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A Study on Customer's Satisfaction on E-Payment with Reference to Thiruvallur District

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Abstract:

Invention of computer in 1960's and later, introduction of www (world wide web) in 1989 led to revolutionary changes in electronic payment system. electronic payment systems evolved, payment process was minimized to just a few simple steps, which can be done at remote locations away from Bank. As the world becomes increasingly digital, the use of electronic payments (e-payments) has grown significantly. With the rise of e-commerce, it has become crucial to ensure that customers are satisfied with their e-payment experiences. This study is focus on the level of satisfaction on electronic payment with quantitative research approach, and data was collected through a structured questionnaire from 120 respondents residing in Thiruvallur. The questionnaire is focused on satisfaction, constraints, influencing factor, usage. The findings of the study shows that UPI is the mode of transaction used for daily use. The research makes use of statistical tools like ANOVA, chi-square and percentage analysis to study the different factors and determine the relationship between the variables

***Key words**: Customer satisfaction and e-payment (electronic payment)*

INTRODUCTION

E-payment system is a payment system in which monetary value is digitally transmitted between two organisations. An organisation can be a bank, business, government or a consumer. Online payment is also called as e-payment. Credit card and debit card, UPI are popular form of electronic payment system. e-payment has become one of the latest services. Customer satisfaction rate get increasing on payment rather than traditional service. E payment system is way of transaction for any goods or service through electronic medium without using bank cheque, DD, Bill of Exchange or cash. There is a difference between non-cash payment and E-payment, non-cash payment includes Cheque, Demand draft, Debit note, credit note etc., but the e-payment means paying through cards online (debit card, credit card), Internet Banking, Mobile banking (NEFT, RTGS, IMPS), POS (Point of Sale), UPI, USSD (Unstructured Supplementary Service Data) *99#, etc., The widespread adoption of electronic

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payment systems has transformed the way we conduct financial transactions. As a result, businesses and organizations must keep up with the changing landscape to provide their customers with secure and efficient payment options. In this study, we aim to explore customer satisfaction with electronic payment systems and identify the key factors that contribute to a positive user experience.

OBJECTIVES

- To analysis the level of satisfaction in e-payment.
- To find out the constraints that would affect the usage of e-payment.
- To analysis the factor influencing in e-payment.
- To analysis the frequency of usage in e-payment.

SCOPE OF THE STUDY

This study is to analysis the customer's satisfaction on various kinds of electronic payment with special reference to Thiruvallur. This study is to analysis the facot influencing in electronic payment and to know the constraints faced by the respondent while using electronic payment and this research also help to know the impact of digital India economy.

RESEARCH METHODOLOGY

Source of data

Primary data:

The study was conducted by framing the questionnaire and distributed it to respondents who are residing in Thiruvallur through Google forms. A sample size of 120 respondents was used with a convenient sampling technique. For data analysis, ANOVA, chi-square and percentage test were used to bring out the results.

REVIEW OF LITERATURE

1. **Mr. Ashish P.R., Ms. Apoorva P.V. (2022)** As a result, usage of internet and E-commerce also increases, which encourages people to use the e-payment modes in the transactions. E-payment enables easy, convenience, and security in the time of payment. Therefore, this study is to identify the customer satisfaction towards different legal options of e-payment in Puttur locality**.**

2. **A study by Raza et al. (2021)** examined customer satisfaction with electronic payment systems in Malaysia. The study shows that security, convenience, and ease of use are the most critical factors influencing customer satisfaction. The study also revealed that customer trust in the payment system significantly impacted their intention to use electronic payment systems in the future.

3. **Rakuten (2020)** According to a survey conducted by Rakuten Insight in India, a large share of respondents between 16 to 54 years of age stated to have frequently used some form of e-payment method as of February 2020.Around 30 percent of respondents between 16 to 34 years of age stated that they used electronic payment methods every day, whereas only six percent of respondents who were 55 years or older used e-payment methods daily in India.

ANALYSIS AND INTERPRETATION

Frequency (Percentage)

Methods/ Frequency	Never	Rarely	Monthly	Weekly twice	Daily
Cards online	2.5	12.5	31.7	35.8	17.5
Net banking	7.5	22.5	27.5	25.0	17.5
Mobile banking	13.3	10.8	30.0	33.3	12.5
Point of sale	19.2	12.5	25.0	28.3	15.0
Upi	3.3	7.5	12.5	28.3	48.3
USSD	41.7	13.3	19.2	17.5	8.3

Inference

Out of the sample of 120, it is found that 48.3% of respondents are preferring Upi in daily basis and 41.7% of respondents are never used USSD.

ANOVA

H0- There is no significant difference between Age Group and their Level of satisfaction in e-payment.

H1- There is significant difference between Age Group and their Level of satisfaction in e-payment.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Your satisfaction among different type of e-payment? [Cards online(debit, credit cards)]	Between Groups	1.586	3	0.529	0.362	0.781
	Within Groups	169.539	116	1.462		
	Total	171.125	119			
Your satisfaction among different type of e-payment? [Net banking (NEFT, RTGS, IMPS)]	Between Groups	6.915	3	2.305	1.588	0.196
	Within Groups	168.410	116	1.452		
	Total	175.325	119			
Your satisfaction among different type of e-payment? [Mobile banking (NEFT, RTGS, IMPS)]	Between Groups	1.496	3	0.499	0.298	0.826
	Within Groups	193.804	116	1.671		
	Total	195.300	119			
Your satisfaction among different type of e-payment? [POS (Point of sale)]	Between Groups	9.689	3	3.230	2.121	0.101
	Within Groups	176.636	116	1.523		
	Total	186.325	119			
Your satisfaction among different type of e-payment? [UPI (G-pay, BHIM, paytm, amazon pay, phoenepe, etc.,)]	Between Groups	9.111	3	3.037	1.632	0.186
	Within Groups	215.881	116	1.861		
	Total	224.992	119			
Your satisfaction among different type of e-payment? [USSD]	Between Groups	3.330	3	1.110	0.711	0.548
	Within Groups	181.170	116	1.562		
	Total	184.500	119			

Inference

Cards online (debit, credit cards)

P value = 0.781

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

Net banking

P value = 0.196

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

Mobile banking

P value = 0.826

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

POS (Point of sale)

P value = 0.101

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

UPI (G-pay, BHIM, paytm, amazon pay, phoenepe, etc.,)

P value = 0.186

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

USSD (Unstructured Supplementary Data)

P value = 0.548

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Age Group and their Level of satisfaction in e-payment.

ANOVA

Hypothesis

H0 – There is no significant difference between annual income and the factor in influencing while making e-payment.

H1 - There is no significant difference between annual income and the factor in influencing while making e-payment.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Which of the following factor influencing preference of e-payment systems? [Ease of transact]	Between Groups	3.493	3	1.164	1.531	0.210
	Within Groups	88.207	116	0.760		
	Total	91.700	119			
Which of the following factor influencing preference of e-payment systems? [Convenience]	Between Groups	1.428	3	0.476	0.861	0.465
	Within Groups	64.164	116	0.553		
	Total	65.592	119			
Which of the following factor influencing preference of e-payment systems? [Time saving]	Between Groups	1.024	3	0.341	0.567	0.638
	Within Groups	69.776	116	0.602		
	Total	70.800	119			
Which of the following factor influencing preference of e-payment systems? [Security]	Between Groups	2.762	3	0.921	0.874	0.457
	Within Groups	122.230	116	1.054		
	Total	124.992	119			
Which of the following factor influencing preference of e-payment systems? [Transaction charges(low or no charges)]	Between Groups	11.363	3	3.788	3.416	0.020
	Within Groups	128.604	116	1.109		
	Total	139.967	119			

Inference

Ease of transact

P- Value = 0.210

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Annual Income and factor in influencing while making e-payment.

Convenience

P- Value = 0.465

The P value is lesser than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Annual Income and factor in influencing while making e-payment.

Time saving

P- Value = 0.638

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Annual Income and factor in influencing while making e-payment.

Security

P- Value = 0.638

The P value is greater than 0.05, Hence the Null hypothesis is accepted and There is no significant difference between Annual Income and factor in influencing while making e-payment.

Transaction charges

P- Value = 0.020

The P value is Lesser than 0.05, Hence the Null hypothesis is Rejected and There is significant difference between Annual Income and factor in influencing while making e-payment.

CHI – SQUARE TEST

Hypothesis

H0 – There is no significant difference between the type of bank and constraints while making e-payment.

H1 - There is no significant difference between the type of bank and constraints while making e-payment

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.561[a]	8	0.094
Likelihood Ratio	15.290	8	0.054
Linear-by-Linear Association	1.917	1	0.166
N of Valid Cases	120		

9 cells (60.0%) have expected count less than 5. The minimum expected count is .18.

Inference

Low accessibility at peak hours

P-value = 0.094

P value is greater than 0.05. Hence, Accept Null Hypothesis and there is no significant difference between the type of bank and constraints while making e-payment.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	9.429[a]	8	0.307
Likelihood Ratio	10.382	8	0.239
Linear-by-Linear Association	1.926	1	0.165
N of Valid Cases	120		

7 cells (46.7%) have expected count less than 5. The minimum expected count is .41.

Inference

Server error

P-value = 0.307

P value is greater than 0.05. Hence, Accept Null Hypothesis and there is no significant difference between the type of bank and constraints while making e-payment.

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.884[a]	8	0.941
Likelihood Ratio	3.618	8	0.890
Linear-by-Linear Association	0.015	1	0.901
N of Valid Cases	120		

6 cells (40.0%) have expected count less than 5. The minimum expected count is .64.

Inference

Difficult to remember the password

P-value = 0.941

P value is greater than 0.05. Hence, Accept Null Hypothesis and there is no significant difference between the type of bank and constraints while making e-payment.

LIMITATIONS OF THE STUDY

- Since the study only pertains to the population of Thiruvallur, the results may not be applicable to other areas.
- The study is based on the customer's preference and satisfaction. But the customer's satisfaction may change according to time, fashion, trend, technology, development etc.
- Some respondents were hesitant to answer questions like Annual income, Spendings, education qualification etc.
- Some questionnaires were filled by respondent are found to be bias. These responses could not be used for the purpose of study

FINDINGS OF THE STUDY

1. The results of the frequency test clearly shows that the responds are often using the Upi for their daily transaction.
2. The results of the ANOVA clearly shows that there is no difference between Annual Income and the factor in influencing while making electronic payment.

3. The results of the ANOVA clearly shows that there is difference between Annual Income and the factor in influencing while making electronic payment is only on the transaction cost.
4. The results of the Chi Square test clearly shows that there is no difference between type of bank and their constraints while making electronic payment.

SUGGESTION

Foreign banks should strengthen their customer base by attracting the institutional and organizational customers rather than individual customers. Customers are ready to adopt and accept the e-payment services, but the major issue which stopping customers for using e-payment was the issues in bank service charges. Therefore, the bank should come over these service charges.

CONCLUSION

Consumers in Thiruvallur are increasing with preferencing to UPI mode of transaction. In this study, it clearly shows that the customer's satisfaction on the electronic payment is not based on their age group it always depends on the mindset, trends, fashion etc. The only factor which influencing is the transaction cost based on their annual income, all other factors are not significantly influencing.

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