

A STUDY ON DIGITAL PAYMENTS USAGE AND PREFERRED MODE OF PAYMENT AMONG THE STUDENTS IN BANGALORE

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ABSTRACT

Digital payments have increasingly become a mode of payment in today's world. This is because it is more convenient, time saving and efficient. There is no need to carry the cash everywhere and every time. The parents can use the digital payments to pay their students fees with a single touch. The students also carry their mobile phones with them always, so that they use digital payments easily and frequently for making transactions. The digital payments is very much available in mobile phones which can be carried everywhere. This study is mainly conducted to know and understand the adoption, usage and preferred mode of digital payments among the students and also the awareness frequency of usage among the students community in Bangalore. For this study mainly primary data is being used.

The study also provides valuable insights into the evolving landscape of digital payments and can inform financial institutions and service providers in better targeting and enhancing digital payments systems for the students community in Bangalore.

Keywords: Digital payments, usage and adoption, Cashless transactions, Student community.

1. INTRODUCTION

A digital payments also called as electronic payments or cashless transactions refers to transferring money from one account to other accounts using mobile phones or computer. Digital payments are the new concept or technology and which is used by the people every single day all around the world.

As handling the cash is a risky task as they can loose money or any fraud may occur, digital payments gives a better experience to the people by keeping their funds secured effortlessly. Digital payments plays better role not only among the young generation but especially among the students community.

After the covid 19 pandemic which facilitated the contactless payments helped the people to transfer their money without any hurdles or problems. There is no need for the people to the banks frequently to transfer their money to their accounts or withdraw or check the account balance but they can use digital payments app in a single touch to transfer and check their accounts balances without any much efforts. This also reduces the paper dependency by the students which is useful for reducing pollution.

2. REVIEW OF LITERATURE

1. Apu Chandra Das(2024): "Entitled understanding the dynamics of digital adoption among public university Students: A quantitative study" made the study to investigate and understand the utilization of digital payments among the students. Primary data such as questionnaires was used by the researcher to know the usage and the adoption of the digital payments.

2. Dr Pratima Ps and Sheril tellis(2024): "Titled A Study on digital payments methods among college students with special reference to National college Bangalore was made with the objective to understand the reach ability and the satisfaction level of the students in using digital payments.

3. Senthamizh Veena and D. Epsheeba(2023): "titled A study on digital payments usage among the students community in Tiruchirappalli city of Tamil Nadu. The study was conducted with the objectives to know the socio economic conditions of the students in their awareness, frequency and purpose of using digital methods. For this primary data was collected and found that Male students used digital payments more than that of female students.

4. Rahul Bommanolla and Dr. B Sandhya rani(2023): Titled "Cashless campus: A study on Awareness and Adoption of digital payments among the Students of Hyderabad. This study mainly focuses on the educational sector and how students adopted to the digital transactions. The data was collected both with primary and secondary data and found that the level of awareness of all the digital payments was good among the students.

5. Raghul.S(2022): A study on the impact of digital payments with special reference to youths. The study was conducted with a aim that the present generation is going through a new phase called digital payments systems so to the impact and use of these payments and the challenges to know the research was conducted. The research was conducted in Chennai region and primary data was conducted.

3. STATMENT OF PROBLEM

The era of digital payments have made a significant impact on financial transactions among various sectors including education. It has a major scope of how students engage with the financial transactions for their education.

So the study mainly investigates the effects of the digital payments systems and student's usage, adoption and preferred mode of payment. This factors is essential for students to understand in the fast moving era of digital payments in the world that is moving faster with the adoption of new technologies.

4. OBJECTIVES

- 1.To analyse whether age and gender has significant impact on the usage of digital payments usage among students.
- 2.To analyse the nature and preferred mode of digital payments among the students.

5. RESEARCH METHODOLOGY

The research methodology used for collecting data is through questionnaire. The questionnaire included multiple choice questions.

Source of data:

The main source of data that is used for the study is primary data by collecting data from the various students in Bangalore.

Sample design: Non convenience sampling is used

Sample Size: Data collected from 55 Students.

Tools used for analysis:

To analyze the collected data, IBM SPSS was used to perform various statistical tests.

Statistical tools used:

- 1.Descriptive statistics
- 2.Chi-Square test
- 3.T-test.
- 4.Correlation

Hypothesis:

Ho(null hypothesis): There is no significant impact of gender and age on the usage of digital payments among students.

H1(alternative hypothesis): There is significant impact of gender and age on the usage of digital payments among students.

LIMITATIONS OF THE STUDY

- 1.This study is conducted with primary data. Therefore the information given by the respondents may not be correct or genuine.
2. Due to the limited time of Study, the sample was collected only from 55 Students.

ANALYSIS AND INTERPRETATION:

TABLE 1: Demographic profile of respondents.

VARIABLE	CATEGORY	FREQUENCY	Percentage
Gender	Male	15	27.3%
	Female	40	72.7%
Age	18-25	52	94.5%
	25-35	03	5.5%

Interpretation:

Gender:

Male: 15 respondents(27.3%)

Female: 40 respondents(72.7%)

The dataset shows more female respondents than Male respondents with nearly 73% of female participants.

Age:

18-25 years: 52 respondents

25-35 years: 3 respondents

The majority of respondents are between 18-25 years indicating a young demographic.

TABLE 2: Descriptive Statistics.

	Gender	Age
N valid	55	55
Missing	0	0
Mean	1.73	1.05
Median	2.00	1.00
Mode	2.00	1.00
Std.deviation	.449	.229
Skewness	-1.049	4.034
Std. Errors of skewness	.332	.332
Kurtosis	-.934	14.811
Std. Errors of Kurtosis	.634	.634

Interpretation:

1. Gender Mean = 1.73

This suggests that the dataset is skewed towards females.

2. Age Mean = 1.05

Since most respondents fall in the 18-25 range (coded as 1), the low mean confirms this.

3. Age Skewness = 4.034 (Highly Positive)

A large skew means most values are concentrated on the lower end (18-25 years), with very few respondents in the 25-35 range.

4. Kurtosis for Age = 14.811 (Leptokurtic Distribution)

A very high kurtosis suggests the majority of values are clustered around the 18-25 age group, with very few respondents above 25.

TABLE 3: Preferred mode of digital payments.

	Google pay	Phone pay	Bharat pay	Others	Total
Gender: male	10	3	1	1	15
Count	9.8	3.8			
Expected count			1.1	3	15
Female: count	26	11	3	0	40
Expected count	26.2	10.2	2.9	7	40
Total: count	36	14	4	1	55
Expected count	36	14	4	1	55

Interpretation:

1. The observed counts (actual responses) and expected count are very close.

2. This suggests that gender does not significantly influence the choice of digital payment mode.

TABLE 4: Chi square test.

	Value	DF	Asymptotic significance(2 sided)
Person's chi square	2.923	3	.404
Likelihood ratio	2.867	3	.413
Linear by linear association	0.250	1	.617
N of valid cases	55		

Interpretation: The Pearson Chi-Square value (2.923) and p-value (0.404) indicate no significant relationship between gender and preferred mode of digital payment.

Since $p > 0.05$ ($0.404 > 0.05$), we fail to reject the null hypothesis—meaning gender does not have a statistically significant effect on the choice of digital payment mode.

TABLE 5: T- TEST

How often do you use digital payments	Gender	N	Mean	Standard deviation	Standard error mean
	Male	15	1.20	.561	.145
	Female	20	1.60	.982	.155

TABLE 6: Independent sample T- test

Levene's test for equality of variances	F	Sig	t	DF	Sig(2 tailed)	Mean difference	Std. Error difference	95% confidence interval.	
								Lower	Upper
Equal variance assumed	8.896	.004	-1.484	53	.144	-.400	.270	-.941	.141
Equal variance not assumed			-1.884	43.888	.066	-.400	.212	-.1828	.028

Interpretation: Before interpreting the t-test results, Levene's test for equality of variances was conducted to check whether the assumption of equal variances holds. The results indicated a significant difference in variances ($F = 8.896$, $p = 0.004$), meaning that the assumption of equal variances is not met. Therefore, we refer to the "Equal variances not assumed" row for the t-test interpretation.

The results indicate that the mean difference in the frequency of digital payment usage between males (Mean = 1.20) and females (Mean = 1.60) is -0.400, meaning that females tend to use digital payments more frequently than males. However, the p-value (0.066) is greater than 0.05, indicating that this difference is not statistically significant.

TABLE 7: Correlation test.

Variable Pair	Pearson Correlation (r)	Significance (p-value)	Interpretation
Age & Preferred Mode of Digital Payments	-0.154	0.262	No significant correlation. Age does not influence the preferred mode of digital payment.
Age & Gender	0.147	0.284	No significant correlation. Gender distribution does not vary significantly with age.
Age & Frequency of Digital Payment Usage	-0.042	0.758	No significant correlation. Age does not impact how often digital payments are used.
Age & Purpose of Digital Payments	0.119	0.385	No significant correlation. Age does not determine what digital payments are mostly used for.
Preferred Mode of Digital Payments & Gender	-0.068	0.621	No significant correlation between gender and preferred payment mode.
Frequency of Digital Payment Usage & Purpose of Digital Payments	-0.602	0	Strong negative correlation, significant at the 0.01 level. As the frequency of digital payment usage increases, the primary purpose for using digital payments may change.

The correlation analysis was conducted to examine the relationships between various factors, including age, gender, preferred mode of digital payments, frequency of digital payment usage, and the primary purpose of digital payments. The results indicate that age does not have a significant relationship with any of the digital payment usage factors. Specifically, there is no meaningful correlation between age and the preferred mode of digital payment (-0.154 , $p = 0.262$), age and gender (0.147 , $p = 0.284$), age and the frequency of digital payment usage (-0.042 , $p = 0.758$), or age and the purpose for which digital payments are used (0.119 , $p = 0.385$). This suggests that age is not a determining factor in digital payment behaviour's among the respondents.

Similarly, gender does not significantly influence the choice of preferred payment mode (-0.068 , $p = 0.621$) or how frequently digital payments are used (0.200 , $p = 0.144$). This indicates that both males and females exhibit similar patterns when selecting their preferred mode of digital transactions and their usage frequency.

However, a strong negative correlation (-0.602 , $p = 0.000$) was found between the frequency of digital payment usage and the primary purpose for which digital payments are used. This suggests that as individuals increase their frequency of digital transactions, the primary reason for using digital payments may shift.

Overall, the analysis shows that age and gender do not play a significant role in determining digital payment behaviour's. The only statistically significant relationship observed is the negative correlation between the frequency of digital payment usage and the purpose of digital payments, implying that usage patterns influence how individuals allocate their digital transactions.

KEY FINDINGS:

- Digital payments have played a significant role among the students in Bangalore.
- Age does not have a significant relationship with any of the digital payment usage factors (preferred mode, frequency, or purpose).
- Gender does not significantly influence preferred digital payment mode or frequency of usage.
- Google Pay remains the most preferred mode of payment for both males and females.
- There is no statistically significant difference between males and females in their digital payment preferences.
- Majority of the students are using digital payments.
- According to the study conducted female students are using digital payments more than Male students.

6. CONCLUSION

The study was done majorly to explore the digital payments with reference to the students of Bangalore. Digital payments are transactions that takes place via digital or online modes with no physical exchange of money. It has become a major trend especially among the younger generation and students. The government of India has taken several measures to promote and encourage digital payments among the students such as Digital India Campaigns, paper less and cashless drives etc. Although many students are aware and are using digital payments effortlessly but some are still lacking due to their fear of security concerns and if any fraud may occur. But education must provide the best knowledge about the digital payments to all the students to reduce their Barriers and fears in using digital payments.

7. REFERENCE

- [1] Rahul Bommonalla and Dr. B Sandhya rani(2023): "Cashless Campus: A study on Awareness and Adoption of Digital payments among the Students in Hyderabad. "
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