



Consumer Behaviour towards paytm services.

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ABSTRACT:

As the demand for mobile accessibility continues to rise, individuals seek the convenience of accessing services anytime and anywhere, facilitated by secure online platforms like Paytm Cash. Paytm stands as one of India's largest mobile commerce platforms, initially focusing on mobile recharge and utility bill payments before expanding to offer a comprehensive marketplace to consumers through its mobile apps. With its foray into e-commerce, Paytm is solidifying its presence in the Indian market, boasting over 25 million registered users within a remarkably short timeframe, with expectations of doubling this figure by year-end. However, Paytm faces formidable challenges from traditional banking institutions and e-commerce giants like Flipkart and Snapdeal, who are also venturing into the realm of mobile wallets. To navigate these challenges and sustain growth, Paytm is actively devising robust marketing strategies and enhancing its operational efficiency.

KEYWORDS: Paytm wallet, Banking Apps, M-wallet, E-commerce, online payments.

INTRODUCTION:

A digital wallet is accessed through an app, enabling secure storage of bank account or card details in an encrypted format for transactions. Users can add funds to these wallets for making payments and purchases, eliminating the need for physical cards or remembering PINs. Popular mobile wallet apps include Paytm, Mobikwik, and Freecharge, among others. These apps offer various services such as money transfers, merchant payments, and online shopping.

Paytm, India's leading mobile payments and commerce platform, initially focused on prepaid mobile and DTH recharges before expanding its services. In January 2014, Paytm introduced its digital wallet, adopted by Indian Railways and Uber for payments. It subsequently ventured into e-commerce with online bus ticketing and expanded its offerings to include bill payments for utilities like electricity and water, as well as services like flight bookings and movie ticketing.

With the launch of new products like Paytm Gold in 2017, which allowed consumers to buy gold online in tiny amounts, Paytm topped 100 million app downloads. 'Inbox,' a messaging platform that allows users to make in-chat payments, and Paytm Payments Bank were also initiated by the company. In addition to wealth

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management solutions like the Paytm Gold Savings Plan, merchant services that enabled zero-cost direct deposits into bank accounts were provided by Paytm the next year.

on March 2018, Paytm launched Paytm Money, a division that specializes on financial and wealth management products, substantially expanding its capabilities. Paytm First, a subscription-based loyalty program, and the Paytm First credit card were both debuted in 2019 via partnerships with Citibank. In July 2020, during the COVID-19 outbreak, Tata Starbucks partnered with Paytm to facilitate online meal orders.

Paytm-Pay Through Mobile COMPANY PROFILE:

Customers, brick-and-mortar stores, and digital marketplaces may all benefit from Paytm's extensive payment and finance options. By streamlining the process of making payments, doing business, banking, and investing, Paytm aims to bring 500 million people in India into the official economy. Paytm was founded in Noida, Uttar Pradesh, by Vijay Shekhar Sharma.

Users may make mobile payments conveniently utilizing multiple sources such as cards, bank accounts, and digital credit via Paytm, which functions as a payment gateway and allows smooth transactions for both consumers and merchants. The well-known Indian mobile internet business one97communication is the owner and operator of Paytm, which was founded in 2010. Among Paytm's notable investors are SoftBank, SAIF Partners, Ant Financial, and Alibaba Group.

OVERVIEW OF MARKET

With a user base of 300 million in India alone, the startup aims to expand its reach to millions more worldwide.

Taking Canada as its initial testing ground, Paytm sees this move as a strategic entry point into new geographies, while payments serve as a means to acquire customers, the real revenue lies in businesses paying fees to accept payments.

In Canada, Paytm customers can utilize the app for various purposes, including paying bills in India. By catering to the diaspora and offering a multi-purpose app that allows for both international remittances and local merchant payments, Paytm aims to appeal to a diverse user base.

India has emerged as a global leader in driving payment adoption and technology accessibility. From transitioning to mobile-based payments using QR codes, wallets, cards, and UPI, the country sets an example for the world in embracing digital payments.

As the preferred payment gateway for numerous prominent online platforms like IRCTC, Zomato, and Oyo, Paytm focuses on providing a seamless transaction experience and easy integration with existing platforms.

LITERATURE REVIEW

Dr.T.Venkatesan(2018)

The article titled "Utilization of Paytm" suggests that the current usage of Paytm is deemed satisfactory but not without its challenges. Customers encounter difficulties regarding ease of use, security concerns, and

delays due to slow Paytm servers. To address these issues effectively, Paytm could consider establishing a dedicated department staffed with trained personnel to handle and resolve service-related issues and problems.

- Dr. Poonam (2016) A study titled "Mobile Wallet: A Growing Trend in Business Transactions" delves into the concept of mobile wallets, detailing their types and emerging trends. It examines the pivotal role mobile wallets play across different sectors such as banking, retail, and hospitality. Furthermore, it explores the potential future scope of mobile wallets, envisioning them as the latest marketing channel in the near future. In conclusion, the study emphasizes the significance and increasing adoption of mobile money in business, social, and income-related prospects.

STATEMENT OF THE PROBLEM

Our country is seeing a surge in digitalization, and the government is pushing toward a cashless society.

2. Decreasing the value of currency was the primary goal of demonetization, with the secondary objective of increasing the usage of electronic transactions inside the nation. Terrorists make considerable use of black money and money laundering.

3. Many people now choose to buy things online and pay for them when they're delivered.

4. A large number of people like using mobile banking apps to make online payments.

5. In light of the present situation, a plethora of mobile banking apps provide a range of advantages, one of which is the ability for customers to use digital wallets.

6. Through the UPI interface, users may send and receive funds from other banks using their Aadhaar numbers, mobile phone numbers, or virtual payment addresses, all without entering their actual bank account information.

7. The Study's Goals

The goal is to research what makes Paytm appealing to consumers.

I would want to know how well-informed consumers are about Paytm.

In order to investigate what demographic variables impact Paytm users.

Study Restrictions

There may not be an ideal, favorable answer from every responder due to respondent bias, which was a significant constraint of the study.

In comparison to the whole population, the sample size is quite small.

One of the weaknesses of this research is its length.

Approach to the Research

Designing a study

This study report employed a descriptive technique to obtain statistical results from respondents in order to examine the awareness and variables impacting the usage of Paytm.

Data gathering and the amount of the sample

Using a suitable sample technique, 50 participants from the research population of working-age students and their business-related concerns filled out a descriptive structured questionnaire to provide the main data.

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This study used a questionnaire as its research instrument. We used Google Forms to send out questionnaires to fifty individuals, and now we're collecting their answers.

–Data sourced from the internet

Data for the study came from two places: primary sources and secondary sources, once the goal and strategy of the research had been defined. Distributing questionnaires is the primary method of data collection, whereas data culled from previously acquired sources is the secondary method.

Interpreting and Analyzing Data: Analysis by Percentage:

Analysis of primary data is done using percentages. In percentage analysis, one variable is compared to another using a particular sort of ratio called a %.

The formula for percentages is $(\text{number of respondents}/\text{total respondents}) * 100$.

Tables, graphs, and diagrams display the statistical data. Whereas graphs and diagrams display data visually, tables organize statistical data in rows and columns. You may think of a chart as a graph or a diagram.

Data Analysis and Interpretation:

Table showing Simple Percentage Analysis

Variables		No of Respondents (N=50)	Percentage (%)
Age	18 to 30 years	41	82
	31 to 40 years	4	8
	41 to 50 years	3	6
	Above 50 years	2	4
Gender	Male	23	46
	Female	27	54
Educational Qualification	Diploma	5	10
	Under Graduation	29	58
	Post-Graduation	15	30
	Doctorate	1	2
Occupation	Student	30	60
	Self employed	11	22

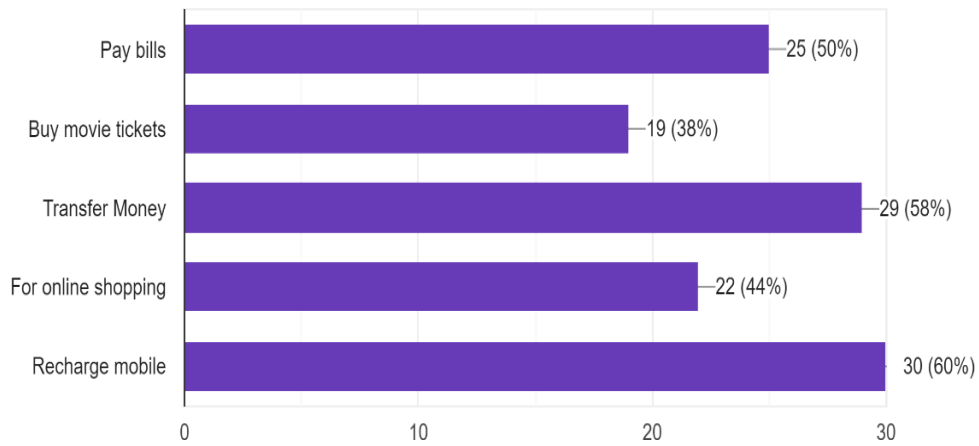
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	Professional	7	14
	Home maker	2	4
Monthly Income	Below 10,000	28	58
	10,000 to 20,000	8	16
	21,000 to 30,000	4	8
	31,000 to 40,000	2	4
	41,000 to 50,000	4	8
	Above 50,000	4	8
Aware of online payment mode	Yes	47	94
	No	2	4
	Maybe	1	2
Paytm a useful mode of Payment	Yes	41	82
	No	3	6
	Maybe	6	12
Source of Information	Social Media	15	30
	Friends	33	66
	Magazine	1	2
	Radio	1	2
Frequency of Paytm usage in a month	Less than once	12	24
	1 to 2 times	15	30
	3 to 5 times	14	28
	More than 5 times	9	18
Amounts spend for shopping through Paytm in a month	500 to 1000	29	58
	1100 to 2000	11	22
	2100 to 3000	5	10
	More than 3000	5	10

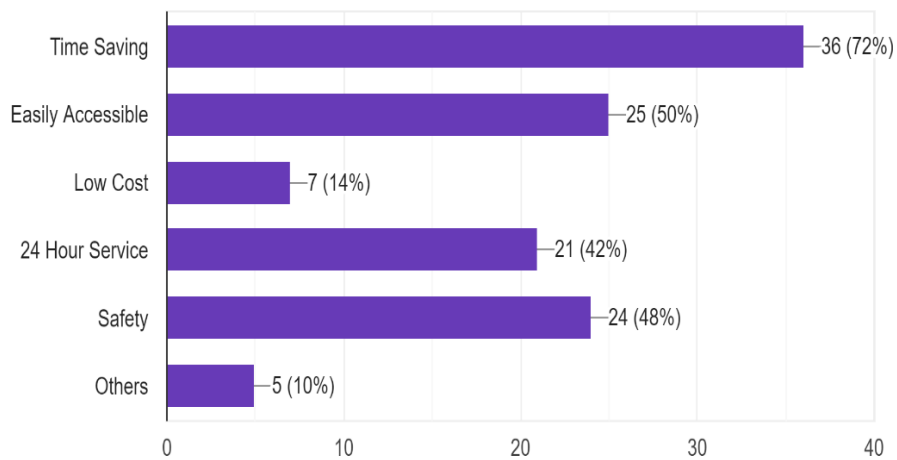
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Duration of Paytm usage	Less than one year	21	42
	1 to 2 years	14	28
	2 to 3 years	15	30
Recommendation of Paytm to friends	Yes	39	78
	No	2	4
	Maybe	9	18

For which purpose you use Paytm most?



Why do you prefer Paytm over other applications?



FACTORS INFLUENCING THE PAYTM USAGE

As our payment systems have progressed to the next level, Paytm has grown significantly in recent years. In addition to our many services, we also provide a safe online application. With the use of Likert's five-point scale, we looked at what makes Paytm appealing to consumers. There are a number of aspects that play a role, but one of the most important is how easy it is to use. These variables influencing Paytm use are shown in the table below.

Factors	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Easy to download	11	22%	26	52%	9	18%	2	4%	2	4%
SMS Alert	11	22%	25	50%	11	22%	1	2%	2	4%
Availability and acceptance at different stores	12	24%	25	50%	10	20%	1	2%	2	4%
Advantage of reward points and discounts	8	16%	20	40%	13	26%	8	16%	1	2%
Replaces traditional system	7	14%	26	52%	12	24%	3	6%	2	4%
Easy refund of money to bank	15	30%	22	44%	9	18%	3	6%	1	2%
Data retention	7	14%	28	56%	13	26%	1	2%	1	2%
Pay to person to person	15	30%	26	52%	8	16%	1	2%	1	2%
Ease of transaction	15	30%	27	54%	6	12%	1	2%	1	2%

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Encrypted security logic	11	22%	26	52%	11	22%	1	2%	1	2%
Flexibility	13	26%	26	52%	9	18%	1	2%	1	2%

- The elements that impact customers' decision to utilize Paytm are detailed in the table above. Results show that 52% of people think it's simple to download Paytm, with 22% strongly agreeing, 18% being unsure, and 4% strongly disagreeing or disagreeing.
- There was a 50% confirmation rate for the SMS alert system, with 22% strongly agreeing, 22% neutral, 2% disagreeing, and 4% very disagreeing.
- When asked about the acceptability and availability of Paytm at different shops, 40% are in agreement, 24% are very much in agreement, 2% are disagreeing, and 4% are very much in disagreement.
- Fifty people filled out the survey, and forty percent think that Paytm's reward points and discounts are a great perk. Another 26 percent are in agreement.
- vaguely agreeing or disagreeing, 16% strongly agreeing, and 2% very disagreeing. In terms of the belief that Paytm supplants more conventional methods, 52% are in agreement, 24% are unsure, 14% are very much in agreement, 6% are opposed, and 4% are quite opposed.
- Among those who took the survey, 44% said that Paytm makes it easier to get money back to their bank accounts; 30% were very agreeable, 18% were indifferent, 6% were against, and 4% were very disagreeable.
While 52% of people think that Paytm allows for payments between individuals, 30% are very much in agreement, 16% are unsure, 2% are opposed, and 2% are very opposed.
- About half of those who took the survey saw data retention as an important consideration; a quarter were unsure, fourteen percent were very much in agreement, two percent were in disagreement, and two percent were quite opposed.
- In terms of transaction ease, 54% were in agreement, 30% were in strong agreement, 12% were unsure, 2% were opposed, and 2% were very opposed.
- Out of the total number of respondents, 52% felt that encrypted security reasoning had an impact on their Paytm use; 22% were indifferent, 2% were against, and 2% were very opposed.
- Last but not least, 52% of respondents agreed that Paytm's adaptability affected their use of the service; 26% were very agreeing, 18% were neutral, 2% were strongly disagreeing, and 2% were unsure.

FINDINGS OF THE STUDY

Statistical evaluation

Those between the ages of 18 and 30 make up the largest age group of responders (82%).

Females make up the majority of the responders (54%).

Of the people who took the survey, 58% are still in school.

Sixty percent of those who took the survey are students.

Online payment is known by the vast majority of respondents (94%).

56% of the people who took the survey have monthly incomes that are lower than 10,000.

Eighty-two percent of those who took the survey find Paytm to be a helpful payment method.

The majority of respondents (66%), when asked how they heard about the Paytm wallet, said it was via

friends.

The majority of those who took the survey (58%) believe that Paytm wallet is widely acknowledged.

The majority of the participants (30%) said that they use Paytm between once and twice a month.

Approximately 58% of those who took the survey reported spending 500 to 1000 rupees per month on Paytm wallet purchases.

Suggestions

The Paytm supplier should spread the word about their services to a wide audience. In order to make Paytm more user-friendly, it should be simplified.

In order to boost the number of users of Paytm, the supplier might make the required corrections to the security system.

The Know Your Customer procedure might be made easy by Paytm.

CONCLUSION

The current research aimed to explore consumer perceptions regarding the Paytm app, a familiar platform for electronic transactions. Paytm experienced significant growth post-demonetization, with even small-scale vendors adopting it to promote cashless transactions. This trend reflects a broader shift towards a cashless economy. The study suggests that the adoption of Paytm is linked to the educational background of consumers. Those who have been using the internet for an extended period tend to be more aware of and utilize Paytm. Additionally, age plays a role in Paytm usage, with individuals between 18 to 30 years old being particularly aware of and utilizing Paytm for various purposes.

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