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A Study on Consumer Perception towards Mobile Wallet Industry (With Reference to Google Pay)

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Abstract: *The study examines the consumer perception towards usage of Mobile Wallet. In today's world, smart phone has become important part of everyday life. As it has become more affordable, the number of smart phone users has increased dramatically. Along with smart phone production, plenty of services have been created to utilize the possible functions of smart phones. Not only smart phones are used as communication device, but also to be used as socialized tool, entertainment tool, internet access tool, and even payment tool. Now-a-days mobile users use their smart phones to make money transaction or payment by using application installed in the phone. Besides payment, people can also store receipts, coupons, business cards, bills, etc., in their smart phones. When smart phones can function as leather wallets, it is called "Digital Wallet" or widely known as "Mobile Wallet". Motivation of the research came from various factors. First of all, the mobile wallet is a recent term. In other words, it is a "trendy" topic that has been discussed in technical forums and financial websites in several years lately. One can see the word "Mobile Wallet" multiple times from the internet, yet he does not know what mobile wallet is. Therefore, the research is made due to personal curiosity to gain practical knowledge about mobile wallet during the research process in order to understand how consumers perceive this new technological service. Secondly, I am one of a smart phone user and I would like to exploit the capability of the phone. Other users perhaps also have this desire. For that reason, I conduct this research to observe people's satisfaction level on this new service. Practically, this research will be useful for the business stakeholders of mobile wallet who would like to expand the business to earn more market shares.*

Keywords: Mobile Wallet, e-wallet, virtual wallet, consumer perception.

I. INTRODUCTION

The entire world of business depends upon the behavior of customer. With the advent of technology, it's not only the shopping behavior of the customer that is changing, the payment modes are also changing. The environment for payments is expanding in India. The increase usage of mobile phones and the development of technology are bringing a turnaround change in the landscape of payments.

Traditionally there was a cash-based economy leading to card-based economy. But now it is finally followed by mobile payments. With the adoption and ownership of mobile phones the mobile users prefer to make money transactions with the help of mobile applications. It's not only about payments; besides payments you can also store coupons, codes, receipts and bills in m-wallet. In mobile payments the focus is more on increase towards the use of electronic mode of payment leading to decreases of cash payments. The field of mobile payments is growing rapidly. After the advent of demonetization adoption of m-wallets is significantly encouraged by our Prime Minister Shri. Narendra Modi. Mobile payments have unique set of capabilities to meet the challenges posed by the traditional payment system. It works as a cashless payment mode. Various companies are entering the arena. Service providers like Paytm, Oxigen wallet, Google pay and Free Charge are bringing new digital payments offerings in the market.

Mobile Phones have become an integral part of our society. Originally mobile phones were intended only to make voice calls and send text messages. Today mobile phones have evolved so much that they provide a wide range of services from email, instant messages, social media interface, etc., Moreover, our smart phones equip us with our daily needs like camera, calculator, navigation, notebook and an address book too. In short, smart phones have converged to become our pocket size PC. We can further emphasize that smart phone penetration has increased tremendously all over the globe with staggering penetration rates. It is estimated that currently 1 out of 5 mobile phones is a smart phone. In the current scenario other than a smart phone a user normally carries keys and a wallet. A logical continuation in the next step of convergence would be to integrate the users' wallet with his phone. Thus, a Mobile Wallet is mobile service which enhances mobility and connectivity of a standard wallet in a built-in mobile device. This would provide the user convenience as well as safety.

- **Convenience:** Moving the user's bank cards and ID cards to the phone would free up a lot of pocket space. Further Mobile Wallet pilots indicate significant reduction of time when paying through phones than the conventional leather wallets.
- **Security:** Moving the user's wallet to his phone substantially reduces theft and bank card manipulation.

There are number of facilities which are leading to the growth of Mobile Wallet and transition from cash economy to less cash economy. These facilitators include penetration of internet connectivity on smart phones, non-banking financial institution facilitating Mobile Wallet, one touch payment, rise of financial technology sector and push by government either by giving incentives or tax breaks. These all factors are creating positive atmosphere for growth of Mobile Wallet in India.

There are four types of m- wallets in India:

- Open Wallet – It is defined as the one in which customer can withdraw cash from ATMs and banks. Further they can use it to buy various goods and services. These services can only be launched with a bank. Example: M-Pesa by Vodafone and ICICI
- Semi-open Wallet – It is defined as the one in which the customer or the user can transact only with those merchants who have a contract with the wallet company. Customer need to load or recharge some money in the wallet to use it. Example: Airtel money
- Closed Wallet: It is defined as the one in which the money is locked with the merchant. The user can use this money any time further, but only with the locked merchant. Example: Flipkart e-wallet
- Semi-Closed Wallet - It is defined as the one, which does not permit cash withdrawal or redemption. It allows the customers to buy goods and services at the listed merchants. Example: Paytm.

II. ACTORS THAT AFFECT CONSUMER'S PERCEPTION TOWARDS M-WALLETS

1. Privacy and Anonymity: Privacy and Anonymity are important for mobile wallet usage and demonstrate the ability to enable the access to protected data by authorized entities only. Privacy is defined as the protection of sensitive user data and therefore plays an important role in the user decision to use or not use the mwallets. Privacy and anonymity concerns arise on personal information of the users. The companies facilitating online transactions tend to collect personal information of users and lack of protection of this information leads to unauthorized access and usage of data for other purposes without the users' consent.
2. Flexibility of usage: Flexibility of usage refers to the facility of using the mwallet across various user devices. Also, these days when people keep on changing their mobile devices frequently, flexibility is also important for the consumers to be able to switch their mobile devices easily so the uses do not have to put much time or effort in transferring data or apps from one mobile device to another.
3. Mobility: Mobility means the ability to move or be moved freely and easily. It is the main factor which is used to calculate how much a person wants its advantages in terms of space, time and accessibility. Today, mobile technology has given scope to users to communicate and transfer the data anytime and anywhere. Mobile payments and services provide the way for making payments for all products and services wherever and whenever they want without any time or space foundation. Using smart phone and internet connection, people can pay their bills, do online shopping etc.
4. Convenience: Convenience means the state of being able to proceed without difficulty. With mobile driven technology, it becomes easy and comfortable to use and adopt services provided. If we compare it to traditional services, where user has to stand in long queues and wait for any bill payments, it is now convenient to avail these services through mobiles. Even the inconvenience caused of carrying devices like laptops, workstations is eliminated with the usage of mobile phones and payments through mobile wallets.

5. Trust: Trust is defined as a willingness to use the new service with a sense of comfort, safety, and risk acceptance. Customer's trust has been recognized as an important factor for the success of mobile banking in the context in which the transactions are made in a telephone network that is more vulnerable and uncertain than the traditional payment transaction. The transactions conducted through a mobile network are vulnerable and more uncertain than traditional settings, thus entail greater potential risk. Trust in the payment system will help reduce the need to understand, control, and monitor activities, thereby allowing customers to use services easily and efficiently without much effort in translation of online service.

III. CONSUMER PERCEPTION ABOUT GOOGLE PAY

The vision of Digital India strategy is to transform India into a digitally empowered society and knowledge economy. On January 8, 2018, Google declared that Google Wallet would be combined into Android Pay, with the service as Google Pay. It is called as G-pay. Google Pay is one such system of digital India. The demand of Google Pay system has been growing society now-a-days. Most of the people (literate and illiterate) using in Google Pay app installed our Smartphone. Peoples are pay through electronically their transactions i.e., purchasing products at shops, consuming services, mobile recharges, online shopping, electricity bill, etc., Google Pay is simple and safe system to transfer money immediately. This system gives more financial flexibility to the dealers and customers as well as people who desire to send or receive money. Google Pay is a cashless economy which avoids utilizes money in physical form. It minimizes the risk of handling liquid cash. Digital payment can also be maintained easily.

IV. REVIEW OF LITERATURE

Podile and Rajesh (2017) in their paper entitled ―Public Perception on Cashless Transactions in India‖ were of the view that majority of the customers in the country have adopted the electronic payment system for their transactions.

Sumathy and Vipin (2017) identified that the major drivers that accelerated the growth of Indian Digital Payment Systems are found to be favorable regulatory environment, the emergence of next generation payment service providers and enhanced customer experience.

To understand the awareness level of a cashless economy, a study was done by Garg and Punchal (2017) in which benefits, and challenges of a cashless economy were studied. The conclusion showed the preference of people towards cashless economy because they feel it helps to fight against illegal activities, corruption, etc. This theory is supported by Das and

Agarwal (2010) in their article on ―Cashless P a y m e n t System in India- A Roadmap‖. The country needs to move away from cash-based towards a cashless (electronic) payment system. A cashless economy will help in reducing currency management costs, track transactions, check tax avoidance / fraud etc. and enhance financial inclusion and integrate the parallel economy with mainstream.

Report by ETBFSI (2019) gave insights about digital payments. The report gave insights about customer demand which has increased more than 100% in the last few months. Credit and debit cards were used maximum and digital payment was done mainly in food sector, financial services, and tourism. The maximum usage was found in Bengaluru and wallets usage in cities have also increased. Digitalization is playing an important role in every field of business, from purchase to payments (Yuvaraj & Eveline 2018).

Kumar and Chaubey (2017) have found from their study that process of digitization is happening very slowly and people are adopting it as there is no other choice. With the advanced technology and availability of the internet, consumers find convenience in online banking facilities and other mobile applications. It has made consumers more convenient to do their transactions anywhere and at any time.

Although consumers fear for their privacy and security in transacting online, developments in technology in the form of big data, internet of things helps us to move towards a cashless economy. The importance of awareness creation by suing digital marketing and social media was discussed by Andrew Stephen in 2015. The speed of adoption was discussed by some researchers. D. Sudhir Babu, P. Lakshmi Narayanamma (2018) found that electronic payments help in buying products faster.

Gokilavani et al (2018) found a significant difference in the socioeconomic status of consumers and their perception towards digital payments in his study on perception of customers towards Digital Payments. Customer perception plays a major role in the adoption of digital payment. Service providers for digital payments should also take proper care to avoid undue delays in processing payments.

A contradicting view was given by Singh and Rana (2017) whose study showed that the demographic factors do not really show any impact on the implementation of digital payment mode. Another angle was given by Vaishnav Kameswaran, Srihari Hulikal Muralidhar in 2019 whose study found how visually impaired customers used cash and digitalsystems for payment in metropolitan India

Prasanth et al (2019) found that although plastic money is used a lot due to its convenience, safety and trust are the main deterrents in using them. Financial knowledge, non-acceptance, Infrastructure problems and economy problems were found to be most important challenges of adoption of digital payment in rural sector. Improving these measures and trust are the solutions suggested by government of India.

V. OBJECTIVE

The present study is taken up with the aim of identifying the consumers satisfaction of Mobile Wallet users. The following are the specific objectives of the study.

- To present an overview of the consumer perception towards Mobile Wallet.
- To understand the consumer satisfaction level towards Mobile Wallet.
- To identify the factors influencing Mobile Wallet user's satisfaction.
- To identify the Mobile Wallet apps preferred by the users.
- To analyze the problems involved in the usage of Mobile Wallet.

VI. RESEARCH METHODOLOGY

The Research has been based on conceptual research work. A depth study was carried out. This paper discusses the legal aspects related of study consumer perception towards mobile wallet industry (with reference to google pay) to understand the depth of consumer perception towards mobile wallet industry (with reference to google pay) the values that mobile wallet holds and to understand the importance of consumer perception towards mobile wallet industry (with reference to google pay).

Secondary data has been used and studies from the previous researchers to identify various aspects related to the topic. Literature review and introduction has been preparing with the help of research paper publications, article, and other internet sources.

VII. FINDING AND DISCUSSION

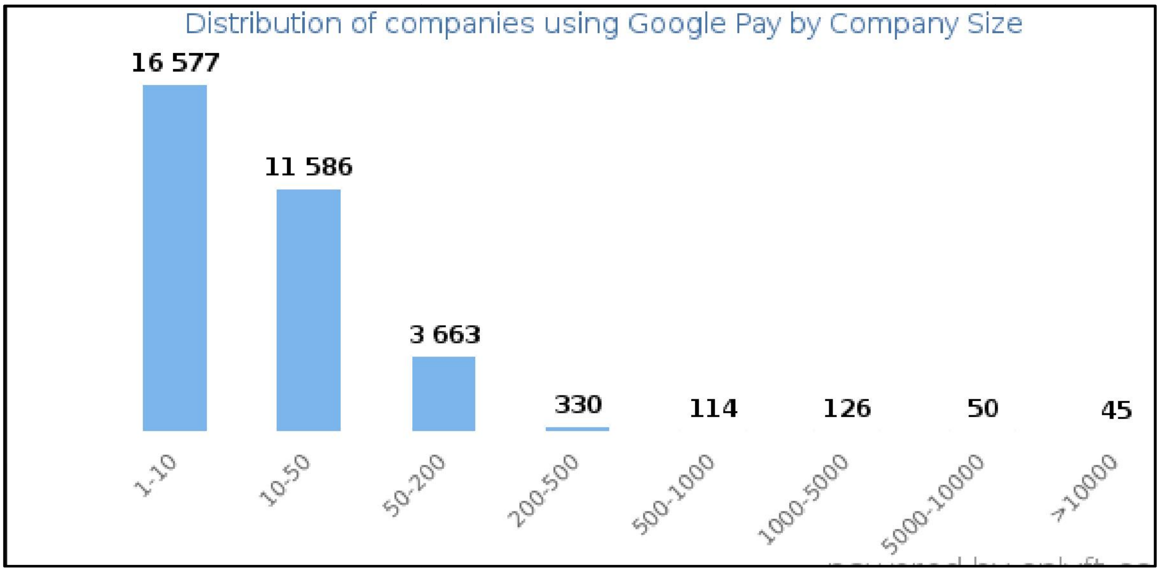

FIGURE 1: DISTRIBUTION OF COMPANIES USING GOOGLE PAY

Source: https://enlyft.com/tech/products/google-pay

The above graph shows the distribution of various companies using google pay with respect to the company size.

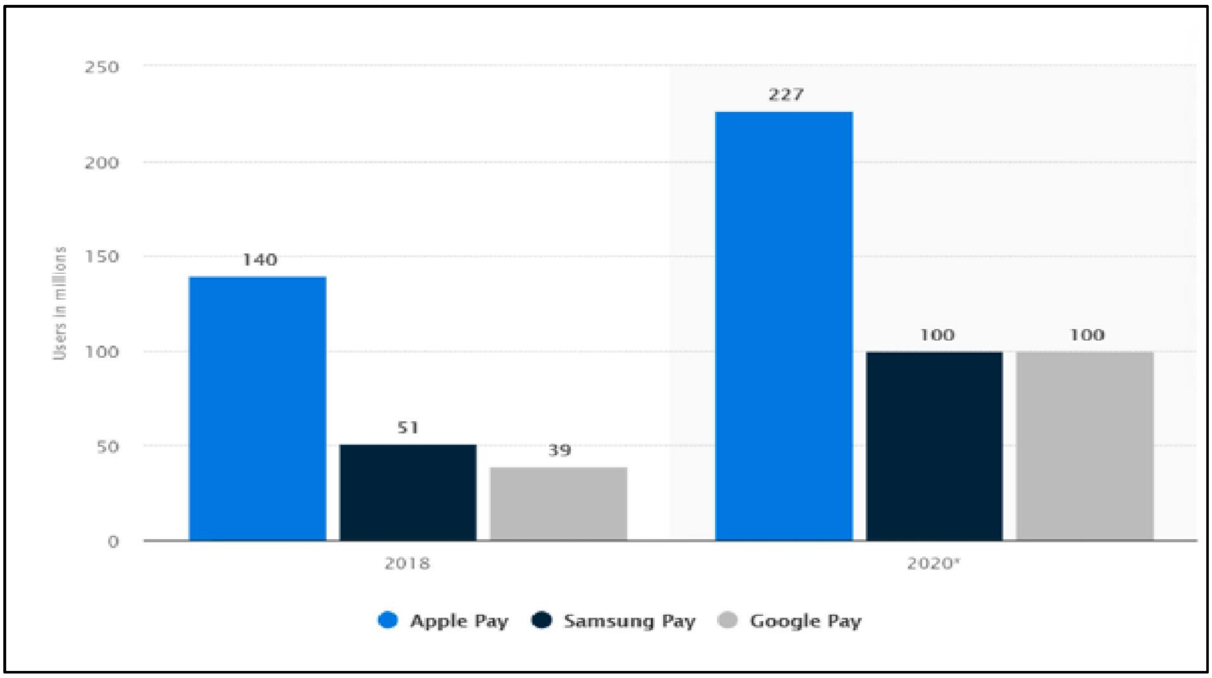

FIGURE 2: USERS OF VARIOUS ONLINE PAYMENT OPTIONS

Source: https://sam-ecommerce.com/google-pay-for-magento-2/

The above graph shows the users in millions who preferred various mobile wallet options for the transactions.

VIII. CONCLUSION

Mobile wallet is one among the best mechanical advancement in the present century and the administration offered by Mobile Wallet helps in time utilization and further more anything but difficult to utilize. Achievement of Mobile Wallet was a plan of action presented to concentrate the current circumstance in the nation after demonetization. It can get consideration in the general public as it centers around making mindfulness among individuals. Instructing individuals about its administrations is important in modern world. Fruitful treatment of Mobile wallet by online purchasers and mobile banking customers is best case of its positive effect in the general public.

The study is focused on behavioral intention to use mwallets as a primary indicator of consumer acceptance. The study highlights that privacy and anonymity, flexibility of usage, mobility, convenience, trust, usage cost, speed of transaction and ease of use have a strong influence over behavioral intention to use mwallets. After obtaining data through questionnaires and on the basis of analysis done, three main factors mobility, convenience and trust were found to be most significant on the consumers' acceptance of mwallets. The study indicated that convenience was the utmost useful factor in mwallet usage acceptance, followed by trust and then mobility. Trust was the factor that the survey respondents appreciated the most while using mwallets and at the same time it poses as a challenge for mwallet providers to provide appropriate security for payments through mwallets.

Only then, the companies will be able to gain trust of the users and would be able to survive in the digital payments segment. The mwallet providers should work towards increasing the awareness of trust and privacy among the users and enhance the transaction security of digital payments. This will ultimately lead to improving the behavioral intention to use mwallets by the consumers.

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