

A STUDY ON FACTORS INFLUENCING THE ADOPTION OF DIGITAL PAYMENT MODES AMONG RURAL CONSUMERS IN SOUTH TAMILNADU

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ABSTRACT

Cashless Budget is the most important intonation in virtual reorganizations that have set an impact lately and modified the shopper's reimbursement approach fully. Digital Expenditures are an easy shows that of managing coins and not using a bodily trade of coins or cash but with digital mode. There rectangular degree numerous methods followed via way of means that a person or agency will construct payments even as now no longer victimization cash, for example, Withdrawal or Praise card, Internet Banking, Mobile Banking, Mobile Folders, UPI, etc., With the facility and assist of those payment methods, man or woman will construct ease of transactions with a single click. Although there rectangular degree numerous blessings in victimization virtual payment methods men or women must face numerous demanding situations and problems conjointly, consequently to shape it extra thriving the govt. has been given to ensure the threat of victimization by the internet, property, and technical assistance, specifically in rural regions. The emphasis of this has a look at primarily depicts the perspective of consumers closer to virtual payments in rural regions, specifically in south Tamil Nadu, and conjointly research the desired mode and elements swaying virtual expenditures.

Keywords: Cashless Economy, digital reforms, cash, transactions, digital payments

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INTRODUCTION

The acceptance of Numericalreimbursementmeans in several sectors is famous as E-payment, aninnovator that has come to be the alternative of cash newly. Currency and coin's significance is grade by grade lessening, and furthermore the portraits of plastic coins and contactless expenses are been growing over time and ever converting the USA right into a cashless society. There rectangular degree definitely one-of-a-kind payment method engaged with virtual payments some of them rectangular degree, Debit/Credit Card, Internet Banking, Mobile Banking, UPI, and Mobile Wallets. These sorts of methods can be applied via Smartphone as it will become inevitable in current times. In India seventy percentage of the populace exist in rural regions, and they make contributions a extreme 1/2 of the boom of the Indian economy (Vijayakumar AB &Harishkumar M (2021)) moreover rural internet get right of entry to in India in 2019, there were 264 million net customers while placed subsequent to 310 million city internet customers (Statista report) via Smartphone's and one of a kind gadgets. Varied fintech companies have advanced throughout this virtual generation to offer monetary assistance like paying month-to-month software payments, recharging mobile paid payments, even banking tactics are worried. Although there are rectangular degrees Brobdingnagian methods enclosed. Adjusting those styles is the best test for rural human beings as their usage is largely supported on cash. Acceleration of virtual payments is of maximum significance in rural regions because distance performs an extreme role, rural people must journey the Talukas, and few most important regions for little banking worried queries or software payments conjointly. Transformation to a digitalized society desires extra projects and steps via way of means of the Government to form it possible predominantly in rural regions. To interrupt the city and rural difference and adapt rural to a cashless humanity various performances and sports via volunteer's rectangular degree taken but, the attention stays low in rural regions of Ramanathapuram District.

REVIEW OF LITERATURE

Prasad et al (2018) consistent with to their have a look at the decisive factors rectangular degree stepped forward straightforwardness, agency administration, and close the equivalent coins is accomplishable with rural India via way of means of adopting the automated sum system, and extraordinarily advanced exchanges. Increased safeties of communications need to be involuntary to brand certain with using Numericalexpensearrangement.

Umadevir (2019) evaluation declared that the enterprise panorama has modified. The authorities touched to a cashless society with the organization of numerous institutions and virtual dealings delivering stepped-forward transparency, quantifiability, and responsibility. The demerits have been stated as nonetheless numerous rural people don't have a bank account and aren't knowledgeable concerning the virtual mode of expenditures.

Kotian et al (2019) deliberate Awareness closer to alphanumeric payments declaring that the adoption of virtual payments finally ends up within side the events. It famous that virtual transactions rectangular degree secured while placed subsequent to coins transactions. Through virtual payments, the black coins are in check.

Vijayakumar A B &Harishkumar M (2021) declared in their research on Alphanumericexpenditures that it saves time, and folk's rectangular degree slowly transferring closer to Digital payment methods. In rural regions, fewer now no longer unsleeping to Digital payments and conjointly digital payments boom the best of rural people. Thanks to a lack of awareness, fraud, and safety threats, a few men or women aren't glad. The Digital compensation approach can be followed in retail shops and guesthouses, etc.

Susanto et al (2022) digital payments in tourism destinations have developed into a value-added service. This research seeks to uncover the phenomenon of the adoption of digital payment technology by tourists in tourist destinations associated with their attitudes regarding perceptions of service quality and return visit interest. Destination managers need to mix their imbursementprocedures into the digital system thoroughly.

Hermanto et al (2023) understand the factors that encourage the revisit intention of visitors to a tourist place, tourist satisfaction, tour leaderrecital, terminus attachment, and numericalexpendituresacceptance in tourist destinations.

Xia et al (2023) the training contributes to animprovedempathetic of the factors that influence shift intentions and the definite use of DCEP and offers policy supervision on promoting the efficiency and success of DCEP (digital currency electronic payment).

Gupta et al (2023) investigates the curbing effect of knowledges into behavioralpurposes of sightseersnear use of mobile wallets while making alphanumericexpenses with the help of the Technology Acceptance Model (TAM).

Aithal et al (2023) various low-cost technologies and the factors responsible for small retailers' adoption. Furthermore, these factors of adoption were mapped back to beliefs within the theory of planned behavior (TPB), and an attempt was made to understand if some of the beliefs dominated over the others and their implications.

OBJECTIVES AND METHODOLOGY

3.1 OBJECTIVES

- To recognize the defendant's desired mode in the usage of Digital Payments.
- To reveal the elements in the usage of Digital Payments

3.2 METHODOLOGY

To recognize the acceptance of virtual payment methods in rural regions of Ramanathapuram District, a Simple random technique changed into selected and Primary statistics changed into amassed from one hundred respondents with within side the rural regions of Ramanathapuram district via the survey technique. Secondary statistics changed into amassed from several reasserts like Journals, Slicks, Books, and the Internet. To make have a look at greater powerful the statistics are reviewed via statistical equipment like Garrett rating and Factor evaluation.

DATA ANALYSIS AND INTERPRETATION

Data Analysis and interpretation help to review the gathered information, and reach inferences. Data Analysis and clarification seek to control whether the variable quantities are associated and how much they are allied.

Table: 1 Demographic Profile of the Respondents

Age of the respondents	Frequency	Percent
18-25 Years	30	30
26-33 Years	22	22
34-41 Years	22	22
42-49 Years	14	14
50 and above	12	12
Gender of the respondents		
Male	52	52
Female	48	48
Marital status of the respondents		
Married	60	40
Un married	60	40
Educational qualification of the respondents		
Professional	22	22
Postgraduate	32	32
Under graduate	24	24
Higher secondary	9	9
Others (Diploma ITI)	7	7
Occupational of the respondents		
Business/ profession	34	34
Employee/ salaried	31	31
Homemaker	8	8
Retired	8	8
Students	19	19
Family income of the respondents (Annual)		
Upto Rs.1,00,000	18	18
Rs.1,00,001 –Rs.2,00,000	30	30
Rs.2,00,001 –Rs.3,00,000	32	32
Above Rs.3,00,000	20	20

Source: Primary data

The table above depicts the demographic reputation of the pattern respondents. The have a look at famous that the majority 30 consistent with percent of the respondents have been in the age group of 18-25 Years. Male respondents are excessive with the majority of 52 consistent with percent and Female respondents are 48 consistent with percent. The Majority 60 consistent with percent of the respondents have been married. Postgraduate with the bulk of 32 percentages is using Digital Payments. Most of the respondents, 35 consistent with percent have a place with Business or Occupation, and the majority of respondents have been in the Annual family income category of 2, 00,001-three, 00,000.

4.1 GARRETT RANKING METHOD

Method Garrett rating approach is used to rank the maximum most well known mode of payments via way of earnings of the Accused. With the assist of the Garrett rating desk, the most well-known mode of payment is indicated via way of resources of the respondents and requested to rank the most well known mode of Digital payment.

Table 2: Plaintiffs’ Most Preferable mode of Payment Method

S.No.	Modes	Total	Mean Score	Rank
1	Cash	5360	53.60	IV
2	Debit/Credit	5674	56.74	III
3	Internet banking	5726	57.26	II
4	Mobile banking	5288	52.88	V
5	Mobile wallets	5197	51.97	VI
6	(UPI) Unified payment interface	5740	57.40	I
7	USSD	3736	37.36	VII
8	AEPS	3179	31.79	VIII

Source: Primary data

The table above outfits Garret’s imply rating, it's far clean that in step with ranks derived from the statistics, UPI (Unified Payment Interface) payment technique with the noteworthy rank I, Internet Banking possesses rank II, Debit / Credit card payment gets the position III, and Cash were given the placement IV, this suggests coins is inevitable within side the payment technique and nonetheless performs a vast component in rural regions. Mobile payment and Mobile wallets are in the V and VI positions following that USSD and AEPS were given the ranks VII and VIII respectively.

4.2 Factors Analysis Technique

The Factor evaluation technique is used to lessen several variables into fewer elements. Common variance is found via the extraction of maximum common variance from all variables, and this rating may be used for in addition evaluation.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.674
Bartlett's Test of Sphericity	Approx. Chi-square	492.060
	Degrees of Freedom	66.000
	Sig.	0.000

To find out the Sampling Adequacy Kaiser-Meye–Olkin Measure is taken into consideration. The test value with the assist of KMO is 0.674 that's greater than 0.5, which may be taken into consideration ok and it's far appropriate to conduct a statistics reduction approach. Barlett's Test of Sphericity allows determining the effects of thing evaluation are vast to do not forget and whether or not we ought to preserve studying the studies paintings. Bartlett’s Test of Sphericity vast stage is <0.001 which suggests that there is an excessive stage of correlation between variables, which makes it, is acceptable to apply thing evaluation.

Table 4: Rotated Component Matrix

Variables	Factors	Component			
		1	2	3	4
V1	Handy & Accessible	0.813			
V2	Resilient in making payments	0.770			
V3	Cost-effective	0.750			
V4	Better than cash	0.680	0.490		
V5	Need Infrastructure support		0.876		
V6	High Cyber security risk		0.742		
V7	Transactions can be tracked		0.739		
V8	Affordable Service charge		0.659		- 0.441
V9	Difficulty in maintaining Password			0.763	
V10	Often Service Disruption			0.718	
V11	Entails Digital literacy				0.772
V12	Reliability in making payments				0.604

Source: Primary data

Above table 4, suggests the Rotated issue matrix. The most important purpose of rotation is to lessen the variety of things which have excessive loadings. The table suggests the loadings of the twelve variables at the four elements (components) extracted. The table changed into suppressed, with all loadings much less than 0.4 to make the analyzing easier.

Table 4A: Consolidated Rotated Component Matrix

Factors	Component	Item Description	Rotated Loading	% of Variance	Eigen Value
I	Conducive	Handy & Accessible	0.813	34.558	4.147
		Resilient in making payments	0.770		
		Cost effective	0.750		
		Better than cash	0.680		
II	Service	Need Infrastructure support	0.876	15.795	1.895
		High Cyber security risk	0.742		
		transactions can be tracked	0.739		
		Affordable Service charge	0.659		
III	Threat	Difficulty in maintaining Password	0.763	10.245	1.229
		Often Service Disruption	0.718		
IV	Requisite	Entails Digital literacy	0.772	9.161	1.099
		Reliability in making payments	0.604		

Source: Primary data

The table 4A denotes consolidated Rotated issue matrix, the variables are consolidated and divided into four elements.

4.3 Conducive Factor

Conducive or convenience thing represented via way of means of four variables with thing loading from 0.813 to 0.680, they're, reachable and accessible, resilient in making payments, cost-powerful, and higher than coins, with the variance consistent with cent of 34.558 and Eigen value 4.147.

4.4 Service Factor

The service thing represents four-thing like, infrastructure assist, excessive cyber safety threat, transaction tracking, and service value with thing loading from 0.876 to 0.659, with the variance consistent with percent 15.795 and Eigen value of 1.895.

4.5 Threat or Risk Factor

Threat represents via way of means of two variables difficulty in retaining password and often service disruption with the thing loading 0.763 to 0.718, the variance of 10.245 with Eigen value 1.229.

4.6 Requisite Factor

The required thing-like virtual literacy and versatility with the thing loading 0.772 to 0.604 with variance 9.161 and Eigen value 1.099.

FINDINGS AND SUGGESTIONS

This have a look at examines the adoption of Digital payments in Ramanathapuram District; the subsequent are the pointers after studying the have a look at.

- Digital headings the ecosphere, but now no lengthier rural regions because of lack of virtual literacy, language barrier, and awareness in virtual payments, so to overcome this Digital literacy kiosk or assist table can be carried out, especially in rural regions.
- USSD (Unstructured Supplementary Service Data) that doesn't require smart phones and AEPS (Aadhar Enabled Payment Service) usage is very low, so those kinds of payment techniques may be stepped forward.
- There is a needful thing of reliability in making payments, loss of consider in making virtual payments as human beings always prefer the payment must be secured because safety is the maximum essential thing every time it involves payment.
- For the advantage of the store and those Pos (Point of sale), MPos (Mobile Point of sale) and Biometric Authentication may be carried out greater in rural regions. It allows the rural human beings stay in the interior of rural regions and away from Talukas of Ramanathapuram district.
- Poor network connectivity in a few parts disrupts the transaction that leads to an incomplete transaction, so development within side the infrastructure facility is needed especially in rural regions of Ramanathapuram District.

CONCLUSION

However, cash performs a mainperson and the maximum properly liked mode of payment in rural regions, Digital payment methods rectangular degree are the long term fashion in payment methods. Language, bad internet property, bad virtual attainment that discourages man or woman from victimization Digital payment methods but cash stays the famous mode of payment in rural regions. The bulk of the people in Ramanathapuram District depend upon Agriculture, so farmers, workers, and retailer's rectangular degree to be inspired. Adopting those Digital payments tendencies and with the assistance of the Administration novel Numerical novelty in the complete region will construct the rural people lives better and easier.

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