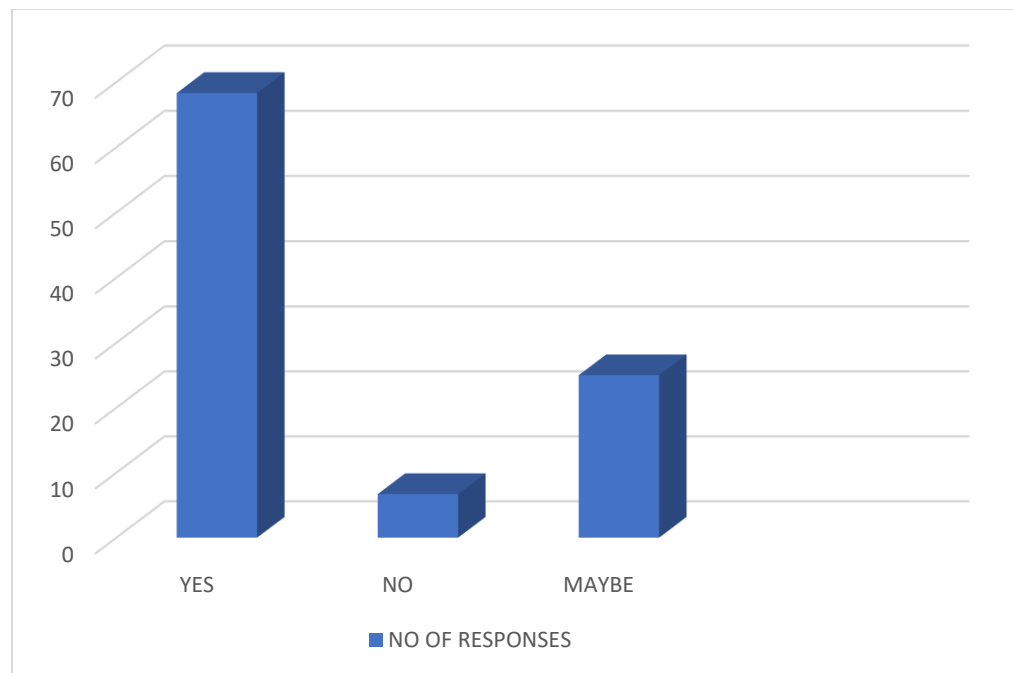
INTERPRETATION

Table 4.13 shows that half of the respondents' standard of life has increased due to cashless payment and 38.3% were keeping a neutral stand and 14 of them didn't feel their standard of living has increased. Their exposure to internet may be the reason they have felt that their standard of living has been increased.

TABLE 4.14 WHETHER THEY PROMOTE CASHLESS PAYMENT AMONG FRIENDS

RESPONSES	NO OF RESPONSES	PERCENTAGE
YES	41	68.3
NO	4	6.7
MAYBE	15	25

FIGURE 4.14 WHETHER THEY PROMOTE CASHLESS PAYMENT AMONG YOUR FRIENDS



INTERPRETATION

From the data we can understand that youth promote cashless payment among their friends. More than half of the respondents agreed to do so. 15 of them couldn't completely agree to this statement. Only 4 of them said no which concludes that most youth who use cashless payment has some influence from their friends.

TABLE 4.15 SHOWING MOST USE OF CASHLESS PAYMENT

RESPONSE	NO OF RESPONSE	PERCENTAGE
BILL PAYMENT	14	23.3
ORDERING FOOD	11	18.3
BUYING CLOTHES	11	18.3
TRANSFER FUND	14	23.3
RECHARGE	10	16.7

FIGURE 4.15 SHOWING MOST USE OF CASHLESS PAYMENT



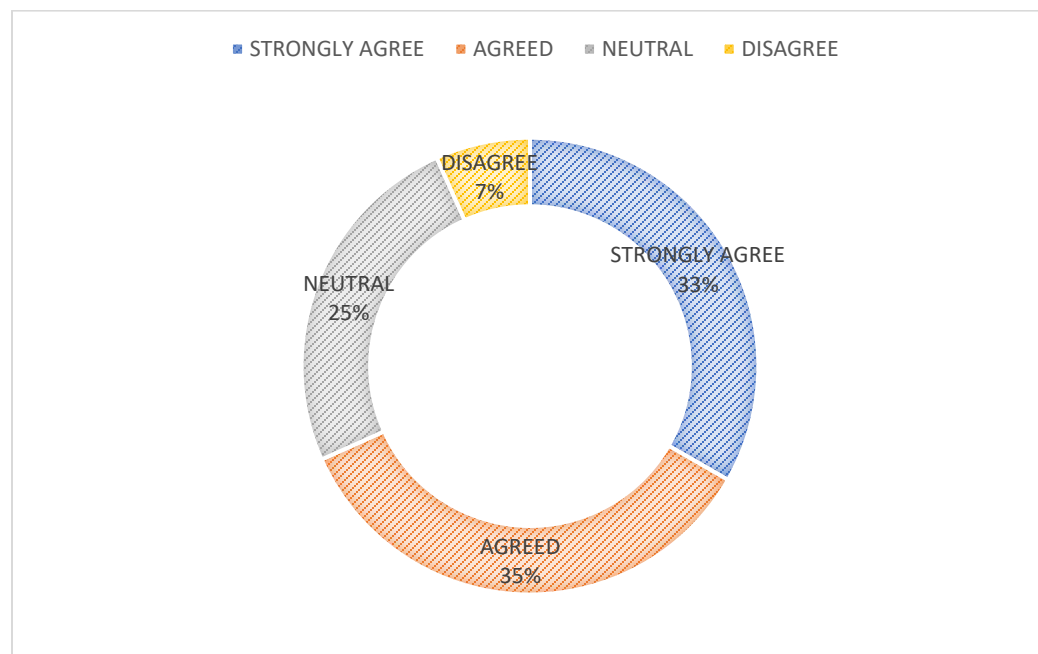
INTERPRETATION

The results states that 23.3 % of the response have used cashless payment mostly for bill payment and 18.3 % of the respondents has been using the cashless payment mostly for ordering food and another 18.3% of the respondence has been using cashless payment mostly for buying clothes and 23.3% of the people has been using cashless payment for fundamental transfer and the rest 16.7% has been using cashless payment mostly for recharge.

TABLE 4.16 SHOWING THE USE OF CASHLESS PAYMENT IN DAY-TO-DAY LIFE

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	20	33.3
AGREED	21	35
NEUTRAL	15	25
DISAGREE	4	6.7
STRONGLY DISAGREE	0	0

FIGURE 4.16 SHOWING THE USE OF CASHLESS PAYMENT IN DAY-TO-DAY LIFE



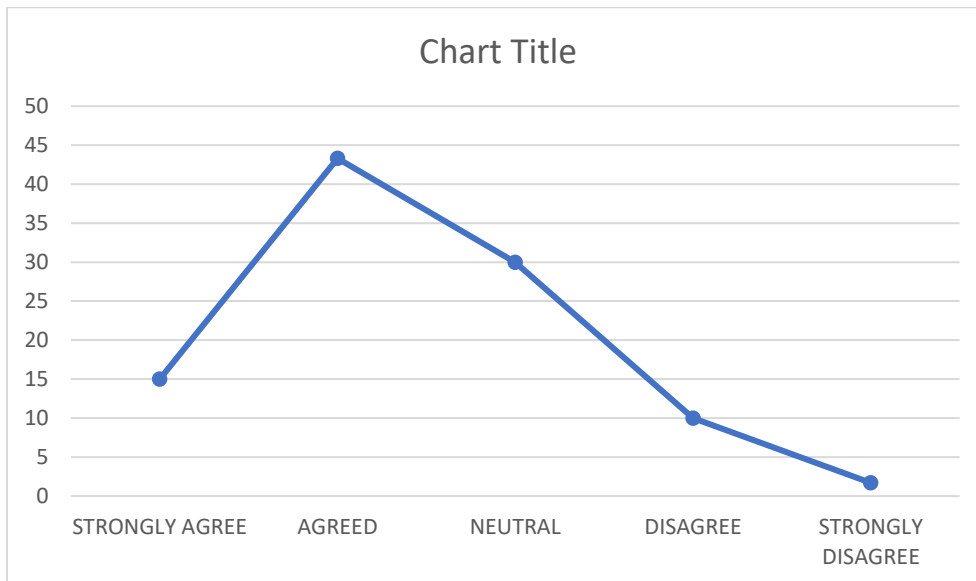
INTERPRETATION

The following results shows that 68.3 % of the respondents use cashless payment in their day-to-day life. 15 stand neutral to this statement. Only 4 of them didn't use in their day-to-day life. This shows that cashless payment has become a part of their daily life.

TABLE 4.17 SHOWING THE INFLUENCE OF PROMOTIONAL TECHNIQUES USED IN CASHLESS PAYMENTS LIKE DISCOUNT, OFFERS etc.

RESPONSES	NO OF RESPONSES	PERCENTAGE
STRONGLY AGREE	9	15
AGREED	26	43.3
NEUTRAL	18	30
DISAGREEE	6	10
STRONGLY DISAGREE	1	1.7

FIGURE 4.17 SHOWING THE INFLUENCE OF PROMOTIONAL TECHNIQUES USED IN CASHLESS PAYMENTS LIKE DISCOUNT, OFFERS etc.



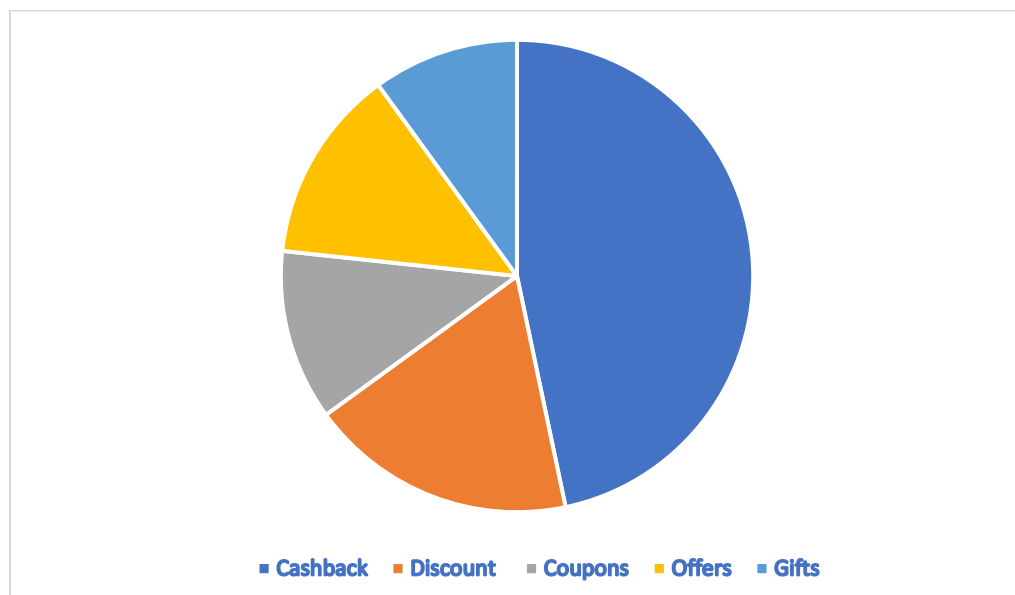
INTERPRETATION

The result states that 15% of the respondents has been strongly agreed that the promotional techniques influence them and 43.3 % are neutral and 11.7% of the respondents are not influenced by them. Thus these promotional techniques played an important role in the increase of use of cashless payment among youth.

Table 4.18; table showing about most attractive promotional techniques among consumers

Response	No of respondents	Percentage
Cashback	28	46.7
Discount	11	18.3
Coupons	8	11.7
Offers	7	13.3
Gifts	6	10

Figure 4.18; Figure showing about most attractive promotional techniques among consumers



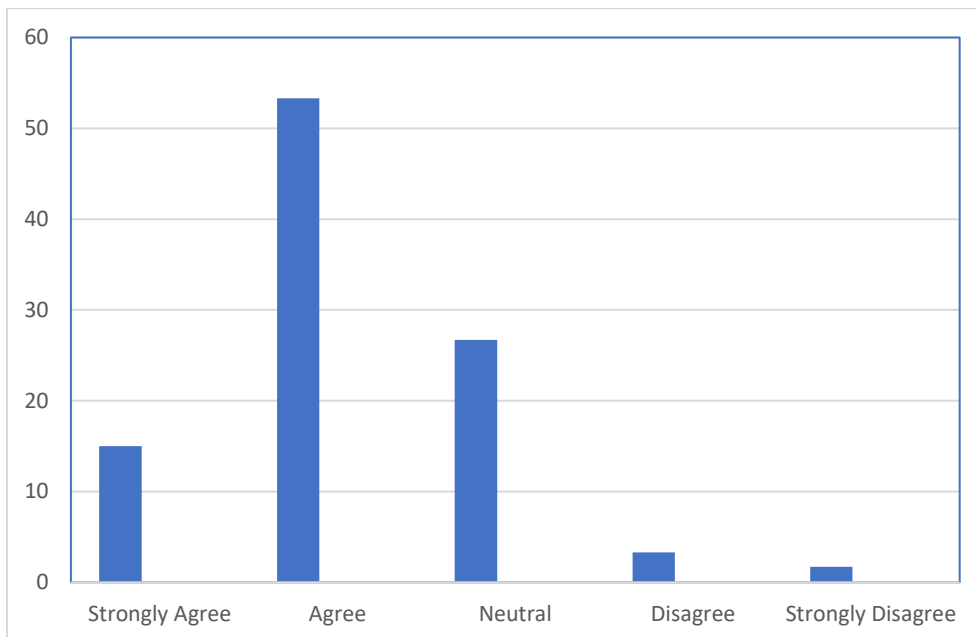
INTERPRETATION

From the following analysis it is clear that customers are more likely attracted to cashbacks i.e.46.7% rather than any other form of promotional techniques and are least attractive to gifts and offers which shows only 10 and 13.3%. Nearly one third of the customers i.e.18.3% are only attracted to discounts.

Table 4.19; showing whether consumers take precautions to reduce risks involved in cashless payment

Response	No of respondents	Percentage
Strongly agree	9	15
Agree	32	53.3
Neutral	16	26.7
Disagree	2	3.3
Strongly disagree	1	1.7

Figure 4.19; showing whether consumers take precautions to reduce risks involved in cashless payment



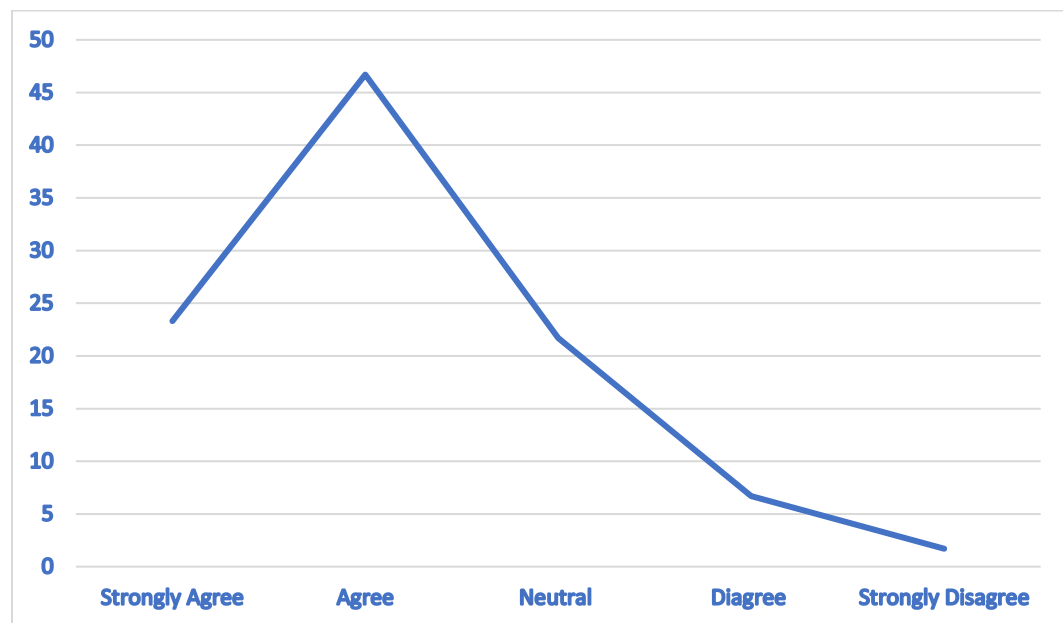
INTERPRETATION

The chart gives information about precautions taken by customers to reduce the risk involved in cashless payments. Majority of the customers agrees to this statement that they take precautions because they are aware of frauds. From the data it is clear that few customers disagree which implies that they are not aware about the precautions that has to be taken.

Table 4.20; showing whether cashless payment improves a countries economy

Response	No of respondents	Percentage
Strongly agree	14	23.3
Agree	28	46.7
Neutral	13	21.7
Disagree	4	6.7
Strongly disagree	1	1.7

Figure 4.20; showing whether cashless payment improves a countries economy



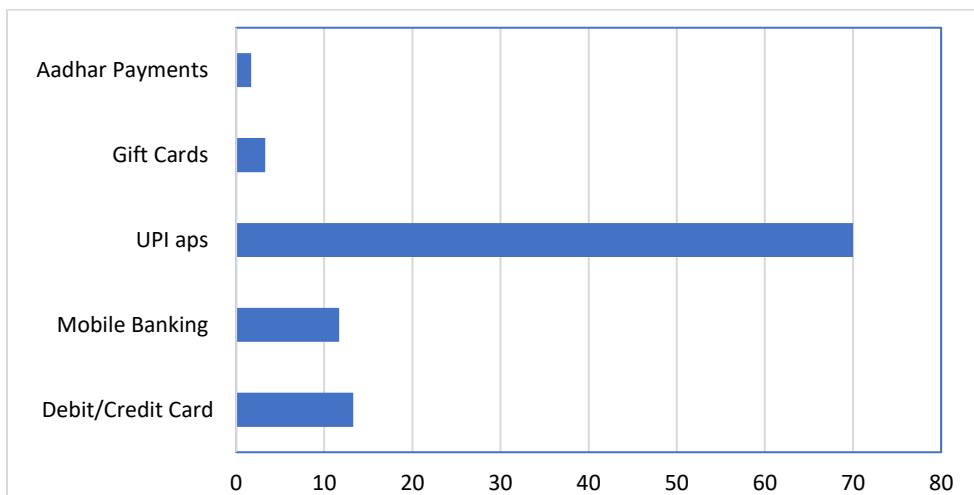
INTERPRETATION

When we take the analysis of whether cashless payments improve a countries' economy we can clearly see that most of the customers agrees to this statement because it increases the standard of living leading to economic development. 21.7 % of customers are neutral about their opinion and when we club the rest of the data almost 8.4% of customers disagrees to this statement.

Table 4.21; showing most preferred mode of cashless payment

Response	No of respondents	Percentage
Debit/Credit Card	8	13.3
Mobile Banking	7	11.7
UPI apps	42	70
Gifts Cards	2	3.3
Aadhar enabled Payment System	1	1.7

Figure 4.21; showing most preferred mode of cashless payment



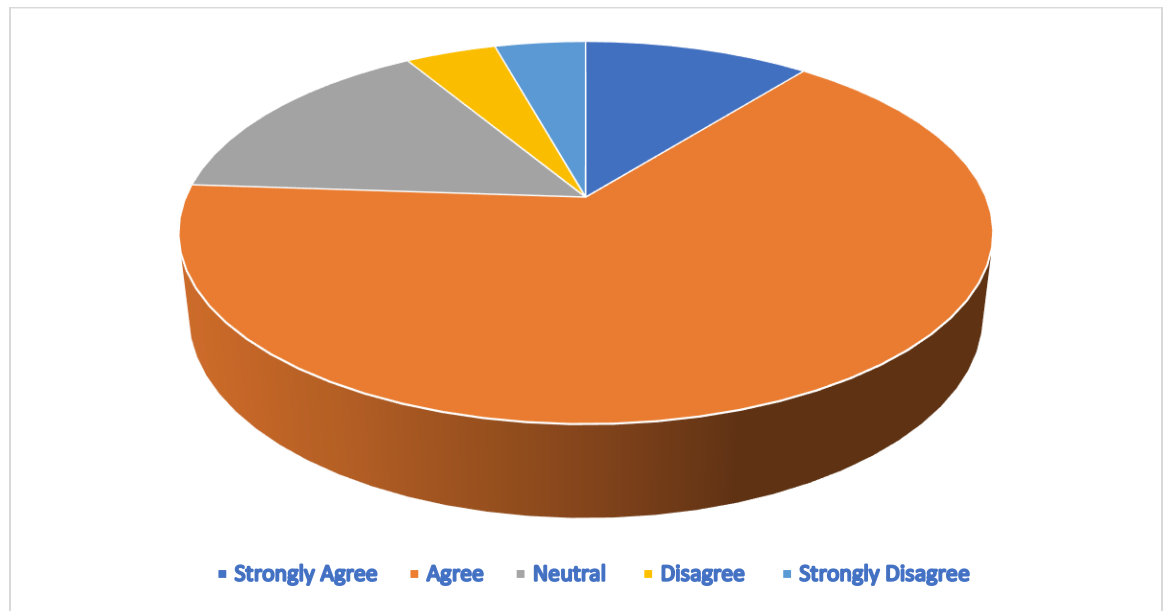
INTERPRETATION

There are various modes of cashless payments in our economy and from the graph it is clear that more than 50% of customers prefer UPI apps than any other application and less than 15% customers prefer Debit/credit cards and other mobile banking apps. It also says that less than 5 % of customer only prefer gift cards and other Aadhar enabled systems. Thus, it is clear that most of the customers are attracted and prefer UPI apps than any other apps because they are easier and more quick than other methods.

Table 4.22; Showing whether Implementation of digital payment system is beneficial to the society

Response	No of respondents	Percentage
Strongly agree	19	31.7
Agree	30	50
Neutral	7	11.7
Disagree	2	3.3
Strongly disagree	2	3.3

Figure 4.22; Showing whether Implementation of digital payment system is beneficial to the society



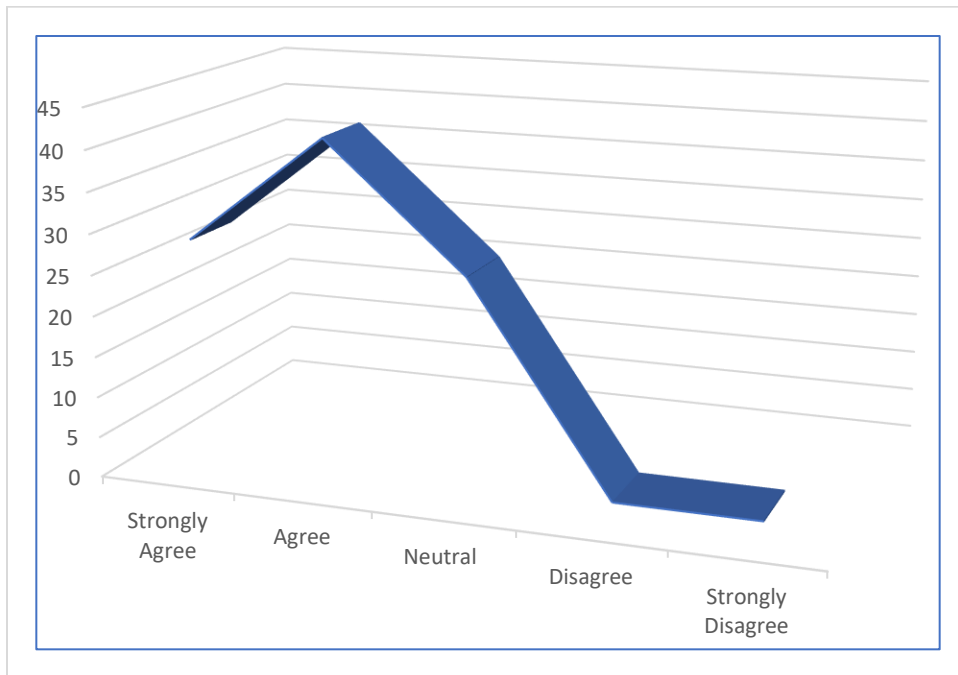
INTERPRETATION

The introduction of cashless payments has opened a new world to the economy. Almost half of the customers agree to the statement that the implementation of digital payment system was beneficial to the society. A total of 3.3 % of customers disagrees and strongly disagrees to this statement. They don't support this statement. Customers of 31.7 % strongly agrees to this statement.

Table 4.23; Showing whether cashless payment will be more transparent and accountable

Response	No of respondents	Percentage
Strongly agree	17	28.3
Agree	25	41.7
Neutral	16	26.7
Disagree	1	1.7
Strongly disagree	1	1.7

Figure 4.23; Showing whether cashless payment will be more transparent and accountable



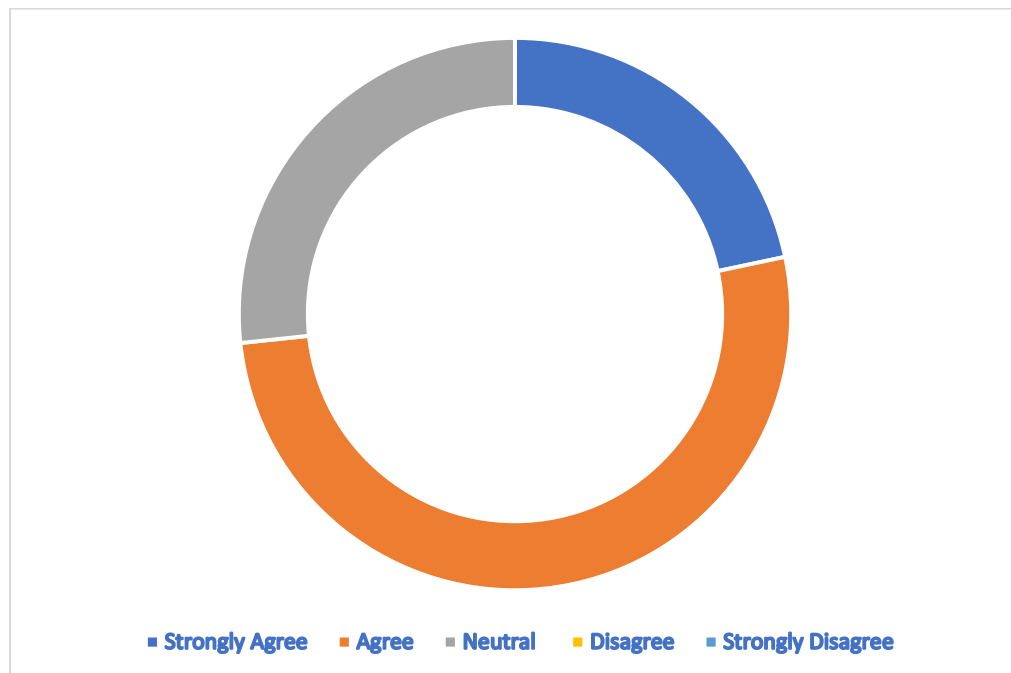
INTERPRETATION

This graph represents whether cashless payments are transparent and accountable. While the data shows that majority of the customers agrees i.e.41.7% , to this statement only less than 3 customers disagrees to this statement. There are customers who are neutral in their opinion i.e. 28.7%.

Table 4.24; Showing about the awareness of e wallet among customer's

Response	No of respondents	Percentage
Strongly agree	13	21.7
Agree	31	51.7
Neutral	16	26.7
Disagree	0	0
Strongly disagree	0	0

Figure 4.24; Showing about the awareness of e wallet among customer's



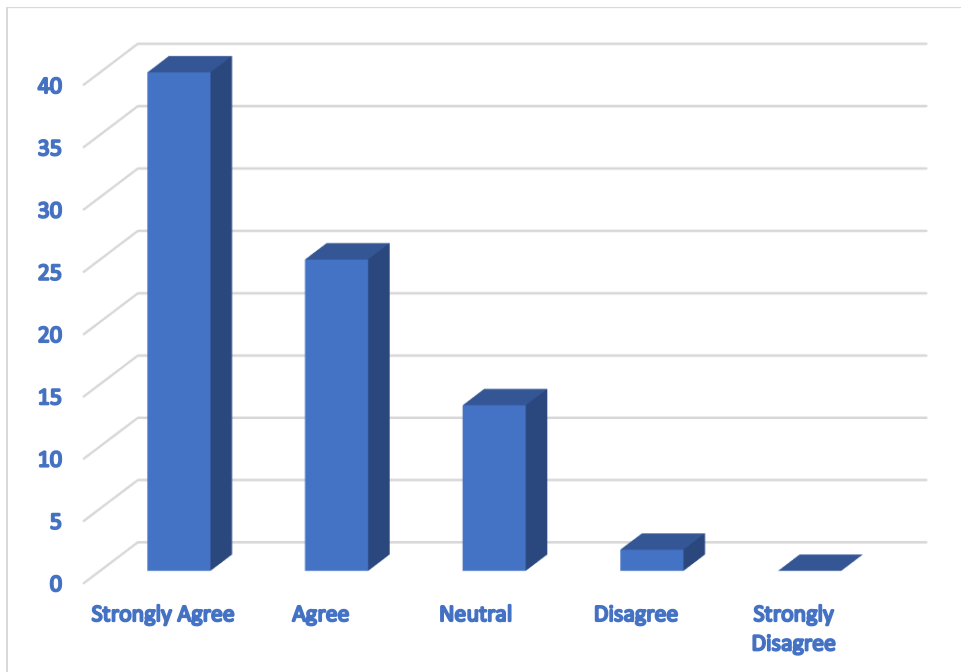
INTERPRETATION

Customers must be well aware about the e wallets that they are regularly using. Study shows that more than half i.e. 51.7% of customers are aware about them and 21.7 % of customers says that they are well aware about this and a neutral opinion shows 26.7%. This may be because of the various influence from internet and their peers from which they could get the awareness from.

Table 4.25; Showing whether youths are advanced users of cashless payments

Response	No of respondents	Percentage
Strongly agree	24	40
Agree	27	45
Neutral	8	13.3
Disagree	1	1.7
Strongly disagree	0	0

Figure 4.25; Showing whether youths are advanced users of cashless payments



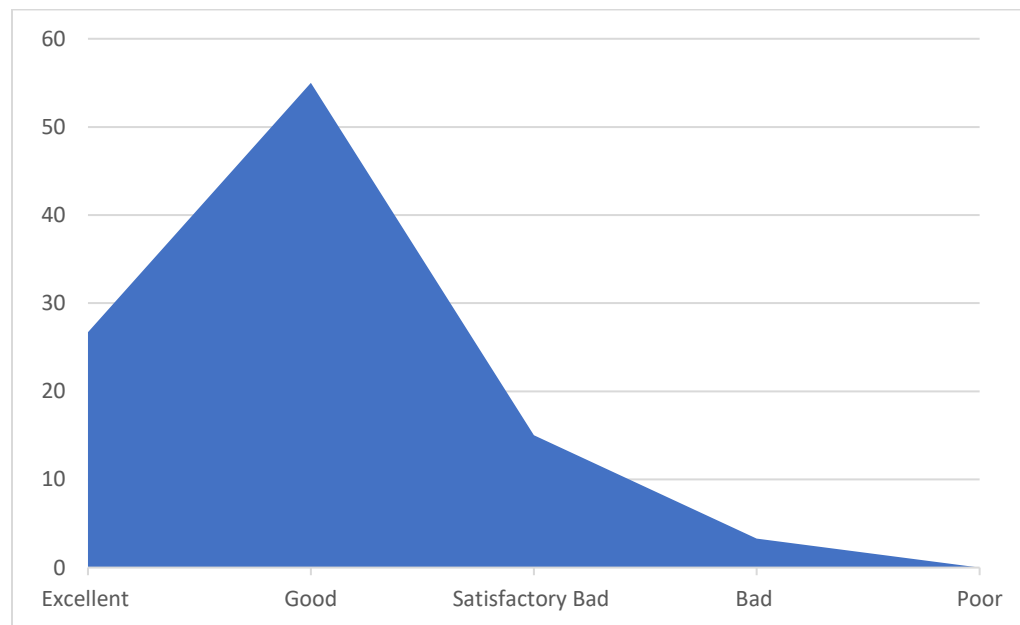
INTERPRETATION

This graph shows whether youths are advanced users of cashless economy because they have more knowledge and exposure to this. Customers opinion when combined shows that 85 % of them agrees to this statement. A neutral opinion of 13.3%. But in general the data shows that youths are advanced users.

Table 4.26; Showing opinions on cashless payments

Response	No of respondents	Percentage
Excellent	16	26.7
Good	33	55
Satisfactory	9	15
Bad	2	3.3
Poor	0	0

Figure 4.26; Showing opinions on cashless payments



INTERPRETATION

This graph shows the opinion of customers on cashless payment. Majority of them are having opinion that it is good and excellent i.e. 82%. 15% of them are satisfactory on their choice and 3.3 % didn't had any good opinion on this. So cashless payment is satisfactory among the youth.

CHAPTER 5
FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

This study is an attempt to understand the consumption behaviour of youth in cashless payment system. The findings, suggestions and conclusion of our study are as follows.

1. The study shows that majority of youngsters are using cashless payment systems.
2. Majority of the respondent's came to know about this system through friends.
3. Lions share of the customers prefer cashless payments over cash payments.
4. Nearly half of the respondents daily use cashless payment systems.
5. None of the customers disagrees to the statement that cashless payment has reduced transaction time.
6. This survey shows that cashless payment is quicker than cash payment.
7. 46.7% of the customers agrees that cashless payments are easy in nature.
8. More than half of the respondents strongly agrees that cashless payment offers many benefits and rewards like cashbacks, discount etc..
9. Most customers are neutral on the opinion that cashless payments are safe.

10. The best part customers agrees that use of cashless payments helps track expenditure.
11. 50% of customers strongly agrees that fact that more money is spent by cashless payment than by cash payment.
12. 38.3% of customers have neutral opinion on whether cashless payments have increased the standard of living of people.
13. Youth promote cashless payment among their friends.
14. Customers use cashless payments for transferring fund and bill payments than any other uses.
15. Most of the customers use these payments on day-to-day basis.
16. Customers strongly agrees that promotional techniques influence them.
17. Most respondents prefer “cashbacks” as promotion technique.
18. Most customers takes precautions while using cashless transactions.
19. Half percent of customers agrees that cashless payments improves a countries economy
20. UPI apps are the most preferred form of cashless payments
21. Respondents agrees that Implementation of digital payment system is beneficial to the society.
22. Customers says that cashless payments are transparent and accountable.
23. Most of the customers in the survey are aware about cashless payments.
24. Customers are having good and excellent responses to cashless payments.

SUGGESTIONS

- 1)There should be more awareness on payment system among the customers other than youngsters.
- 2)Connectivity technologies have to be improved for smoother transactions.
- 3)Digital literacy should be improved among customers.
- 4)More advanced measures should be taken to reduce e wallet crimes in economy.
- 5)Increased banking activities and penetration of internet can be beneficial for the growth of cashless economy.
- 6)Cashless payments in rural areas are not properly studied, there is a scope for further studies in these areas.

CONCLUSION

Among various categories of the customers, we came to know that cashless payment is popular among youth because they are more exposed to technology. This study proves this fact that most of the youth use cashless payment and it is easier and convenient to use than cash payments. They also feel that certain measures should be taken in order to reduce the risks as there are many. The cashless transactions have reduced their time and they promote it to others. The promotional techniques like cashbacks, discounts etc. also influenced the youth. They also state that their standard of living has increased and it has led to economic development. They prefer cashless payment and use it in their day-to-day activities. This study concludes that cashless payment has a major impact on their consumption pattern and they are satisfied with the cashless payment system. Therefore in order to improve the use of cashless payments towards wider sections of consumers digital literacy and awareness should be provided to them.

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APPENDIX

NAME:

AGE:

GENDER: M/F

2. How do you came to know about cashless payment system?

- Friends
- Family
- Tv
- Internet
- Newspapers

4. How often do you use cashless payment

- Daily
- Weekly
- Monthly
- Annually
- Never

13. I mostly use cashless payment for

- Bill payment
- Ordering food
- Buying clothes
- Transfer fund
- Recharge

16. Which is the most attractive promotional technique for you?

- Cashback
- Discount
- Coupons
- Offers
- Gifts

19. Most preferred mode of cashless payment

- Debit/credit card

- Mobile banking
- UPI apps
- Gift cards
- Aadhar Enabled Payment system

25. Your opinion on cashless payment

- Excellent
- Good
- Satisfactory
- Bad
- Poor

STATEMENT	STRONGLY AGREE	AGREE	NEUTRAL	STRONGLY DISAGREE	DISAGREE
1. I use cashless payment					
3. I prefer cashless payment over cash payment					
5. Cashless methods have reduced the transaction time					
6. cashless payment increases ease of transaction					
8.cashless payments are safe					
9. Cashless transactions help to track expenditures					
10. I spent more money by cashless payment than cash payment					
11. My standard of living has increased due to cashless payment					
12. do you promote cashless payment among your friends					
14. I use cashless payment in day-to-day activities					
15. I am influenced by the promotional techniques used in cashless payments like discount, offers etc.					
17. I take precautions to reduce the risks involved in cashless payment					
18. cashless payment improves a country's economy					

20. Implementation of digital payment system in the economy is beneficial					
21. Cashless economy will be more transparent and accountable					
22. I am aware of the functionality of e-wallet					
25. Youths are the most advanced users of cashless payments					