

## RECENT TRENDS IN DIGITAL PAYMENT

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### ABSTRACT:

Payment, a small component of the banking function, is becoming a key competing factor amongst the global banks today. In this ambitious environment, where banks are looking to innovate and adopt digital wallet payments. Digital payments are slowly achieving demand in India and there are many Apps that are being launched in this regard. It has become a convenient and secure way to make payments. Various methods of Digital Payment in India are Banking cards, USSD, Aadhaar Enabled Payment System, UPI, Mobile Wallets, Bank pre-paid cards, Point of Sale, Internet Banking, Mobile Banking, Bharat Interface for Money app. UPI is the most prominent payment system in India. It instantly transfers money to any distant/remote place, without any extra cost. Because of these reasons people started using digital transactions. The UPI was designed for the mobile apps. A banking mobile app can endorse this platform to give its facilities. There are many banking apps which work on this system such as Paytm, Google Pay(Tez), Phonepe, SBI Pay, Freecharge, Chhillr.

The study is about the consumer perception of digital payment and more specifically about the impact on usage of E-Wallet. A questionnaire was used as research tool for understanding consumer perception of digital payment. Primary data was collected from 172 respondents in Twin cities (Hyderabad and Secunderabad) of Telangana. Chi-square test and frequency analysis was used to analyze the responses. Chi-square indicates that there is no association in consumer perception based on the demographic factors such as gender, education, profession, and monthly income of the respondents. However education, profession and monthly income was found that their opinion levels are differing on using E-Wallet, modes of payment and satisfaction in digital payment.

**KEYWORDS:** Digital payments, E-Wallets, Primary data, Cashless Transactions, Consumer Perception.

### INTRODUCTION:

The payment and settlement have defined Digital Payments. As per this any "electronic fund transfer" means any transfer of fund which is initiated by a person by way of instruction, authorization or order to a bank to debit or credit an account managed with that bank through electronic means and includes point of sale transfers, automated teller machine transactions, direct deposits or withdrawal of funds, transfers initiated by telephone, internet and card payment.

Payment service providers grasp large innovations to keep up with the rising consumer demands. A few trends around higher number of operators have been collected for offline digital payments, adoption of national mobility card for toll and transit payments and further push on UPI over Whatsapp and Google show that the adoption of the digital payment or digitalization is going to flourish and become a basic necessity in day to day life.

Payment system plays an important role in driving the economic and social development of the country. The last decade has seen astounding growth in use of internet and mobile phone in India. Broadening use of internet, mobile invasion and government initiatives such as Digital India act as an impulse which leads to epidemic growth in use of digital payment. Endorsement of digital payments has also generally been higher in the younger generation. This has seen banks focusing innovations targeted at this populace.

### Digital Payment Modes in India

There are various mode of digital payment available in India. These are:

**Online or mobile wallets:** They are used via the internet and through smart phone applications. Money can be saved on the app via recharge by debit or credit cards or net-banking. Consumer wallet limit is Rs. 20,000 per month and the operator wallet limit is Rs. 50,000 per month after self-declaration and Rs. 100,000 after KYC verification.

**Prepaid credit cards:** Pre-loaded to individual's bank account. It is analogous to a gift card; customers can make purchases using funds accessible on the card and not on borrowed credit from the bank. Can be recharged like a mobile phone recharge, up to a recommended limit.

**Debit cards:** These are related to an individual's bank account. These cards can be used at shops, ATMs, online wallets, micro-ATMs and for e-commerce purchases. Debit cards have overtaken credit