



## A Study on Perception Analysis regarding Digital Payment Methods and its Benefits

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### Introduction

In the modern age this is the fact advancing universal information infrastructure like information technology and computer networks such as the Internet and telecommunications systems enable the development of electronic commerce at a global level. These development have created different type of economy called digital economy. Digital economy is the fast emerging economy is bringing with speedily changing technologies, increasing knowledge intensity in all sectors of business, and creating virtual contribute manacles and new forms of businesses and service delivery channels such as Digital Payment methods. As a direct significance of the appearance of the digital economy, the balance of power seems to be shifting to the customers. Customers are ever more demanding more value, with goods and services customized to their accurate needs, at little cost, and as quickly as possible. To meet these demands, businesses require to buildup innovative ways of creating value which often require different enterprise architectures, different IT infrastructures and different way of thinking about doing business. This revolution of business from an aged company to a new responsive electronic corporation is not easy and requires a lot of innovative thinking, planning and investment.

Digital Payment methods provides more sophisticated services to customer for their regular payment using modern channels. The making payments of different types of expenses and payment to suppliers or third parties and applying for loans via e-Channels. In current position most of banking company are provide their services to their customers by using this electronic channels because of its relatively lower delivery cost, higher sales and potential for offering greater convenience for customers. In modern business environments, customers want better choice. They want the traditional range of banking services by the convenience of online capabilities and a stronger focus by banks on developing personal relationships with customers.

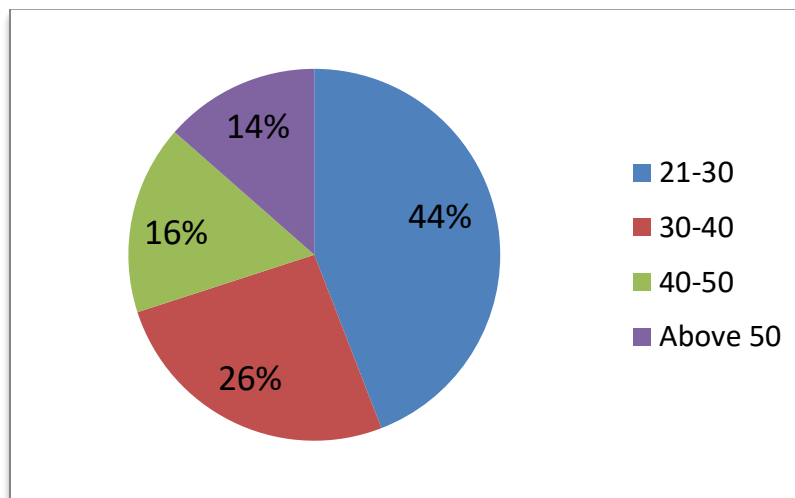
### Objective of the study

The study is primarily to understand the importance on Digital Payment methods in India. Further following objective describe the necessity of the study.

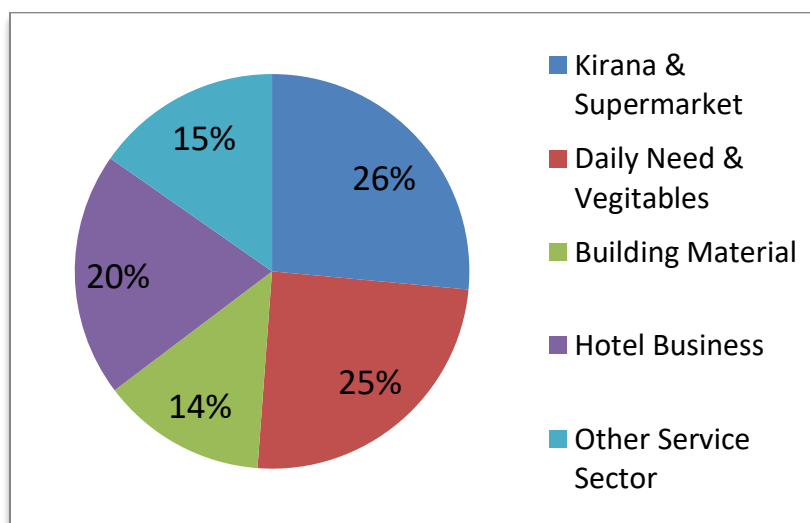
- To understand the Digital Payment methods and its benefits.
- To interact with the businessman get their review.
- To know the usefulness of the Digital Payment methods.
- To identify the necessity of Digital Payment methods.
- To find out problems facing regarding Digital Payment methods.

### Research Methodology

This research is based on primary and secondary data. The primary data has been collected from Dhule District, Maharashtra State, India. The present study has conducted survey of 170 businessmen through convenience sampling method. To find their opinion and requirements, identify their suggestion, finding problems, the field survey conducted in the said research area for fruitful comparison of Digital Payment Methods. Questionnaire method applied for collecting data from businessman through likert five scale question technique used for getting quick information.



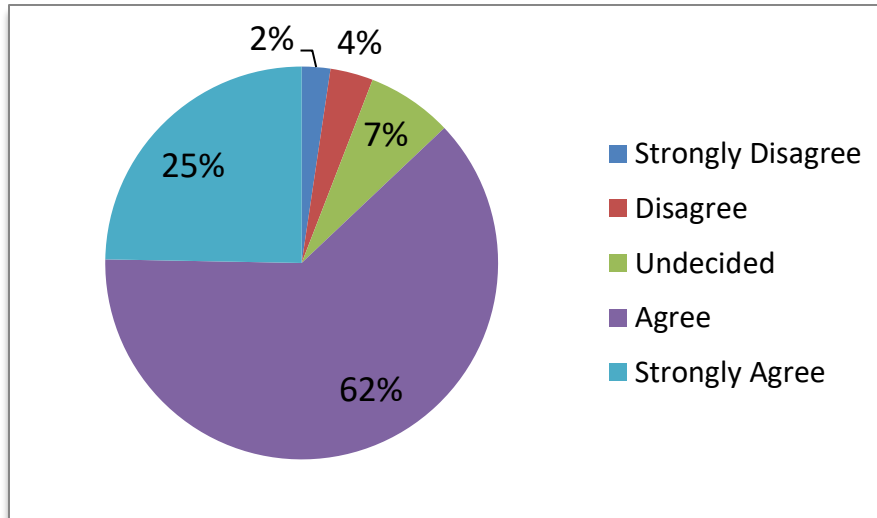
Graph – 1 Age Wise Distribution



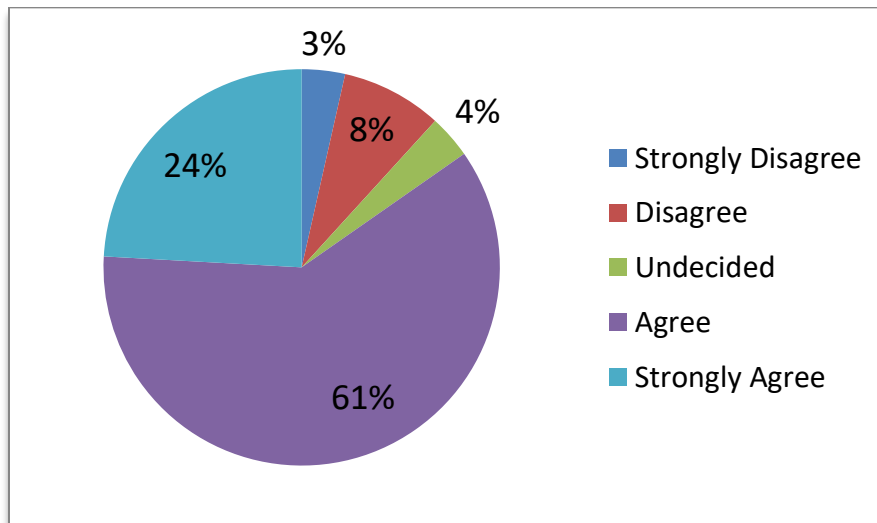
Graph – 2 Business Wise Distribution

### DATA ANALYSIS

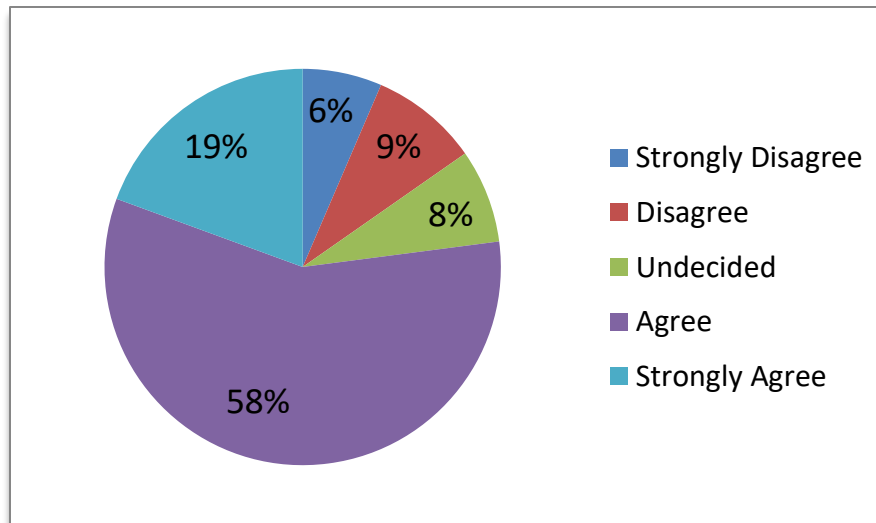
The information gathered from various businessman regarding benefits and usefulness of Digital Payment Methods. Since the Economy is lacking behind due to lockdown during Covid-19. Therefore, the perception of businessman is recorded for their overall development. Hence the following analysis drawn to find out the perception and provide a technique for improvement.



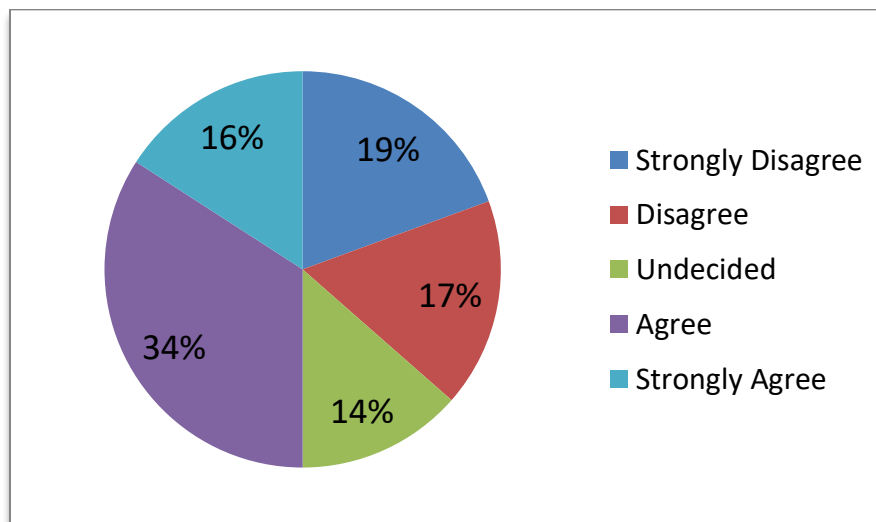
**Graph 3 – Does the Digital Payment Methods Usefulness**



**Graph 4 – Do you regularly accept the Digital Payment Methods instead of Cash**



**Graph 5 – Is there relationship between Payment Method and Overall Development.**



**Graph 6 – Are there challenges facing for Digital Payment Methods.**

## FINDING

- ❖ 87% businessman agree and strongly agree about Digital Payment Methods Usefulness.
- ❖ 85% businessman also for regularly accept the Digital Payment Methods instead of Cash.
- ❖ 77% businessman agree regarding relationship between Payment Method and Overall Development.
- ❖ The study found that there are challenges facing for Digital Payment Methods.

## Benefits of Digital Payment Methods

**1. Instant Payment:** Digital Payment methods are much faster than the traditional methods of payments such as cash or cheques. In the case of online payments, it do not have any constraint of time or location. One can easily make payments at any time from anywhere across the globe.



E-payment systems have eliminated the need for going to the banks to make payments. Now customers do not have to waste their time standing in the long lines at banks. They can easily pay you by using an electronic payment app.

**2. Higher payment security:** Despite its robust features, electronic payments systems has not become so popular among the merchants. They are still using the same old methods for accepting payments. Due to which, they are missing out the opportunity for serving more customers. Digital Payment methods offer you multiple ways of securing your payments such as tokenization, encryption, SSL, etc. Now customers do not have to enter their card details every time as they can save their card details or complete their transactions by using a One Time Password.

**3. Better customer convenience:** Digital Payments can help to provide convenient payment experience to your customers. It allows customer to purchase goods on credit by offering them with the pay later facility. Instead of sending constant reminders for payment to customers, one can automatically collect money after a specific period.

**4. Saves processing costs:** If any one want to provide payment services to customers then they first need to tie up with a card processor. The processor will provide with a payment gateway for processing and in exchange, it will charge a fixed cost. This cost is very high. On the other hand, if one is using an electronic payment system in business then it do not have to incur such high charges. One just have to pay a fixed subscription to your service provider.

**5. Low risk of theft:** The phrase 'Cash is the king' is popular in the business world, but this king has also had some limitations. If one is using cash for accepting payments from customers, chances are there it can be stolen. Also, one need to take high safety measures in depositing cash into bank account. But this risk can be decreased if one is using a secure electronic payment system in business. By using it, one do not have to worry about payment record. It can easily get an accurate record of all transactions at the end of the day.

**6. Transparent:** Transparency becomes an essential factor when it comes to payments. And when one is using the digital medium for accepting payments, then it becomes essential for one to maintain transparency in transactions. In the case of electronic payments, one do not have to worry about the record of payment details. Also, one can provide the payment details to customers beforehand. So that there will be fewer chances of confusion.

**7. Contactless:** In the times of the COVID-19 pandemic, people have started finding ways of avoiding human touch to save themselves from getting affected by the coronavirus. Due to this, the need for contactless payments has increased. One can use contactless POS terminals in business to avoid the human touch. In this system, the payee needs to hold his phone near the terminal and his payment will get automatically processed. Also, one can enable customers to make payments by using QR codes or One Time Passwords (OTP).

## Conclusion

The cash transactions have started decreasing after the integration of an electronic payment system in the markets. This means the small businesses and customers started using the latest technology to prevent the risk of being overtaken by the competitors. The Internet as a channel for services delivery is fundamentally different from other channels such as branch networks, telephone banking or Automated Teller Machines. Therefore, it brings up unique types of challenges and requires innovative solutions. Today in banking sector customers are more



value oriented in their services because they have alternative choices in it. The present times demanded that bank consolidate with moderate and selective expansion in service, social banking with financial possibility, selective upgradation, computerization and innovative mechanization, better customer service, effective managerial culture, adequate profitability, strong organization culture, internal supervision and control. Therefore, stakeholders must be able to provide complete personal service to customers who come with high expectations. For customers who value convenience most. Digital Payment methods is fast becoming a norm in the developed world, and is being implemented by many banks in developing economies around the globe. The main reason behind this success is the numerous benefits it can provide, both to the banks and to customers of financial services. For customers it can provide a greater choice in terms of the channels they can use to conduct their business, and convenience in terms of when and where they can use Digital Payment methods.

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