

**A STUDY ON E- PAYMENT SYSTEMS WITH SPECIAL REFERENCE TO
KIZHAKKAMBALAM PANCHAYAT**

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DEGREE OF BACHELOR OF COMMERCE**

Submitted by

ASWANI J (REG NO: 200021077014)

ASWATHY PADMALOCHANAN (REG NO: 200021077015)

BINCY BENNY (REG NO: 200021077017)

Under the supervision and guidance of

Asst. Prof ARUNA DEVI

Department of Finance and Taxation



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BHARATA MATA COLLEGE, THRIKKAKARA



DEPARTMENT OF FINANCE AND TAXATION
(AFFILIATED TO MAHATMA GANDHI UNIVERSITY,
KOTTAYAM)

BONAFIDE CERTIFICATE

This is to certify that this dissertation entitled “**A STUDY ON E- PAYMENT SYSTEMS WITH SPECIAL REFERENCE TO KIZHAKKAMBALAM PANCHAYAT**” is a record of original work done by **ASWANI J (REG NO: 200021077014)**, **ASWATHY PADMALOCHANAN (REG NO: 200021077015)** and **BINCY BENNY (REG NO: 200021077017)**, in partial fulfilment of the requirement for the Degree of Bachelor of Commerce – Finance and Taxation under the guidance of **Asst. Prof . ARUNA DEVI**, Department of Finance and Taxation, the work has not been submitted for the award of any other degree or title of recognition earlier.

Asst. Prof. JULIE.P.J
(Head of the Department)

Asst. Prof. ARUNA DEVI
(Project Guide)

Place: THRIKKAKARA

External Examiner

Date:

DECLARATION

We, **ASWANI J, ASWATHY PADMALOCHANAN, BINCY BENNY**, hereby declare that the project report titled “**A STUDY ON E- PAYMENT SYSTEMS WITH SPECIAL REFERENCE TO KIZHAKKAMBALAM PANCHAYAT**”, is a Bonafide Record of work done by us under the guidance and supervision of **Asst. Prof. ARUNA DEVI**, 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.

Place: THRIKKAKARA

ASWANI J

Date:

ASWATHY PADMALOCHANAN

BINCY BENNY

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ASWATHY PADMALOCHANAN

BINCY BENNY

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CHAPTER – I

INTRODUCTION

INTRODUCTION

A cashless method of buying and paying for products and services using electronic media is known as an electronic payment system, also known as an online payment system or an electronic payment system. Due to the expansion of online banking and shopping over the past few decades, electronic payment systems have kept expanding. As technology advances globally, numerous electronic payment systems and payment processing tools have been created to expand, improve, and enable safe electronic payment transactions while lowering the proportion of cash transactions. The major goals of electronic payment systems are to increase user-friendliness and convenience, efficiency, and security. When Western Union enabled electronic funds transfers in the 1870s, the first electronic payments were made.

The first electronic payment system was established at that time. The Federal Reserve of America then started sending money through telegraph in 1918. The first independent credit firm was Diner's Club International in 1950, followed by American Express in 1958. American Express unveiled the first plastic credit card a year later. Banks and customers increasingly rely on computers to complete transactions as technology advances. Because there were so many electronic transfers, the Automated Clearing House (ACH) was created in 1972 to handle massive amounts of transactions in batches. NACHA established ACH payment operation guidelines two years later. In 1996, Google created Google Checkout. The goal of Google Checkout was to make online payments simpler while ensuring fraud protection as well as tracking services. Users may make purchases at participating stores by pressing an on-screen button if they have saved their credit or debit card information as well as shipping details in their Google Account. A common processor was used to fuel a global payment processor when the internet started to take over the world, with PayPal emerging as the clear winner. The early pioneers are largely responsible for how ecommerce and internet payments are now. Google Checkout established a bar for excellence, influenced the idea of digital wallets, and shaped Paypal's market position online.

Bit coin was first presented in 2009. Despite being a relatively new technology, it is rapidly gaining acceptance as a wise investment and a reliable form of money. The creation of crypto currency is the driving force behind the current economic expansion, supported by a dynamic payment network that connects merchants and buyers for mutual gain. With other nations attempting and failing to create a crypto-currency that is generally accepted, the Bit coin is still an experimental currency. Transparency is now required by the global economy, while ever-increasing security measures work to shield us from ourselves.

The Indian banking industry has experienced tremendous growth, and it has been experimenting with and attempting to adapt and integrate electronic payments to improve the banking system. Even though paper-based transactions have historically dominated the Indian payment systems, e-payments are rapidly catching up. The banking industry in India has grown like never before with the advent of e-payments. The Reserve Bank of India is making every effort to promote alternate approaches of payments that will improve the system's security and effectiveness while also simplifying the entire process for banks.

A Celent poll found that between 2004 and 2008, the proportion of electronic payments to paper-based transactions significantly rose. Technology advancements and growing customer knowledge of the simplicity and effectiveness of online and mobile transactions are to blame for this. Due to the fact that Indian consumers use their cards for numerous transactions, including bill payment, money transfers, and shopping, card payments are a crucial component of e-payments in India. Since debit cards first became available in India in 1998, their use has increased, and they now account for almost $\frac{3}{4}$ of all cards in use. Credit card usage has increased relatively. Despite having entered the market a decade before debit cards, their rise has been slower. India is undoubtedly one of the Asia-Pacific nations with the fastest-growing payment card markets. Given that there are already 32 million PC users in India, 68% of whom have internet access, their usage and accessibility of the internet is expected to have an impact on their behavioral patterns.

The reality, however, is distant from these statistical indications; 63% of payments are still made in cash, and customers still prefer to pay "in line" rather than online. E-payments must be regularly pushed, with customers being shown the numerous methods they can use to make these payments, including ATMs, the internet, mobile devices, and drop boxes.

Mobile wallets or digital wallets are the primary form of payment in India. Mobile payment refers to a method of paying through a mobile device. A consumer can transfer money or pay for goods and services using a mobile phone in place of traditional payment methods including cash, checks, and credit cards. Paytm Wallet was introduced in 2013 and quickly became a leader in this market.

The demonetization of Rs.500 and Rs.1000 currency notes has significantly benefited startups offering digital wallets. India is steadily transitioning to becoming a cashless nation as the number of digital wallets has grown dramatically. The umbrella body in charge of implementing mobile payments in India is called the Mobile Payment Forum of India (MPFI).

STATEMENT OF THE PROBLEM

Due to the growing use of internet technology, the entire payment system has transformed in the current day. Nowadays, electronic payments are used in practically all industries, including commerce, trade, import, export, and the buying and selling of items.

The much-desired convenience is now available to clients thanks to electronic payment systems. Despite these advantages, there are a number of psychological and behavioral problems that hinder the development of internet banking and digital money transactions in India, including a lack of willingness to change, trust, inadequate internet expertise, security concerns, and a desire for human interference.

SIGNIFICANCE OF THE STUDY

In recent years, there has been a significant change in India's payment system. Particularly in the post-reform era, there has been a rapid transition from old payment systems to modern payment systems (Electronic Payment). The method that banks and other financial organizations deliver different products and services to their consumers has also changed as a result of technology improvements. This dissertation investigates how consumers see electronic payment systems.

SCOPE OF THE STUDY

This study examines how customers see electronic payment systems. The electronic payment methods used in this study include those offered by banks as well as those offered by different financial firms as digital wallets.

OBJECTIVES OF THE STUDY

1. To determine which electronic payment method is most popular with consumers.
2. To comprehend how satisfied consumers are with using e-payment methods.
3. To understand the barriers that clients face while trying to use electronic payment methods.

RESEARCH METHODOLOGY

The research challenge can be approached methodically using research methodology. It is a branch of science that studies how scientific research is conducted. It is the analysis of different approaches that are typically used by researchers to explore their problems.

To investigate how customers see electronic payment methods, a questionnaire was developed. Structured questionnaires were used to collect the data. Additionally, information from experts was solicited. To create the charts, tables, and final report, the data obtained were categorized and examined.

TOOLS USED

The study is based on primary data gathered from the respondents themselves through a questionnaire, as well as secondary data gathered from a variety of books, journals, articles, and the internet.

SAMPLE SIZE

People of all ages, genders, and occupations make up the study's population. There are 57 people in the sample. The selection of the sample is made at random.

LIMITATIONS OF THE STUDY

1. Due to respondents' bias, respondents were hesitant to disclose their personal information, and the data gathered may or may not be accurate as a result.
2. The inherent limitations of random sampling have an impact on the study.

CHAPTER – II

REVIEW OF LITERATURE

REVIEW OF LITERATURE

Literature review as per the name show it is process of reviewing of research literature which is done by any researchers in past. A literature review is an exploration to identify the related research to make or set relation with current research project with a conceptual and theoretical context:

Dave Chaffy (2002): The author Dave chaffy describes about E-commerce in his book ‘E-Business and E-Commerce Management’. Mr. Dave makes the strategy, implementation, and practices of e-commerce plain in his book. E-commerce is a type of business that uses the internet to influence customers. The main management decisions that organizations going to e-business must make are identified in this book, along with the steps that these decisions must take to be implemented. E-commerce aids in the model analysis of how supply chain operations might enhance the value of goods and services provided to customers. A concise list of the issues relating to the effects of the new trend of e-Commerce on traditional business is provided for each section of the book. The choice of mobile services that take advantage of how mobile phones and other portable wireless devices, including laptops, are used globally to show how various markets view internet marketing.

Abrazhevich and Dennis (2004): They describe in his thesis ‘Electronic Payment System: A User-Centered Perspective and Interaction Design’ advantages and limitations of electronic commerce. Basic division of payment systems. A clear picture of how quickly e-commerce is developing is emerging. He does studies on the use of e-commerce. Every aspect of the electronic payment system’s usability and online payment security. Over time, the real-world E-Commerce environment has enabled all internet users to do transactions online, giving them the ability to manage any emergency circumstance. E-commerce, or electronic commerce, was first introduced to the world in the 1990s, and over time it gained popularity. From a consumer and corporate standpoint, it is beneficial.

Lei-da Chen and Ravi Nath (2008): The objective was to identify factors that influence consumer E-Payment adoption in the United States. In research methodology data was collected from 299 respondents and analysis using confirmatory factory analysis and ANOVA. Findings indicated that greater perceptions of compatibility, transaction convenience, and speed would lead to a high inclination to embrace M-Payment, whereas greater security and privacy concerns would result in a lower propensity to adopt M-Payment. Compatibility has the strongest link with the intention to adopt out of all the constructs.

Sevgi Ozkan, Gayani Bindusara and Ray Hackney (2010): The study's goal was to examine the different important aspects that may ensure consumer adoption of e-payments through theoretical constructs and an empirical investigation. The idea of reasoned action and the technological acceptance model were used in the research technique. A survey was created and distributed to 200 persons, and 155 of them responded. With the use of SPSS software, multiple regression analysis and person's correlation analysis were used to evaluate the data. In findings the study revealed that three of the critical factors were necessary and three were relatively sufficient through customer intentions to adopt an e-payment system.

Pardhasaradhi Madasu (2015): The objective was to assess and report the progress made by the RBI in moving towards the cashless economy. In research methodology the data collected from RBI data base related to cashless transaction from the year 2004-05 to 2014-15. According to the research, China held a spot in the top 16 non-cash markets of the globe but not India. The use of debit cards at ATMs has increased when compared to the use of credit cards. Services other than cash, including M-wallet or the instant Payment service, have not had a big influence.

Mr. P. Phani Bhaskar and Dr. D. Prasanna Kumar (2015): After the advent of e-commerce and online consumer shopping patterns, it has become crucial to develop and retain e-loyalty in the digital market. The relevance of client loyalty and satisfaction with online marketing and e-commerce is discussed by the author in his article, "E-Loyalty and E-Satisfaction of E-Commerce."

After the adoption of internet habits, the competitiveness in today's world of e-commerce has increased. Because brand loyalty will rise when brand awareness is high, e-retailers and e-sellers should create a brand and market it through sales promotions. Consumer pleasure in online buying has a passive but considerable impact on cyber customers' e-loyalty.

Mohammad Auwal Kabir and Aidi Ahmi (2015): The authors of the study "Adoption of E-Payment System: A Review of Literature" explain how the development of information and communication altered how Indian individuals made payments. Digital technologies have undergone significant evolutionary changes, and as a result, there is a steady transition from cash-based to electronic-based transactions.

This study provided a comprehensive and in-depth look at various peoples' perspectives on the E-Payments system.

Defining other factors, they were examined for the purpose of an empirical study that looked at the acceptance of e-payments in various regions of the world.

Abdul Gaffar Khan (2016): Electronic commerce: A Study on Benefits and Challenges in an Emerging Economy is the title of the researcher's study paper. E-commerce first appeared in 1995, and today, thanks to the spread of ICT throughout the world of business, it is becoming more and more widespread. It is expanding quickly toward B2B e-commerce. Ecommerce offers a lot, but for a number of economic, structural, and legal reasons. It was not previously widely dispersed. E-commerce advantages include lower transaction costs for business participation transactions. From the seller's perspective, the main benefit of e-commerce is that the transaction procedure is rapid and saves them time while increasing their revenue. The three biggest problems are a lack of knowledge, a poor understanding of web marketing, and a lack of reliable businesses and organizations.

Zlatko.Bezhoveski (2016): In his research 'The Future of the Mobile Payments as Electronic Payment System' he explain the need of M-Commerce after the development of E-Commerce and future of adopting mobile device as payment mode. With the use of various electronic payment solutions, e-commerce promoted digitalization in the payment operations. Following the development of mobile commerce, we get acquainted with mobile wallets and their use in financial transactions. This research also looks at the factors that influence customers' adoption of mobile payment methods and their expectations for future M-Commerce advances. However, despite being a frequently used payment method worldwide, there are a number of obstacles to the adoption of mobile payment methods.

Preeti Garg and Manvi Panchal (2016): Researchers describe the advantages and difficulties of adopting the digital economy in India in their report, "Introduction of Digital Economy in India 2016". The Indian government has made significant adjustments to the country's business environment since demonetization. The government is working on a number of regulations to reduce the use of cash and has launched numerous initiatives at all levels to encourage people to conduct transactions online and bolster the digital economy in everyone's best interests. After all of this, a sizable portion of the Indian populace remains unaffected by online transactions.

Reserve Bank of India (2017): The Reserve Bank of India provided a preliminary analysis on the “Macroeconomic Impact of Demonetization.” A substantial expansion in the consolidated balance sheet of the scheduled commercial banks caused by an increase in deposits resulted in extreme liquidity problems.

The sharp rise in the use of digital transactions has been a significant effect of demonetization. The decision was made in order to take advantage of the significant potential long-term benefits, such as decreased corruption, increased economic formalization, and increased financial saving. These would result in better GDP growth and tax revenues, which the government could employ for inclusive and stronger economic growth within the parameters of fiscal discipline in addition to advancing the economy as a whole.

Mrs. Pranjali and Etal (2017): In his essay, “Impact and Importance of Digital Transactions in India,” the author discusses the significance of the digital economy. The Indian government predicted that the country’s digital policy will boost employment, lessen cash-related crime and corruption, and bring in more international investors. It is anticipated that the cost of banking services would decrease when payment methods are modernized. In light of this, a cash economy refers to a situation in which products and services are purchased and paid for through electronic means rather than the total absence of currency. The value of digital transactions is that they cut down on red tape, bureaucracy, and corruption while also reducing the flow of illicit funds and money laundering. Stop the unlawful activities using cash and make transactions simpler.

Piyush Kumar and Dr. Dhani Shanker Chaubay (2017): Researchers highlight the opportunities, concerns, and challenges in adopting digital payments in their research paper, “Demonetization and Its Impact ON Adoption of Digital Payment.” After demonetization, these digital payments changed the economic situation of the Indian government. After demonetization, electronic payments have become a regular part of life for Indians. These problems offer a study agenda to motivate the researcher to look into novel areas of knowledge.

After demonetization, Indians started using mobile payments as well. Additionally, banks have introduced mobile banking, which enables clients to do transactions using their mobile devices.

P. Pani Bhaskar and D. Prasanna Kumar (2017): ‘Effect of Demonetization on Ecommerce’ in his paper. Regarding the E-Commerce ecosystem, the writers are unambiguous. E-Commerce was in a position to develop accurately prior to India’s demonetization of its currency, but the demonetization issue has forced individuals to use online transactions or net banking in their day-to-day lives. Although E-Commerce is not a new technology for metropolitan regions, there must be a commitment to internet business there. The authors claim that the demonetization of currency in India has encouraged and compelled Indians to engage in more online transactions as opposed to the country’s more traditional cash-based payment methods. E-commerce businesses had a large payment on cash on delivery before to demonetization, which prior to the demonetization Demonetization will bring about a beneficial change in e-commerce since it will reduce the amount of money that is paid in cash on delivery by large E-Commerce enterprises.

Naincy Prajapati and Sanjeev Kumar Singh (2017): In their study titled “Impact of Demonetization on Online Transactions,” the research experts provide descriptions. The decision to demonetize gave the Indian economy a new direction as it moved toward the digital economy. After demonetization, India gains potential as a growing country for businesses engaged in e-commerce. The country’s cash on delivery orders decreased as a result of the economic cash shortage, but internet payments increased. Despite all these positive outcomes, individuals are nevertheless having a lot of troubles because of the financial crisis. This study investigates the consequences of internet transactions during the demonetization period. Demonetization is a major factor in India’s troubles since it abruptly caused a significant shift from cash to non-cash. India is a cash-dominant nation.

Dr. S Manikandan and J Mary Jayakodi (2017): According to their study, “An Empirical Study on Consumer Adoption of Mobile Wallet with Special Reference to Chennai City,” smart phones are now an integral part of peoples’ daily lives. He discovered that smart phones are made as technologically advanced gadgets that are utilized for financial transactions or payments through the usage of applications that users of mobile phones have loaded on their phones. To determine the elements influencing the customer for the acceptance and usage of mobile wallets, they designed a structural questionnaire and collected data from 150 respondents. They then analyzed the data to obtain the results for their research. Following the findings, it was made evident that mobile wallets have changed the online payments.

Raghvendra Nayak (2018): It was a conceptual study on “Digitalization of Banking-Issues and Challenges in Rural India”. He observed that the Indian banking industry was significantly impacted by the “Digital India” push. Even with the advancement of digitization, India is still lagging behind in the banking sector’s adoption of digitalization. It is true that the digitalization of banking would revolutionize the Indian economy, but it is still necessary to introduce digital services in rural regions as well.

It has a lot of conceptual problems and difficulties with the implementation of digitization in rural banking locations. It conducted research on banking efficiency and made transactions easier. It is helpful to identify the driving forces behind the brisk adoption of digitalization in the banking sector.

K. Suma Velly and K. Hema Divya - (2018):) According to their report, “Digital Payment in India with Perspective of Consumer Adoption,” demonetization has led to a huge increase in digital payments. These changes bring about a significant shift toward digital payments and increase transaction transparency, which strengthens the nation’s economy. The goal of this study is to determine the effects of demonetization on consumer adoption of online payments and payment system digitization in order to determine the extent of consumer use of digital payment systems. E-payment systems are crucial tools that are utilized by both individuals and businesses as a practical method of sending money online while also serving as a portal for technological growth.

Dr. Shilpa Bhimrao Gaonkar (2018): The objective was to explore various payment instrument available to the people and its benefits. In research methodology the conceptual study was done. Data from reports by the RBI, GOI, NPCI, MEDIANAMA, etc. were used. The study’s conclusions showed that several new instruments are becoming available. Going cashless has advantages such as improved tracking, efficiency, and convenience.

Dinesh T. M, Kiran Kumar Reddy and Suhasini K (2018): The goal was to evaluate the impact of the demonstration on digital payments in India. As part of the research approach, exploratory data analysis was done on the data that was obtained for the study from the NPCI website between May 2016 and October 2017. The study’s conclusions showed that there was a significant impact of demonstration on digital payments, which are particularly obvious in RTGS and mobile transactions.

CHAPTER – III

THEORETICAL FRAMEWORK

E-BANKING

A banking transaction that is carried out online is referred to as internet banking. E-banking is a partnership between a bank or other financial institution and its clients that facilitates secure online transactions. E-banking is a type of banking where customers use the Internet to execute transactions electronically. With internet banking, a consumer can access his bank from wherever he is, at any time. A customer can complete all common tasks including money transfers, bill payments, etc. through online banking. Aside from financial operations, e-banking is useful for non-financial tasks like changing your ATM PIN, obtaining a small statement, updating your personal information, checking your account balance, or printing an account statement.

It basically refers to any transaction that doesn't require any transfer of money to or from your account. Internet banking, e-banking, virtual banking, and other words are also used to describe online banking.

- Customers of banks can conduct financial transactions online, such as transferring money between their linked accounts. Making payments to third parties, including financial transfers and bill payments.
- A buy or sale for Investment.
- Loan requests and related actions, like remittances for enrolment fees.
- Requests for credit cards.
- Utility biller registration and bill payment
- Transaction approval procedure.

Banking procedures are now carried out considerably more quickly. Some financial institutions provide distinctive Internet banking services, such as data input into personal accounting software for personal financial management. Some online banking systems offer account aggregation, which enables users to view all of their accounts—whether they are with their primary bank or with other institutions—in one location.

E-PAYMENT / DIGITAL PAYMENT

A digital payment, also known as an electronic payment, is the transfer of money from one payment account to another while utilizing a digital device, such as a mobile phone, computer, POS (Point of Sale), or wireless mobile data or SWIFT (Society for the Worldwide Interbank Financial Telecommunication). It comprises payments made with credit, debit, and prepaid cards as well as bank transfers, mobile money, and payment cards.

EVOLUTION OF E-PAYMENT SYSTEM

The methods for a client to make a purchase have changed significantly throughout the years, starting with the barter system and progressing to telegraph-based money transfers and, finally, internet payments. Online payments in particular have become an essential component of contemporary living. It's reasonable to assume that more banks, online stores, and other businesses are allowing customers to make purchases online, greatly simplifying mobile and point-of-sale transactions.

Western Union introduced the electronic fund transfer (EFT) in the United States in 1871, marking the beginning of modern electronic payments. For the first time, consumers could purchase products and services and pay for them without physically being present.

Since then, payment methods have changed significantly, with the Bank of America introducing the first contemporary credit card in 1958.

The U.S. Advanced Research Projects Agency Network (ARPANET), however, was not established until the 1960s. The platform paved the path for the subsequent expansion of payment methods by laying the groundwork for the modern internet.

The Early Online Payment System

The Stanford Federal Credit Union is credited as being the first financial organization in North America to offer internet banking to all of its members in 1994. In 1995, Presidential Bank quickly followed their lead and became the first bank in the nation to give its customers access to their accounts online. During this time, a Pizza Hut pizza is thought to have been the first item purchased online. It was allegedly a pepperoni and mushroom pizza, a traditional Pizza Hut dish!

A greater number of financial institutions subsequently followed suit after seeing the possibilities for digital transformation inside the banking sector. In addition to facilitating card payments, they started to offer substitutes for electronic cash including digital cash and e-money.

PayPal - Transforming Digital Payments

When PayPal originally entered the market in the late 1990s, digital payments were still evolving, and PayPal was one of the first established payment service providers on a global scale. Many of PayPal's innovations were novel at the time; for example, it was among the first businesses to accept payments made using email addresses and mobile payment apps.

Adoption of Online Payment India

India's adoption of online payments

Starting from the early 2000s, several companies across Asia were also trying to keep up with the technology changes and provide online alternatives in making payments. One of the first online payment systems in the country dates back to 1996, where the Industrial Credit and Investment Corporation of India (ICICI) began to offer their clients online banking services in their retail branches. Later in 1999, banks such as HDFC, IndusInd, and Citi launched online banking facilities.

History of digital payments in India 2008, the National Payments Corporation of India (NPCI) started to create a more established payment and settlement infrastructure in the country. That has since given birth to various products and services, including India's unique digital identity system Aadhar in 2010 and many more.

Features of Electronic Payment systems in comparison to traditional payment systems are:

1. **Time savings:** Money transfers between virtual accounts often take a few minutes, as opposed to many days for wire transfers or postal deliveries. Additionally, you won't lose time waiting in line at the bank or post office.
2. **Expenses control:** Even if someone is eager to get his outgoings under control, it is required to have the patience to list all of the small expenses, which frequently account for a sizable portion of the overall amount of outgoings. The history of all transactions, including the store and the amount spent, is kept in the virtual account. And you may check it at any-time, anywhere. This is a benefit of electronic payment system

3. **Reduced risk of loss and theft:** Your virtual wallet cannot be lost or stolen, nor can it be accidentally left anywhere. Although there are a lot of con artists in the online world, there are also numerous efficient security measures to keep them in check.
4. **Low commissions:** You will be charged exorbitant costs if you use an unattended payment terminal to pay for internet access or to replenish a mobile account. Regarding the electronic payment system, a cost for this kind of transaction is 1% of the total, which is a significant benefit.
5. **Cash- back offers:** There are numerous Digital Money wallets that provide customers with large discounts and cash-back offers. For example, Paytm, Google Pay, etc.
6. **User-friendly:** Every service typically has an intuitively accessible user interface because it is intended to appeal to as many people as possible. Additionally, there is always the option to ask a query of a support staff that frequently is available around-the-clock. In any case, you may always use the relevant forums to get a response.
7. **Convenience:** Anywhere, at any moment, a transfer can be made.

TYPES OF ELECTRONIC PAYMENT SYSTEMS PROVIDED BY BANKS

❖ ATM Cards (Automatic Teller Machine Cards)

An ATM card is a payment card or specialized payment card issued by a bank that enables its and others' automated teller machines (ATM) users to access their financial accounts and conduct authorized point of sale retail transactions. ATM cards aren't the same as debit or credit cards. ATM cards are plastic cards the size and shape of a payment card with a magnetic stripe and/or a plastic smart card with a chip that has a special card number and certain security information like an expiration date or CVV. A variety of terms are used to refer to ATM cards, including bank card, MAC (money access card), client card, key card, and cash card. ATM cards can also be used as other payment cards, such debit and credit cards. These machines offer their consumers banking services around-the-clock.

❖ DEBIT CARD



Over time, debit cards have seen a significant evolution as a result of customer demand and technology advancements. The following list highlights three crucial turning points in debit card history. The Bank of Delaware begins a test program for debit cards in 1966 as a replacement for carrying cash or a check book. This new debit card system is taking a while to catch on because there is no technology to link businesses with banks outside of their home states.

1969: Chemical Bank in Rockville, New York, installs the nation's first automatic teller machine (ATM). Customers can withdraw cash by filling out a form and entering their PIN. In the 1970s, debit cards improved the process's usability.

2017: Roughly 66% of American customers said they prefer using debit cards for payments over credit cards because they provide them more control over their finances by preventing overspending and interest fees. A plastic card called a debit card, often known as a bank card or check card, gives the cardholder electronic access to one or more bank accounts held at a financial institution. While most cards send a request to the cardholder's bank to withdraw money from a specified account in favor of the payee's specified bank account, some cards have a stored value with which a payment is made. When making purchases, the card can be used as an alternative to cash.

Debit card use has become so commonplace that in several nations it has completely replaced or surpassed the volume of checks and, in some cases, cash transactions. Debit card development, in contrast to credit card development, has typically been country-specific, leading to a variety of distinct systems around the world that were frequently incompatible.

Since the middle of the 2000s, a number of projects have made it possible to use debit cards issued in one nation in another, as well as to make purchases over the phone and the internet. Debit cards work similarly to credit cards, except instead of requiring the bearer to pay the money back later, it is sent directly from the bearer's bank account.

Debit cards frequently function as the ATM card for cash withdrawals because they enable rapid cash withdrawals. Customers may also be provided with cash back options by retailers, which allow them to withdraw cash concurrently with their purchases.

Features of Debit card:

- ✚ Withdrawals can only be made via the debit card service if there is money existing in the allocated account.
- ✚ The cardholder is responsible for keeping enough money in the allocated account to cover withdrawals and service fees.
- ✚ Debit cards are less expensive than credit cards. The payment is promptly taken out of our bank account. “
- ✚ A debit card can be obtained without a credit check, and its spending is only as much as it's available balance.

❖ CREDIT CARD



A credit card is a little plastic payment card that is given out to customers. It enables its holder to make purchases of goods and services on the promise that they will be paid for. To relieve people of the stress of carrying large amounts of cash, credit cards were created. Credit cards allow cardholders to access credit facilities for a predetermined amount of time without providing the issuing bank with any security. When a purchase is made, the user would give consent to pay by signing a receipt with of the card a record details and specifying the amount to be paid. Card holders can settle their hotel bills, ticket payments, hospital expenses, etc. Major credit cards include Visa and MasterCard.

❖ **Mobile Banking**

Banks are embracing mobile phones as a delivery method for banking products and services due to the high mobile penetration in India. The most popular methods include SMS, mobile websites, and Android and ios apps. Customers can use a variety of services, including bill payment and fund transfers. State bank Anywhere, Fed net, Can bank, and other well-known mobile banking apps are only a few examples. The Reserve Bank of India oversees the National Payments Corporation of India's (NPCI) Unified Payments Interface (UPI), a payment system that enables real-time fund transfers between two bank accounts on mobile devices.

❖ **POS (Point of sale)**

A payment terminal is a device that interacts with payment cards to make electronic financial transfers. It is also referred to as a point of sale terminal, credit card terminal, EFTPOS terminal, or PDQ terminal in the UK.

Although there are many different terminal types accessible to retailers, the majority of them serve the same fundamental purposes. The necessary credit/debit card information can be manually entered, swiped, or inserted by the merchant. This information can then be sent to the merchant service provider for authorization before being used to send payments to the merchant. Most modern models can process gift cards, checks, and other payment methods in addition to credit and debit cards. The majority of card terminals use connected or wireless Internet connections or regular phone lines to send data. The main disadvantage of this is that immediate authorization was not available when the card was processed, which can lead to unsuccessful payments. Some additionally have the capability to cache transactional data to be communicated to the gateway processor when a link becomes available. Card data can be sent from distant wireless terminals using cellular or satellite networks.

❖ **Payments Bank**

The Reserve Bank of India has conceived a new type of bank called a “payments bank.” (RBI). These banks are able to take restricted deposits, which are now only allowed for customers with accounts up to one lakh rupees and may be raised further. Loans and credit cards cannot be issued by these banks. Such banks are capable of managing current and savings accounts. Banks that handle payments can provide services including mobile banking, net banking, debit cards, and ATM cards. The first live payments bank in India has been founded by Airtel. The second such service to be introduced in the nation is Paytm. After Bharti Airtel and Paytm, India Post Payments Bank is the third organization to be granted a payments bank license. On March 3, 2017, the Aditya Birla Group obtained a bank authorization for payments. Different from scheduled banks like SBI, ICICI, HDFC, and others are payments banks. The Banking Regulation Act of 1949 will govern payments banks. Utility bills are acceptable at the bank. It is not permitted to set up subsidiaries to carry out non-banking activities.

The maximum deposits per client will initially be set at 100,000, although the RBI may increase this limit depending on the bank’s performance. Lending operations cannot be carried out by the bank. There must be 25% of its branches in unbanked rural areas. To set itself apart from other sorts of banks, the bank must refer to itself as a “payments bank” in its name. To set itself apart from other sorts of banks, the bank must refer to itself as a “payments bank” in its name. The banks will be registered as public limited companies under the Companies Act of 2013 and granted a license as payments banks under Section 22 of the Banking Regulation Act of 1949.

❖ **Electronic Wallets / Mobile Wallets**

Generally speaking, payment services carried out from or via a mobile device that are governed by financial regulations are referred to as “mobile wallets” or “e-wallets.” A customer can use a mobile phone to pay for a variety of services and hard or digital goods instead of cash, checks, or credit cards. Although the idea of employing non-coin-based monetary systems has been around for a while, the technology to support them has only lately become publicly accessible.

A customer can send an SMS, use a Java application over GPRS, a WAP service, an IVR system, or other mobile communication technologies to make a money transfer or pay for goods and services. Different countries throughout the world are embracing mobile payment in different ways.

According to Financial Access' 2009 Report "Half the World is Unbanked," which estimates that up to 50% of the adult population worldwide is unbanked, mobile payment solutions have been introduced in developing nations as a way of extending financial services to this group. Micropayments are frequently made through these payment networks.

Paytm has become a leader in this market in India. With over 150 million wallets and 75 million Android app downloads as of November 2016, Paytm Wallet, which was introduced in 2013, has grown to become India's largest mobile payment service platform.

The demonetization of the 500 and 1000 rupee notes was a major factor in the increase in service usage. The volume of transactions and revenue for Paytm considerably increased after November 8th.

Payment procedure of Mobile wallets:

1. Initial payment:
 - User registers, enters their phone number, and the provider sends them an SMS with a PIN.
 - User enters the received PIN, authenticating the number.
 - User enters their credit card information, or another payment method, if necessary (not necessary if the account has already been added), and validates the payment.
 - User enters their PIN again to authenticate and validate payment. These solutions can be directly integrated with or mixed with operator and credit card payments using a single platform for mobile online payments.
2. The customer can also make a payment by selecting the mobile billing option at the checkout of an online store, such a gaming portal. The customer's mobile account is paid for the purchase following two factor authentication using a PIN and One-Time-Password (commonly shortened as OTP). It is a real alternative payment method that completely avoids banks and credit card firms by not requiring the use of credit/debit cards or pre-registration at an online payment solution like PayPal. In both Europe and America, this kind of mobile payment technique is quite common and well-liked.

3. In order to complete a transaction, the customer may also use web pages that are shown or extra programs that have been downloaded and set up on the mobile device. As its foundational technology, it makes use of WAP (Wireless Application Protocol).
4. Payment model using QR codes. The 2D barcodes used in QR codes are square.



In use since 1994, QR codes. Initially utilized to track goods in warehouses, QR codes were intended to replace conventional (1D bar codes). Typical bar codes are just a series of digits that can be looked up in a database and transformed into anything useful. Bar codes known as QRs, or “Quick Response” codes, were created with the purpose of storing important data directly inside the barcode. This form of payment is extremely well-liked in India. Customers can make payments using QR codes through mobile wallets like Paytm, Freecharge, etc.

Some of the most popular E-wallets providers are as follows:

➤ **Paytm**



The electronic payment and e-commerce company Paytm is situated in Delhi, India. It was introduced in August 2010 and serves as One97 Communications' parent company's consumer brand. As of January 2017, the company had over 13,000 workers and 3 million offline retailers throughout India. Additionally, it manages the Paytm Wallet and payment gateway. In addition to other investment options, Paytm became the first Indian business to accept capital from Chinese e-commerce giant Alibaba in 2015 after raising more than \$625 million at a \$1.5 billion valuation. One97 Communications, the parent business of Paytm, had the largest stakeholder, the Alibaba Group.

Paytm invested more than INR 200 crores in 2017 to become the official title sponsor of the Indian Cricket team. In 2010 One97 Communications Limited created and incubated Paytm as a website for prepaid mobile recharges. Its founder Sharma explained in an interview how he was motivated after seeing vegetable vendors in China accepting payments from some clients using their cell phones. As a result, he founded the Paytm wallet in 2013, which as of November 2016 has more than 150 million wallets and 75 million Android app downloads, becoming India's largest mobile payment service platform.

The demonetization of the 500 and 1000 rupee notes was a major factor in the increase in service usage. The volume of transactions and revenue for Paytm considerably increased after November 8th. The Reserve Bank of India granted Paytm a license in 2015 to launch "Paytm banks limited," one of India's first payment banks. To promote a cashless economy, they hoped to exploit the existing user base of Paytm to offer new services including debit cards, savings accounts, online banking, and transfers. The payments bank would be a distinct organization. Paytm launched Paytm Bank Payment for Paytm E-Wallet Users in May 2017. Both a browser and an app are available for the service on the Android, Windows, and ios operating systems.

Users of the Paytm Wallet application can reserve flights and cabs, recharge their phones, and pay for DTH, broadband, and energy, among other things. Money transfer is only available to mobile users; it is not available to PC users. Additionally, users can use the wallet to purchase movie tickets at PVR Cinemas and pay for gas at Indian Oil Petrol outlets. For its clients, Paytm offers a secure and practical digital payment option.



LogoTaglines.com

PhonePe is an Indian startup that specializes in financial technology and digital payments with its headquarters in Bengaluru, Karnataka. Burzin Engineer, Sameer Nigam, and Rahul Chari started PhonePe in December 2015. In August 2016, the Unified Payments Interface (UPI)-based PhonePe app went online. Flipkart, a Walmart subsidiary, is the owner of it. There are 11 Indian languages represented in the PhonePe app. Users of PhonePe can send and receive money, reload data, DTH, mobile, and utility cards, pay for goods and services, buy insurance, mutual funds, gold, and silver, and invest in liquid and tax-saving funds. Through its Switch platform, PhonePe also enables customers to reserve their Ola rides, pay for Redbus tickets, and reserve flights and lodging on Goibibo.

More than 2.5 crore offline and online retail locations in 15,700 cities and villages accept PhonePe as a form of payment. As of June 2018, the app served over 10 crore users, and by December 2019, it had handled 500 crore transactions. With over 15 crore monthly active users, it currently has over 35 crore registered users.

The Reserve Bank of India has granted PhonePe authorization number 75/2014, dated August 22, 2014, to issue and operate a semi-closed prepaid payment system. Incorporated in December 2015, PhonePe. The Fx Mart license was given to PhonePe and rebranded as the PhonePe wallet as part of Flipkart's acquisition of the business in April 2016. The CEO of the business was chosen to be Sameer Nigam, the creator of PhonePe. The business teamed up with Yes Bank in August 2016 to introduce a mobile payment app based on the UPI technology, which is supported by the government. Over one crore users downloaded the app within three months of its release. 2018 saw PhonePe become the Indian payment app with the fastest five crore badge on Google Play. In August 2017, the PhonePe app passed BHIM to take the top spot in the market for UPI transactions.



The headquarters of the e-commerce portal Freecharge are in Mumbai, Maharashtra. It offers the ability to recharge any prepaid mobile phone, postpaid mobile phone, DTH, and data cards in India online. In what is being referred to as the second-largest takeover in the Indian e-commerce sector to date, Snapdeal bought Freecharge on April 8, 2015. Freecharge was recognized by Pluggd.in in 2011 as one of India's most promising technology firms.

On April 8, 2015, Indian online shopping Freecharge was purchased by Snapdeal for Rs. 2800 crores. It offers the ability to reload any prepaid mobile in India online. Recharges are essentially free because the user's payment for them is refunded in the form of shopping coupons from some of India's leading retailers.

McDonald's and Barista were the first two businesses for whom coupons were offered, and other major retailers including Café Coffee Day, Domino's Pizza, Puma, Shoppers Stop, and Jet Airways followed.

The website had 1.5 million registered users in January 2012, and by November 2012, that number had risen to 2.8 million. Demonetization caused a significant surge in the download of the Freecharge wallet app from the Android Play store after November 8, 2016.



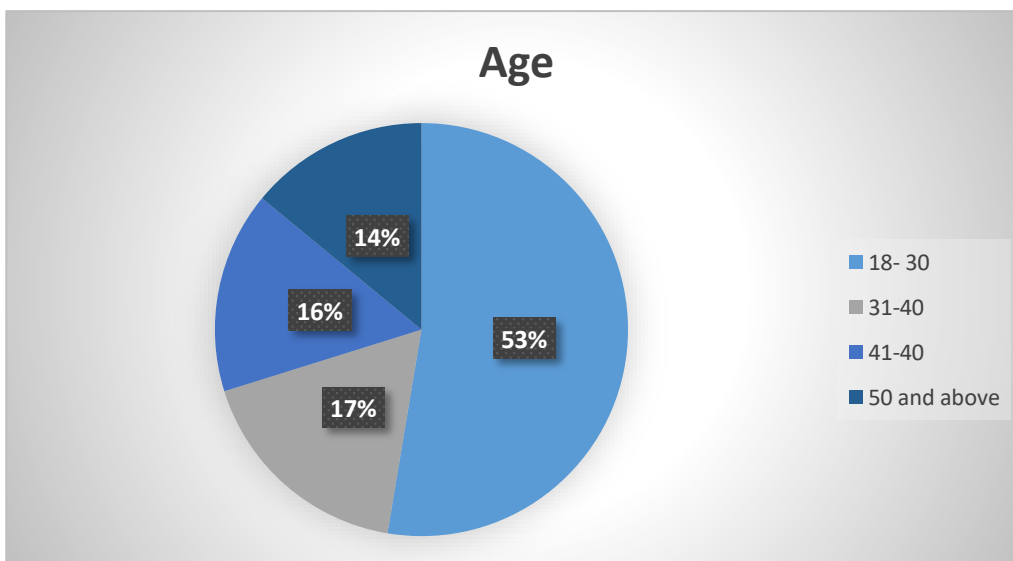
State Bank Buddy is the mobile wallet from State Bank of India on your Smartphone. It is a prepaid wallet that enables anytime, anywhere money transfers to bank accounts and wallet users. Send Money, Prepaid Mobile Recharge & DTH, Pay Your Bills, Book Movie Tickets, Online Merchant Payments, etc. will all be available on the Buddy mobile app.

CHAPTER – IV

DATA ANALYSIS AND INTERPRETATION

Table 4.1: Age wise Classification of Respondents

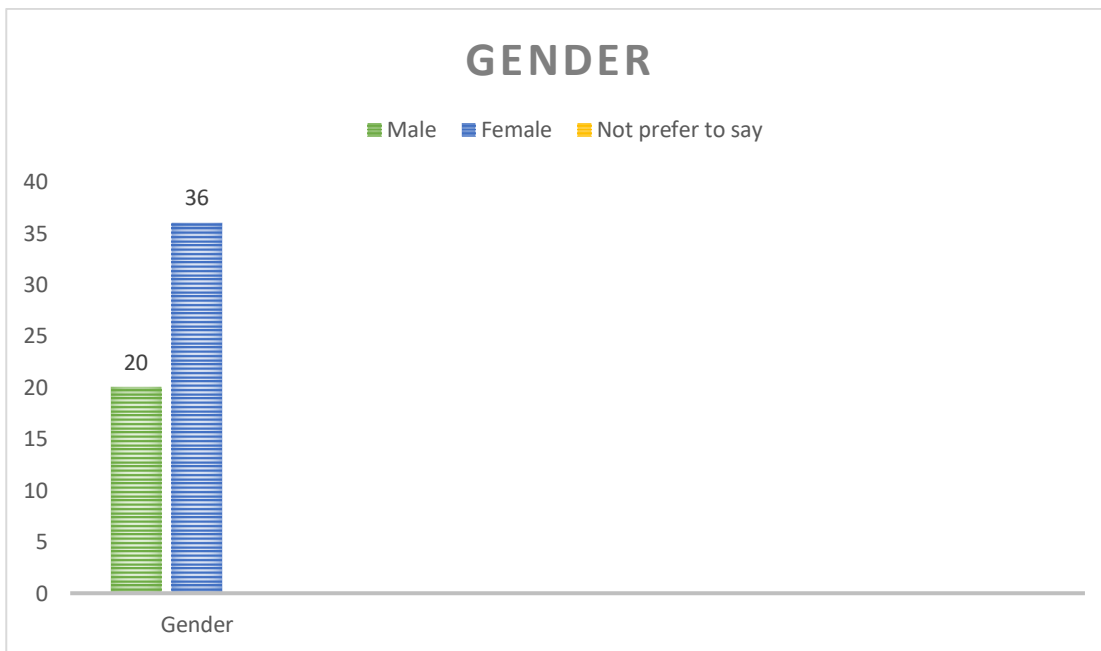
Age Group Of customers	Total Number of Respondents	Percentage
18 - 30	30	52.6%
31 - 40	10	17.54%
41 - 50	9	15.78%
50 and above	8	14.08%
TOTAL	57	100%



This Table shows that out of 57 respondents, 53% of people are in the age group of 18-30 whereas 17% of people are in the age group of 31 – 40. Age group 41 -50 consists of 16% of people and 14% of people are of age 50 and above.

Table 4.2: Gender wise Classification of Respondents

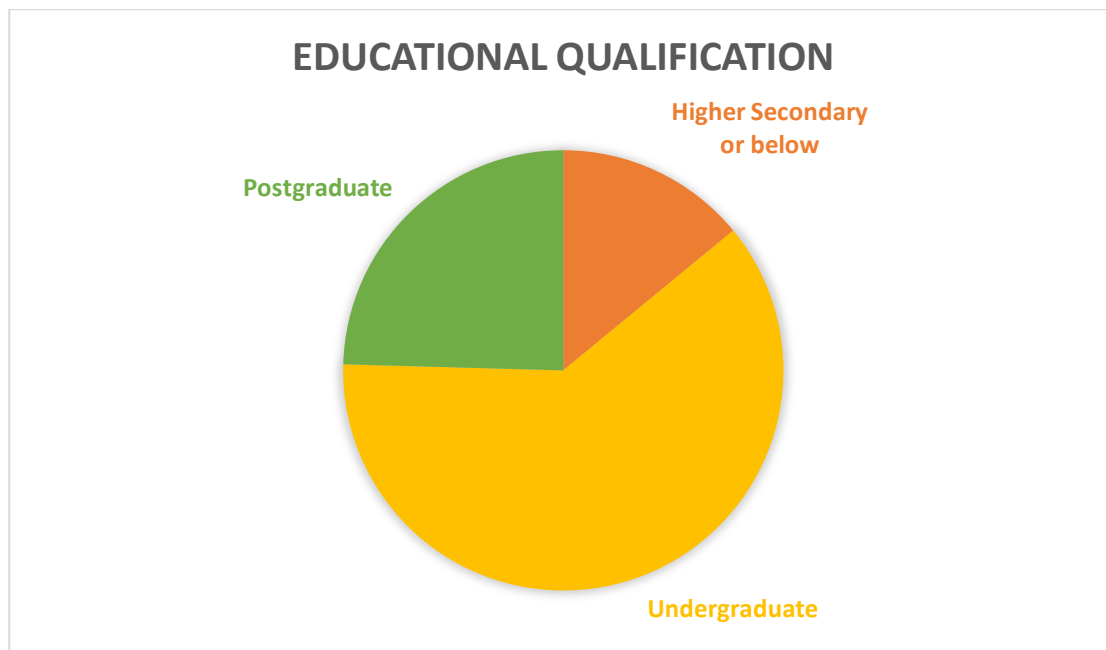
Gender	Number of Respondents	Percentage
Male	20	35.1%
Female	36	63.2%
Not prefer to say	1	1.7%
TOTAL	57	100%



This Table shows that out of 57 respondents, 35% of people were Males, whereas 63% of them were Females.

Table4. 3: Educational background of Respondents

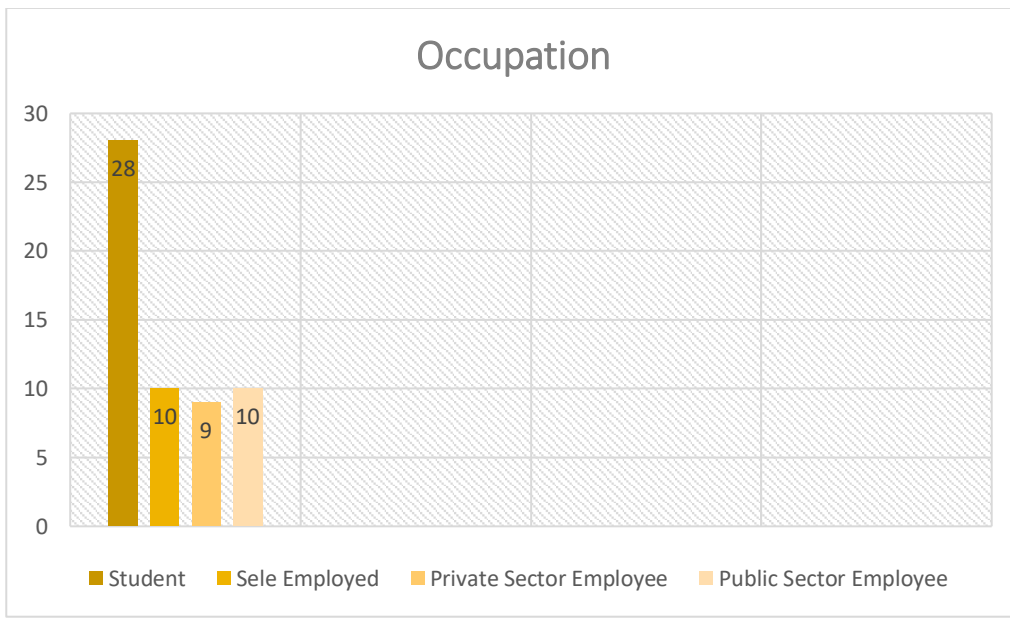
Educational qualifications	Number of respondents	Percentage
Higher secondary or below	8	14.04%
Undergraduate	35	61.4%
Postgraduate	14	24.56%
TOTAL	57	100%



This Table shows that out of 57 respondents, 14% holds an educational qualification of ‘Higher secondary OR Below’, and 61% of them are Undergraduates whereas only 24% of them are Post graduates.

Table 4. 4: Occupational classification of Respondents

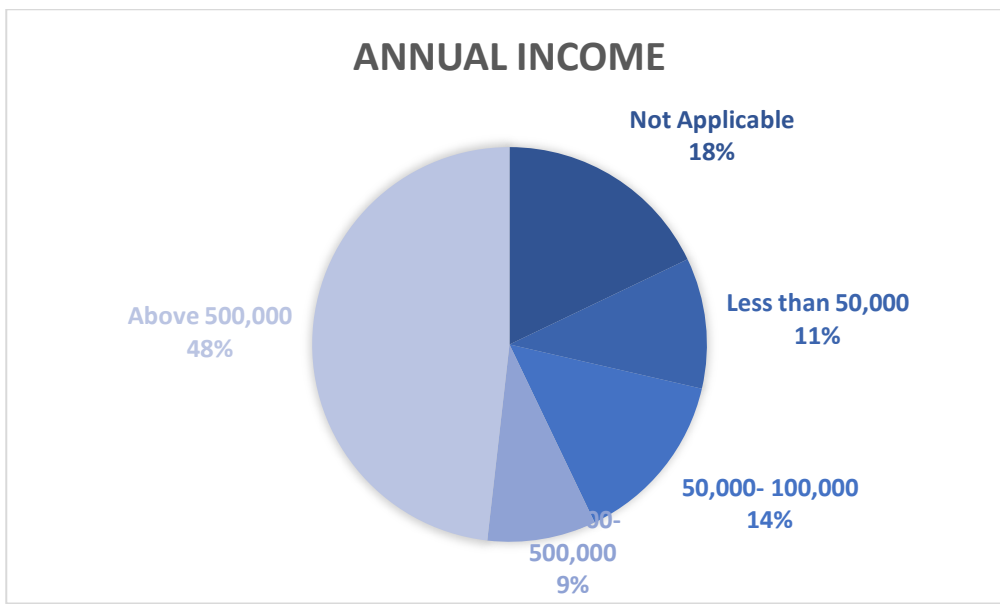
Occupations	No. Of Respondents	Percentage
Student	28	49.12%
Self Employed	10	17.54%
Private sector Employee	9	15.8%
Public sector Employee	10	17.54%
Total	57	100%



This Table shows that out of 57 respondents, 49% of them are students and has limited income. But 16% of respondents are working in the private sector. Whereas 17% of them are working in the public sector. About 17% of respondents are self-employed.

Table 4.5: Annual Income of Respondents

Annual Income	Number of respondents	Percentage
Not Applicable	10	17.9%
Less than 50,000	6	10.7%
50,000 – 100,000	8	14.3%
100,000 – 500,000	5	8.9%
Above 500,000	28	48.2%
TOTAL	57	100%

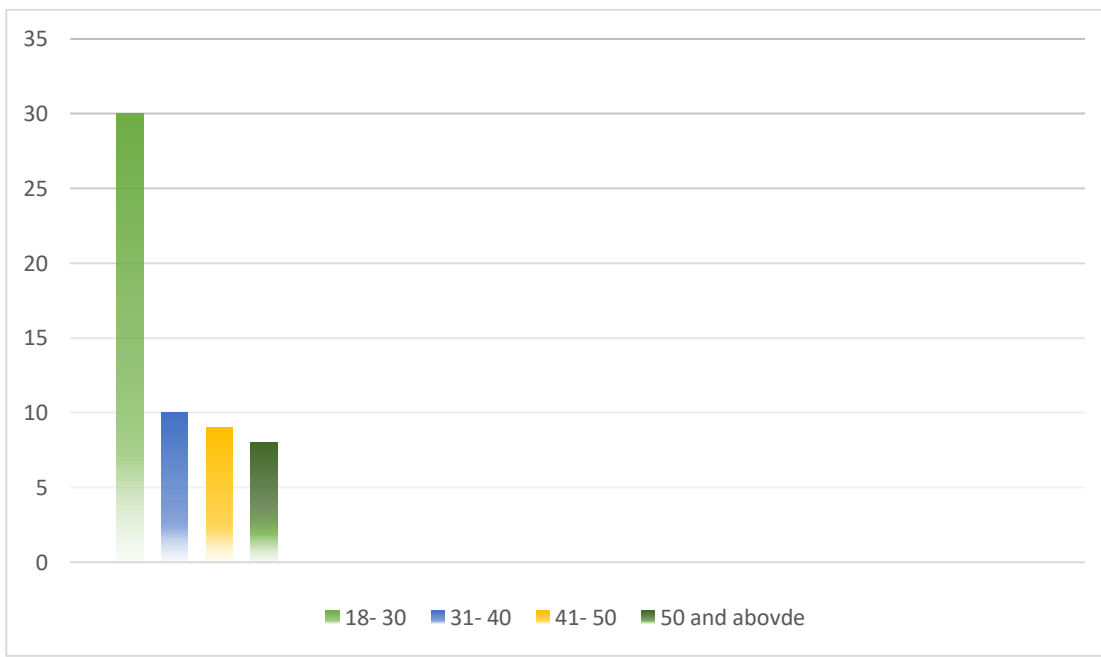


This Table shows that out of 57 respondents, 18% of them are students and has limited income or ‘NOT APPLICABLE’.

11% of respondents have Annual income less than fifty thousand whereas majority of the respondents, i.e. 14% of them have annual income between fifty thousand and one lakh and 9% have in between one lakh and five lakhs. But only 48% of respondents have Annual income above five lakhs.

Table 4.6: Age of Respondents who is aware of the E - Payment Systems

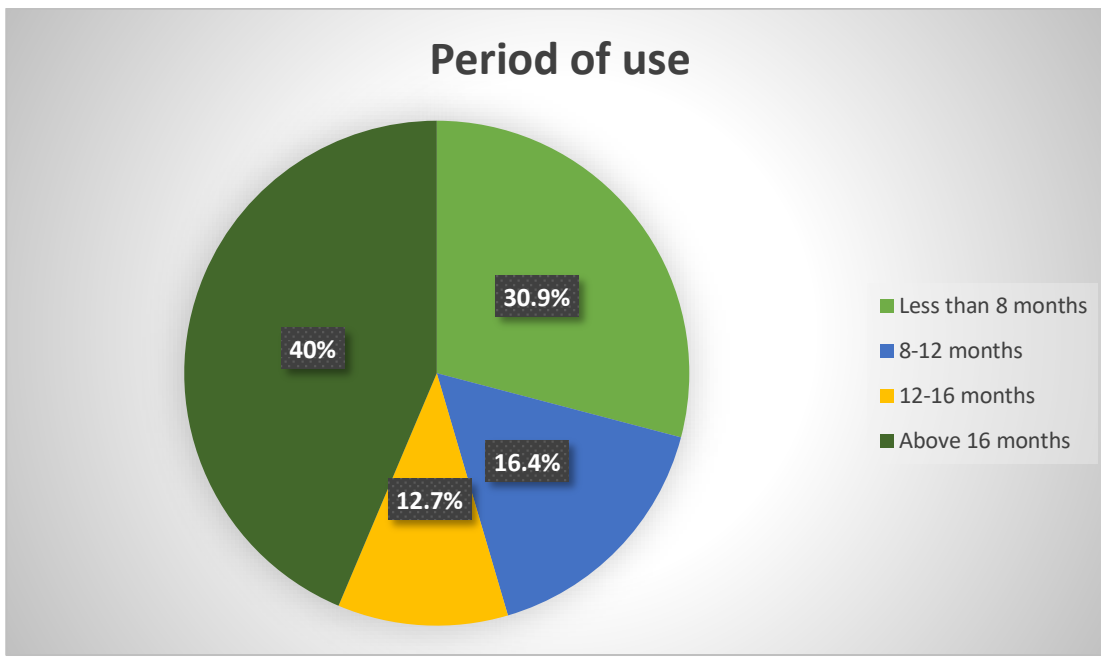
Age	Number of respondents	Percentage
18 – 30	30	52.6%
31 – 40	10	17.54%
41 – 50	9	15.78%
50 and above	8	14.08%
TOTAL	57	100%



This Table shows that out of 57 respondents, 53% of people are in age group of 18-30 are aware where as 18% of people in age of group of 31-40 were aware. Age group 41-50 consists of 16% and group 50 and above 14% are aware.

Table 4.7: Period of use of E- Payment Systems

Period of use	Number of respondents	Percentage
Less than 8 months	16	30.9%
8 – 12 months	9	16.4%
12 – 16 months	6	12.7%
Above 16 months	24	40%
TOTAL	57	100%



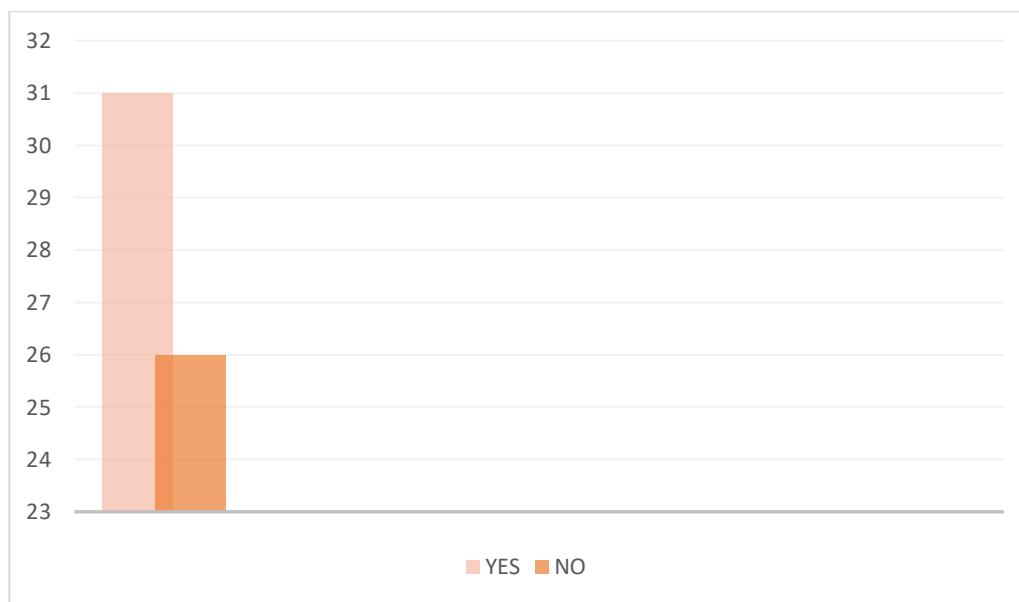
This Table shows that out of 57 respondents who are aware of E-payment Systems, 31% of people started to use E-payment systems in less than 8 months whereas 16% of them started to use in between 8 – 12 months.

47% of respondents are users of E-payment systems for more than one year.

Out of these 13% of them started to use in a period of 12 – 16 months and 40% of them started to use above 16 months.

Table 4.8: Usage of E- Payment services of more than one financial institution

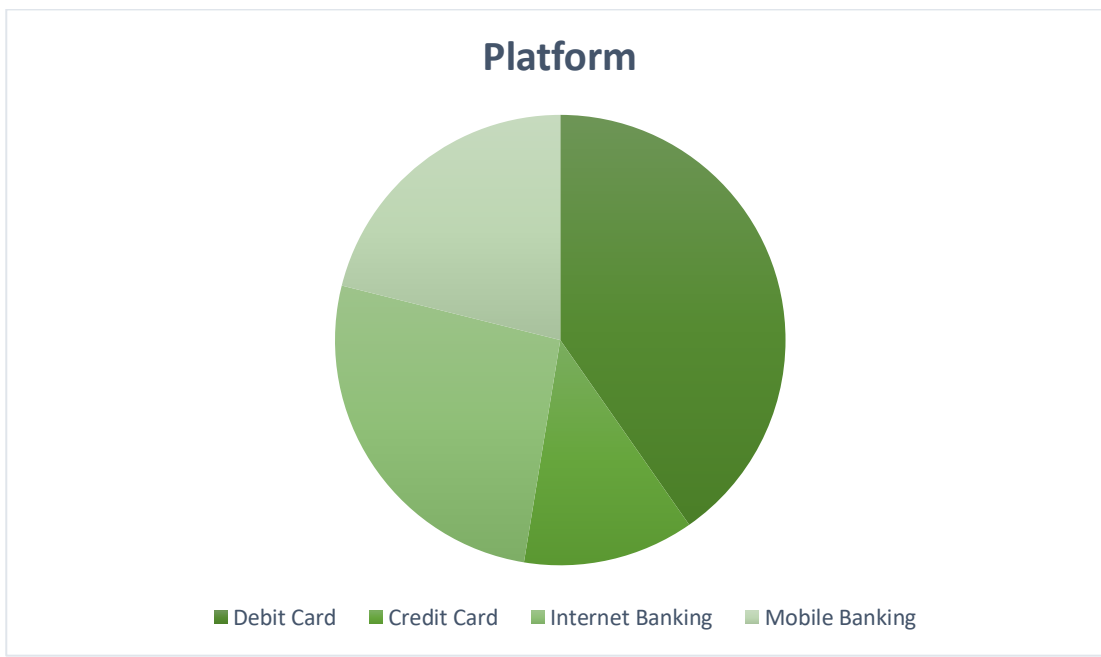
Response	No. Of Respondents	Percentage
YES	31	56.1%
NO	26	43.9%
TOTAL	57	100%



This Table shows that out of 57 respondents who are aware of E-payment Systems, 56% of them are using E-payment services of more than one financial institution whereas 44% of them are not.

Table 4.9: Platform of various E- Payment services provided by the banks are used

Responses	Preference	Percentage
Debit Card	23	40.3%
Credit Card	7	12.28%
Internet Banking	15	26.31%
Mobile Banking	12	21.11%
TOTAL	57	100%



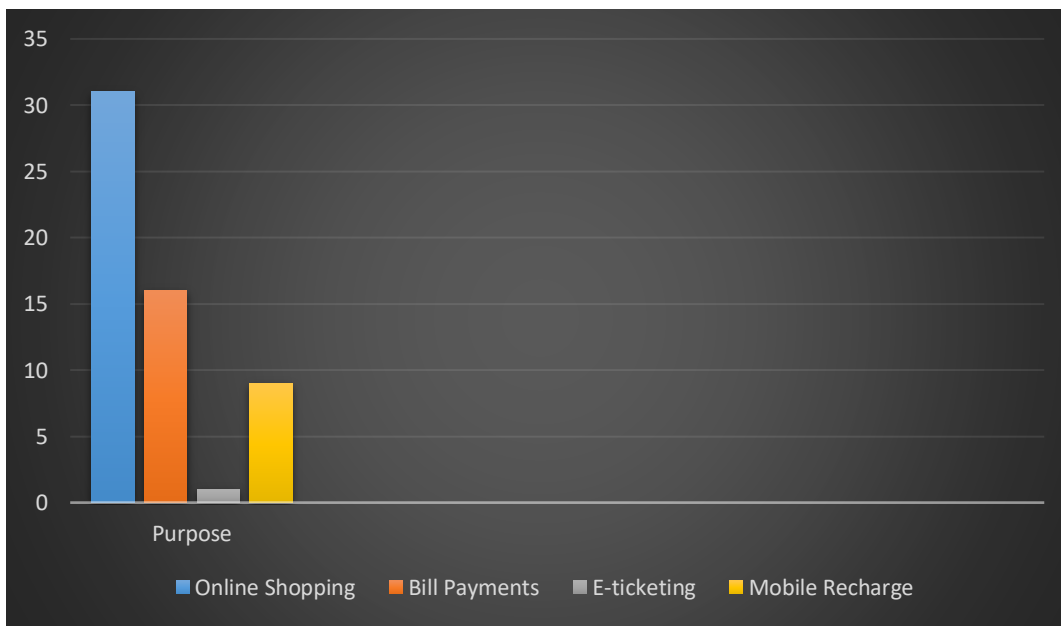
This Table shows the most preferred E-payment services provided by Banks among the customers.

Out of 57 respondents who are aware of E- payment Systems, 40% of customers use Debit card more often, whereas Internet banking is used by only 26% of customers, closely followed by Mobile banking 21%.

Only 12% of customers uses Credit card.

Table 4.10: Purpose of Using E- Payment Systems

Purpose	Preference	Percentage
Online shopping	31	56.1%
Bill payments	16	28.1%
E- ticketing	1	3.5%
Mobile recharge	9	12.3%
TOTAL	57	100%

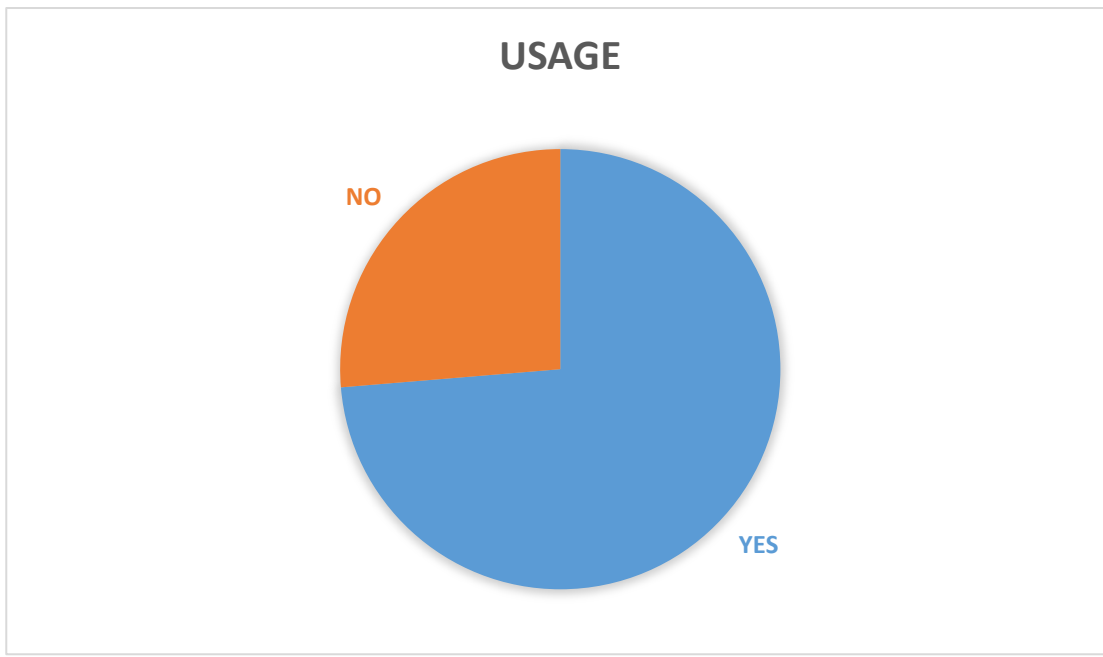


This Table shows that, among the customers who use E-payment services, most of them, that is, 28% of customers use ‘Bill payments’ as their primary purpose.

Only 56% does Online shopping, closely followed by mobile recharges– 12%, whereas 4% of them use it for E-ticketing.

Table 4.11: Use of E – Wallets

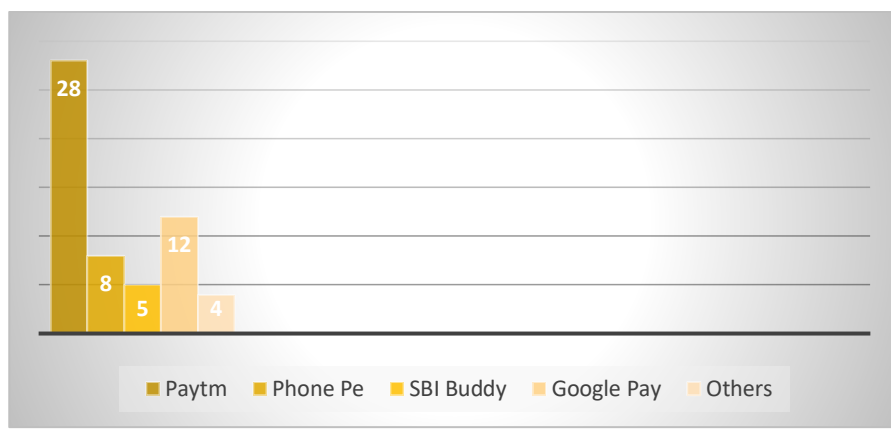
Response	No. Of Respondents	Percentage
YES	33	57.8%
NO	24	42.1%
TOTAL	57	100%



This Table shows that out of 57 respondents, 58% of them uses E-wallets, whereas 42% of them are non – users.

Table 4.12: Favorite E - Wallet service provider

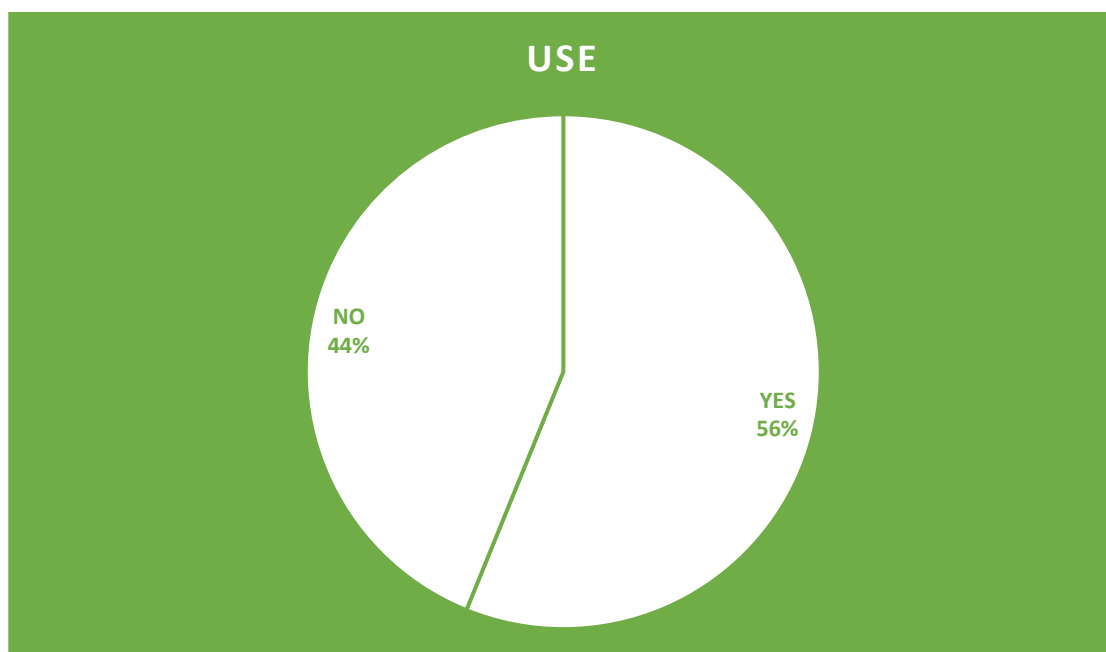
E-wallet service Providers	No. Of Respondents	Percentage
Paytm	28	49.12%
PhonePe	8	14.03%
SBI buddy	5	8.77%
Google Pay	12	21.05%
Others	4	7.03%
TOTAL	57	100%



This Table shows that out of 57 respondents who use E-wallet, 49% of them voted ‘Paytm’ as their favorite E- wallet whereas 9% of them said that ‘SBI buddy’ is their favorite closely followed by Google pay and others with 21% and 7% respectively.

Table 4.13: Use of E-wallets for bill payments at shops

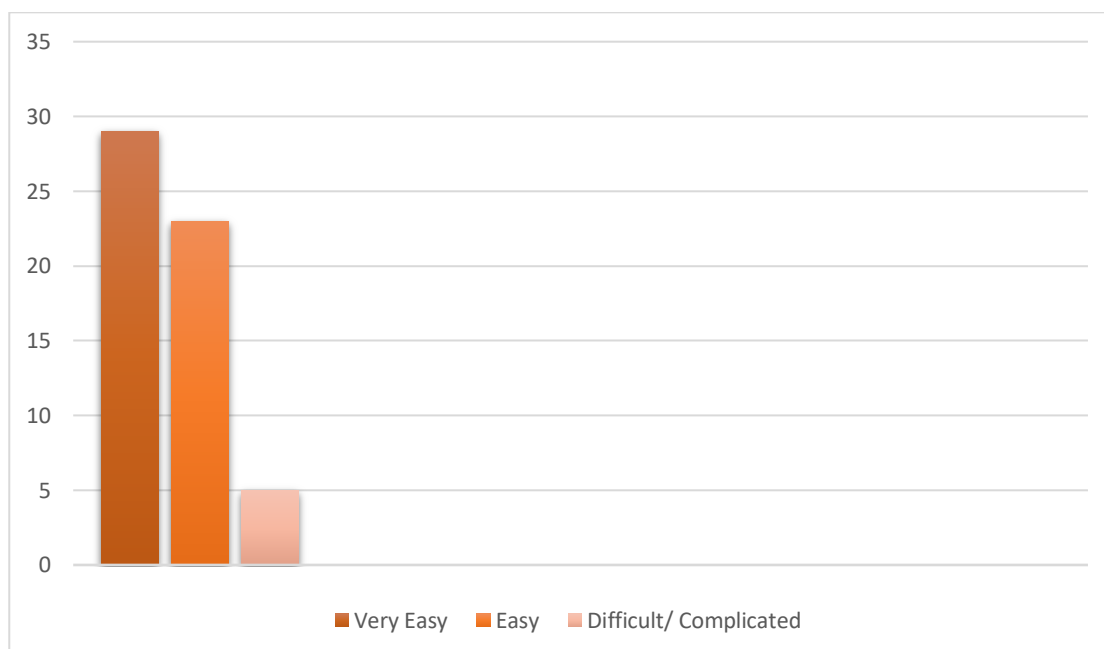
Response	No. Of Respondents	Percentage
YES	32	56.14%
NO	25	43.85%
TOTAL	57	100%



This Table shows that out of 57 respondents who use E-wallet, 56% of them uses it for bill payments at shops whereas 44% of them do not uses their E wallet for bill payments at shops.

Table 4.14: Perceived Ease of using E- Payment Systems

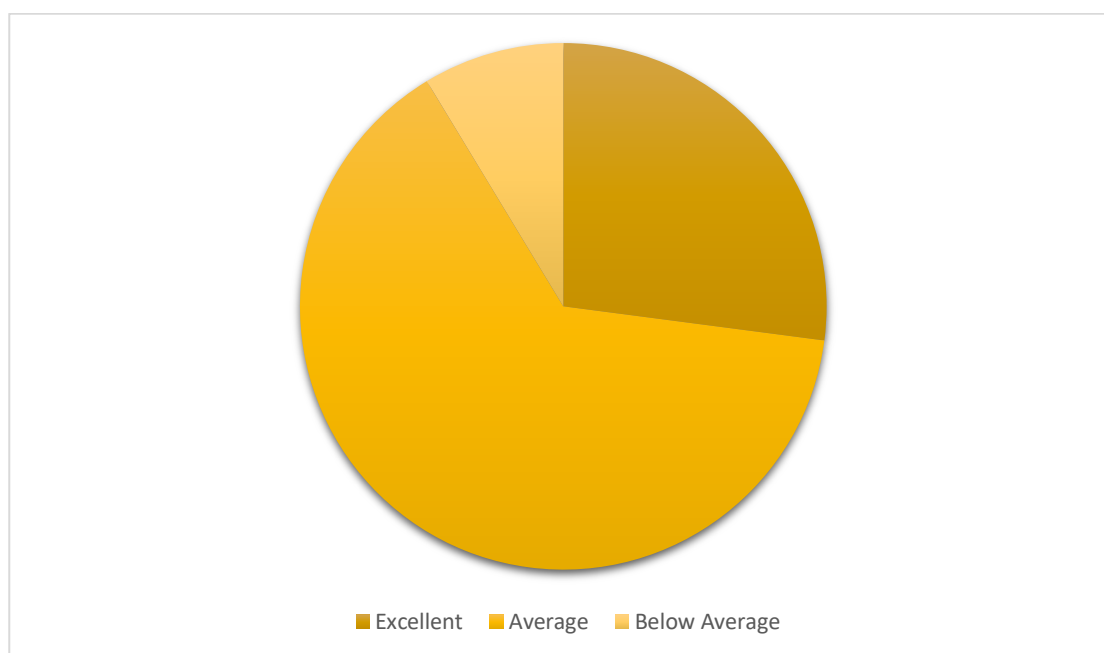
Easiness	Response	Percentage
Very Easy	29	50.9%
Easy	23	40.35%
Difficult / Complicated	5	8.79%
TOTAL	57	100%



Among the customers who use E-payment services, 52% said using E- Payment Systems is ‘very easy’. Whereas, 41% of customers rated it as ‘Easy’. But only 9% customers feel using E-payment system is ‘Difficult or Complicated’

Table 4.15: Proper Customer Care Assistance/ Complaint Redressal Mechanism

Customer Care Assistance	Response	Percentage
Excellent	16	28.1%
Average	38	66.7%
Below Average	3	5.2%
TOTAL	57	100%

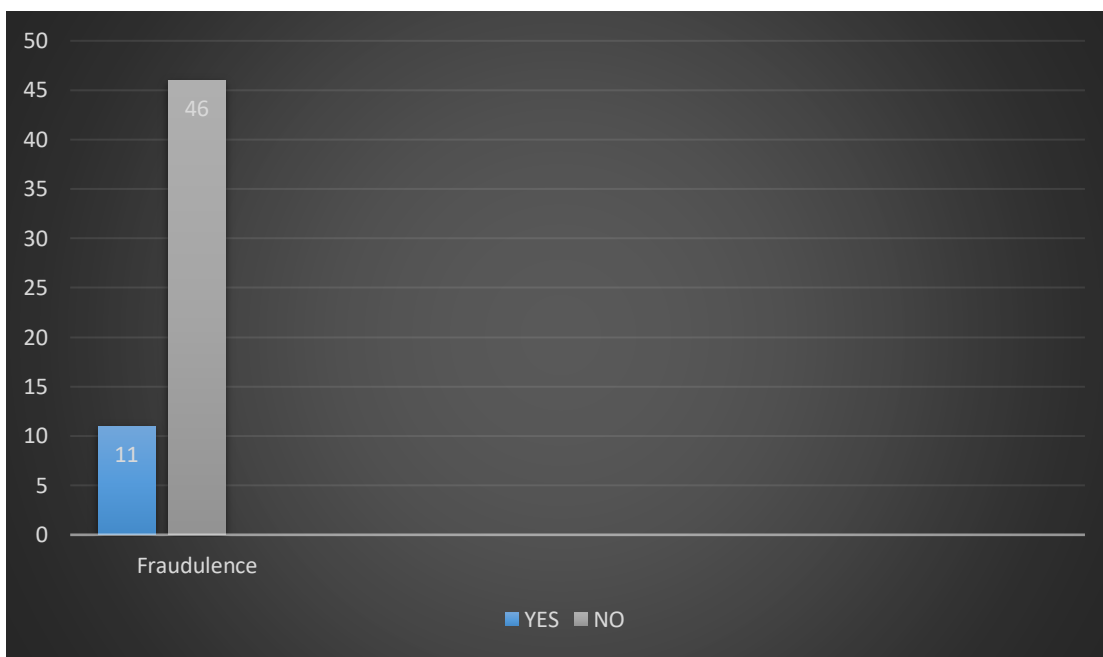


This Table shows that, about 29% of the respondents reveals they get excellent quality customer care assistance from their banks whereas 67% of them reveal that they get average assistance. But only 5% of respondents said that they are getting poor or below average customer care assistance. They feel it is to be improved a lot.

E-payment service providers should try their best to give their customers the trust and satisfaction. Efficient customer care assistance and complaint redressal is must for that.

Table 4.16: Experienced any fraudulence while using E- Payment Systems

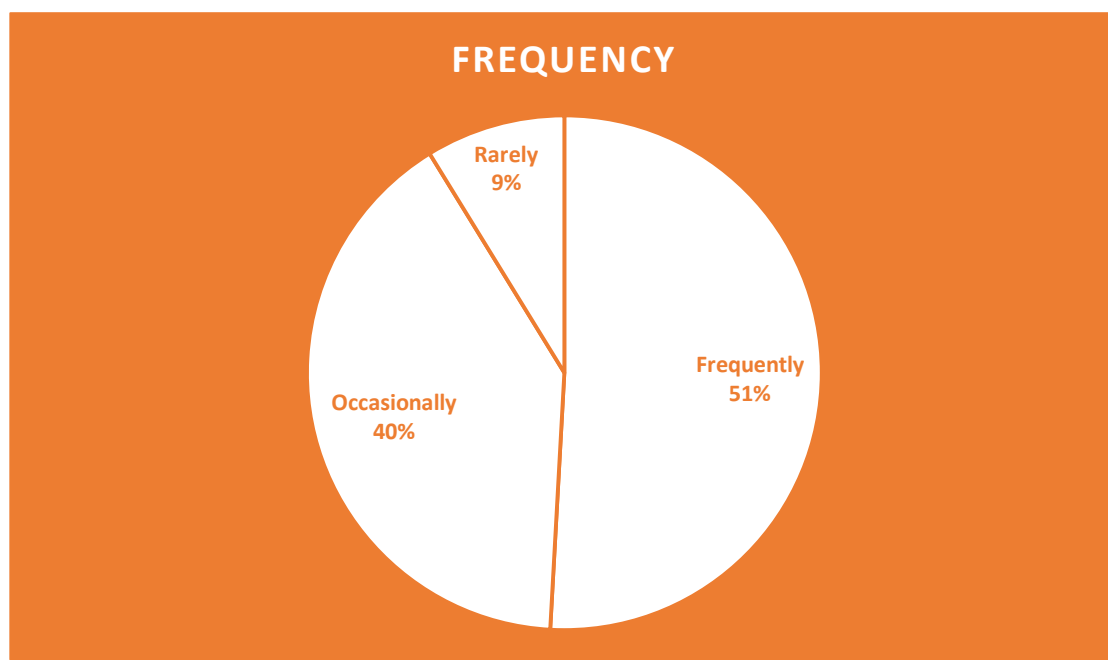
Response	No. of Respondents	Percentage
YES	11	19.3%
NO	46	80.70%
TOTAL	57	100%



This Table shows the response by customers whether they had experienced any Fraudulent activity in past while conducting E-payment services. 81% customers said that they didn't come across any such fraudulence. Of course, E- payment service providers are nowadays providing many security features. Encryptions, Two Factor Verification, etc are some of these. But 19% of customers said that they had experienced some kind or other fraudulence.

Table 4.17: Frequency of use of E - Payment Systems

Security	Response	Percentage
Frequently	29	50.9%
Occasionally	23	40.4%
Rarely	5	8.8%
TOTAL	57	100%

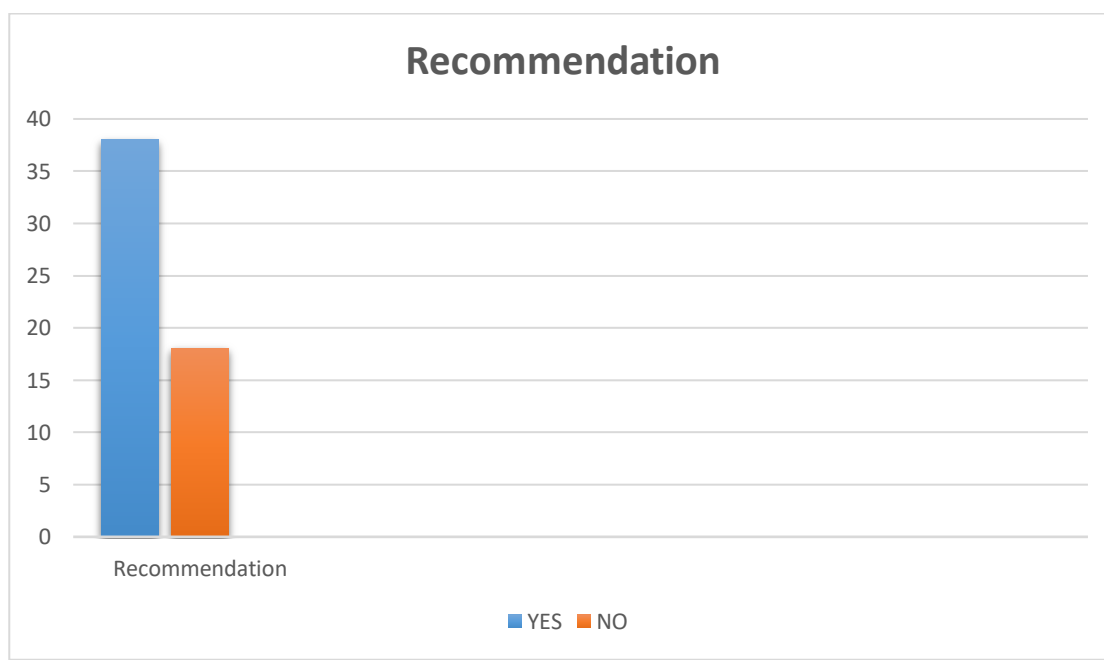


Among the customers who use E-payment services, 52% of people said that they use E-banking Services ‘Frequently’.

Whereas 40% of customers uses it ‘Occasionally’ and 9% of people use it ‘Rarely’ or when there is any urgency.

Table 4.18: Recommendation to other peoples to use E - Payment Systems

Response	No. Of Respondents	Percentage
Yes	38	68.4%
No	18	31.6%
TOTAL	57	100%

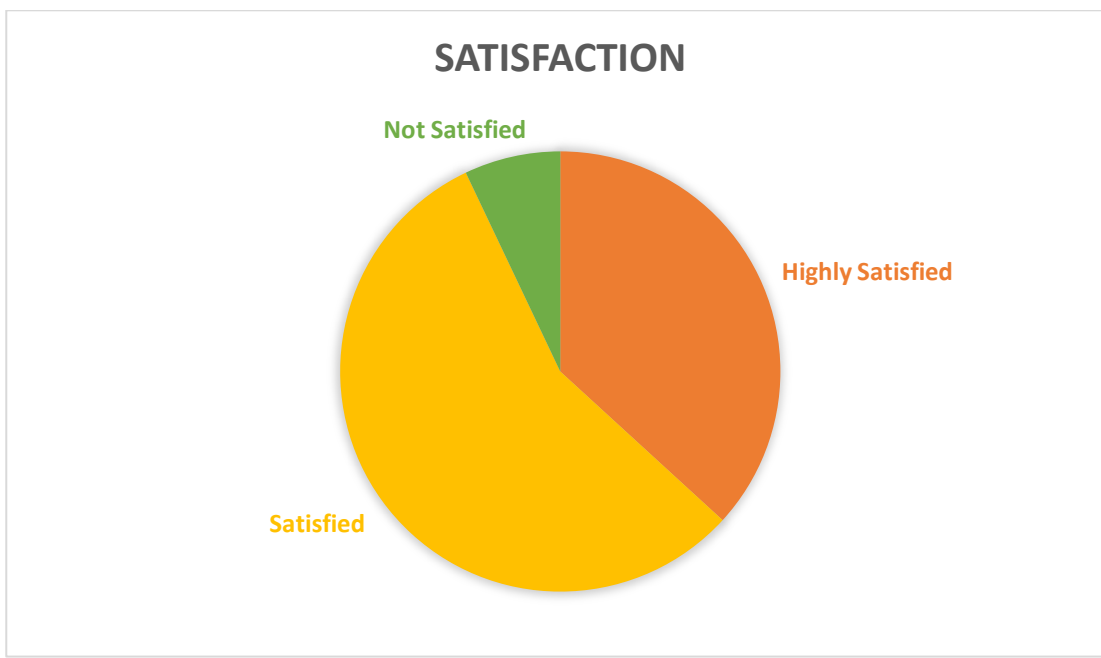


This Graph shows the response of customers whether they would recommend other people to use E-payment services. 68% customers said ‘YES’ while 32% customers said ‘NO’.

Majority of customers like to use E-payment systems and they recommend other people to use E-payment services.

Table 4.19: Satisfaction level with the use of E - Payment Systems

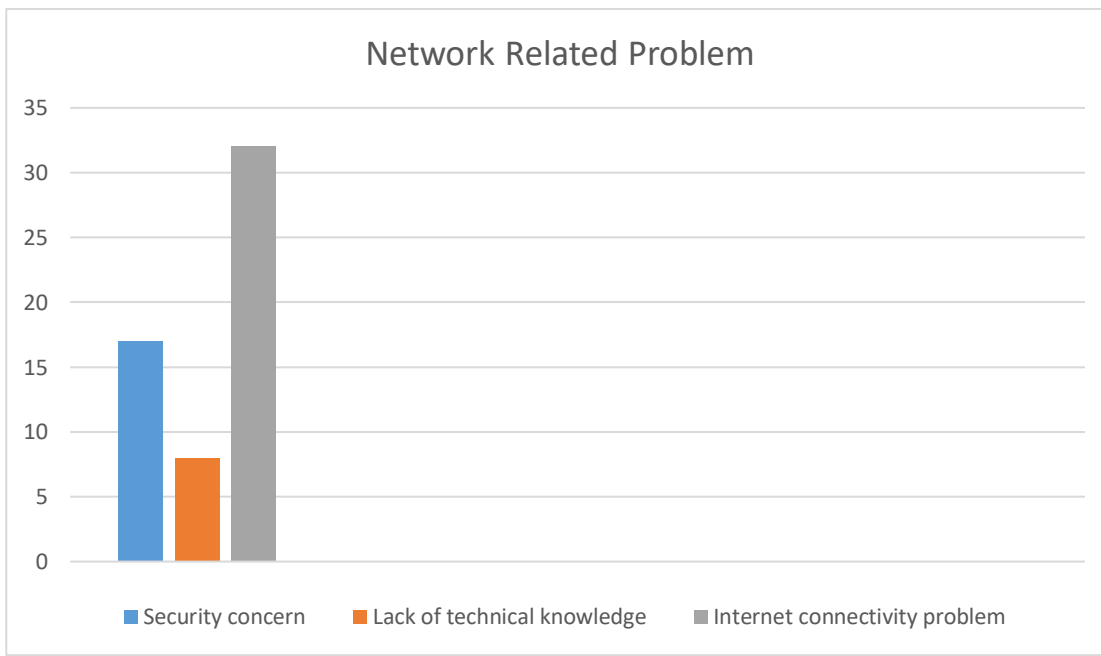
Satisfaction Level	No. Of Respondents	Percentage
Highly Satisfied	21	36.8%
Satisfied	32	56.14%
Not Satisfied	4	7.06%
Total	57	100%



Among the customers who use e-payment service, 37% of people said that they are highly satisfied with the service.56% are satisfied and 7% are not satisfied.

Table 4.20: Major network related problem while using E - Payment Systems

Network related problem	No. Of Respondents	Percentage
Security concern	17	29.83%
Lack of technical knowledge	8	14.03%
Internet connectivity problem	32	56.14%
Total	57	100%



From the above table, 30% of people have security concern. 14% of people have lack of technical knowledge and 56% of people have internet connectivity problem.

CHAPTER – V

FINDINGS, SUGGESTIONS & CONCLUSION

FINDINGS

1. The majority of customers have been using electronic payment systems for over 16 months.
2. The central government's demonetization in November 2016 had a big impact on the increase in people using e-payment systems.
3. E-payment services from several financial institutions are used by 56% of clients.
4. The platform for bank-provided electronic payment services that is most frequently utilized is the debit card. Internet banking and mobile banking are closely behind it, respectively. Because banks give instructions on how to use a debit card while creating a bank account, 50% of respondents said they prefer to use debit cards. Additionally, 30% of respondents said they preferred internet banking following the corona pandemic. The least popular method is using a credit card.
5. The majority of clients who use e-payment systems utilize the service to pay their bills. E-payment services are now more frequently used for online shopping as a result of the recent success of e-commerce companies like Flipkart, Amazon, etc. The next significant use of an electronic payment system is for electronic tickets as well as mobile and DTH recharges.
6. E-wallets are used by 57% of clients who make use of electronic payment methods.
7. According to 49% of E-wallet customers, Paytm is their preferred E-wallet service provider. SBI Buddy comes in second place with 8%. With 14% and 21%, respectively, "Phonepay" and "Google Pay" come in second and third place.
8. Only 56% of E-wallet users use their accounts to pay bills at retail establishments.
9. The majority of customers that use e-payment systems believe that doing so is simple, while just a small percentage believe it to be challenging or complicated.
10. About 28% of customers who use e-payment systems say they receive great customer service support from their service providers, while 66% say they receive average support. However, only 5% of respondents claimed to receive poor or subpar customer service support.

11. The majority of E-payment system users reported not having come across any fraud while using these services.
12. The majority of e-payment users reported regularly using the services.50% of respondents claimed to use online banking frequently. While 8% of individuals use it “Rarely” or when there is an emergency, and 40% of consumers use it “Occasionally,”
13. The majority of clients enjoy using online banking services and encourage others to do the same.
14. The adoption of electronic payment methods is often well received by customers. Furthermore, the most alluring feature appears to be ease of use.
15. The main obstacle to accepting e-payments is network-related issues.
16. The study establishes that there is no good fit between respondents’ ages and their awareness of electronic payment systems.

SUGGESTIONS

1. Financial institutions should run specific awareness campaigns and advertise to raise awareness among the public in order to improve client demand for e-payment services. Banks should use the appropriate media outlets to advertise their products and entice clients to use electronic payment systems.
2. Inform customers about electronic payment methods. The bank can also disseminate publications that explain the new E-payment system features, schemes, and applications.
3. The websites should provide the necessary information and be both appealing and functional. The website should have quick and simple navigation options and be structured for both online and mobile visitors.
4. Give them the right call center / customer care help so they can get their questions and issues resolved right away. Customers should have the option to talk in a language other than English or Hindi, such as their native tongue.
5. E-Payment services can offer the greatest variety of payment options, eliminate redirects during the payment process, and maintain the highest level of security for payment information in order to prevent network-related issues.
6. There should be sophisticated security measures in place to combat online fraud.
7. Make an effort to regularly solicit client feedback. It will contribute to better services in the future.

CONCLUSION

Study on Customer Perception of E-Payment Systems with Special Reference to Kizhakkambalam Panchayat is the focus of this study.

Customer is now king, as the marketing catchphrase goes. Customers' preferences increase as their level of awareness rises. Therefore, it is essential to use new technologies for better service. The success of e-payment systems depends not only on the technology but also, and to a considerable extent, on the attitude, commitment, and involvement of those involved at all levels of operation as well as the amount to which customers utilize e-payment services to their advantage. The study revealed that the number of customers using e-payment systems has been rising steadily over the past few years. According to our research, more consumers are using e-payment systems.

According to reports, Paytm, an online payment platform, recorded Rs. 5000 crores in transactions in India as a result of demonetization. Over 150 million people currently use Paytm as a mobile wallet. Due to a cash shortage, people have switched to cashless transactions. As a result, the majority of store owners began to adopt electronic wallets. Even small shops and supermarkets have begun to accept electronic payments. Nevertheless, many residents of these regions do not commonly utilize e-payment systems due to their lack of computer and internet literacy as well as a variety of security risks. As a result, they are hesitant to use e-payment services.

However, banks can encourage more consumers to utilize e-payment services by giving them the right advice and support and by developing a more convenient, adaptable, and secure way to use e-payment services. However, it is undeniable that offering reliable E-payment systems is quickly moving from being a "nice to have" to a "need to have" service. Despite several restrictions, the study was successfully completed.

CHAPTER- VI

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CHAPTER - VII

APPENDIX

QUESTIONNAIRE

Dear respondent,

The information is gathered as part of an academic project - "A Study on E- Payment Systems" under the Mahatma Gandhi University. You have been selected as a valued and knowledgeable participant in this study. Your responses will be valued and treated confidentially. It is expected that the responses are according to your own Perception. Thank you for your willingness and co-operation in this study.

1. Name	-----
2. Age	
3. What is your Educational Background?	
4. What is your Occupation?	
5. What is your Annual Income?	
6. Are you aware of E- Payment Systems?	
7. For how long are you using E- Payment Systems?	
8. Do you use E- Payment System of more/ than one financial institution	
9. Which platform among these do you use?	
10. Which among these is your purpose of using E-Payment Systems?	
11. Do you use E- Wallets?	

12. Which is your favorite E-Wallet service provider?	
13. Do you use E- Wallets for bill payments at shop?	
14. Rate your satisfaction level with the use of E- Payment Systems	
15. Perceived ease of using E- Payment Systems	
16. Are you getting proper customer care assistance/ complaint redressal mechanism?	
17. Have you experienced any fraudulence while using E- Payment Systems?	
18. What is your frequency of use of E- Payment Systems?	
19. Will you recommend others to use E- Payment Systems?	
20. What is the major network related problem while using E- Payment Systems?	