

THE FACTORS INFLUENCING THE BUYING BEHAVIOUR OF THE CONSUMERS WITH DIGITAL PAYMENT MODES

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ABSTRACT

Recent changes in the economy moving the consumer's world into digitalization. Now digital payments become a trend while in buying. Digitalization has been changing the habit of the consumers. In digital payment the transaction is made by the consumer using the payment instruments such as credit/debit card, E-wallets and other mobile payment apps etc., Digital payments have more benefits and risks. The basic objective of this study is to examine the factors influencing the buying behaviour of the consumers with digital payment modes and also to examine the behavioural changes of the consumers after digitalization. Digital payment modes are the easiest and convenient method, saves the time and energy of the consumers. Sometimes digital payments provide more discounts and offers to the consumers. At the same time, the personal information provided by the consumers are not secure in every places. So the consumer must aware about the digital payment modes and their risks before making payment.

Key words: Consumer behaviour, Digital payment, Digitalization, E-wallets, Payment modes.

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1. INTRODUCTION

Increasing the new technology has impacted into the many fields. Due to the new invention of digital money and digital wallets has also influence to change the consumers buying behaviour. Increase the use of internet push the consumers to use more technology in their

day to day activities. In this paper digital payment modes includes digital money and digital wallets such as debit/credit cards, E-wallets, prepaid cards, gift cards and vouchers and mobile payment apps etc., Digital money or digital currency exists in the electronic form. Digital wallets or E-wallets are an electronic devices makes electronic transaction. Most of the E-wallets are in the form of mobile phone apps. Some of the private sector companies introduce E-wallets and they also provide attractive offers, discounts and rewards for their customers which lead to use more digital wallets. In past people carry cash while going for shopping. Now a day's people spend less physical money and use more digital money for their purposes and that also becomes a trend. Regardless age everyone having debit/credit card and smart phones in their hands. Where ever they go, shopping confidently because of these digital payment modes available anytime at anywhere. Its saves time and energy of the consumers. These are the major factors changes in the consumer buying behaviour pattern. This payment mode contains huge benefits at the same time it's also having drawbacks. These payment modes are not fully secured alltime it may hack by cyber frauds. Sometimes the owners are also not given any assurance to their customers.

2. PURPOSE OF THE STUDY

The purpose of this study is to identify the consumer buying behaviour while in shopping. Such as departmental stores, retail outlets, jewellery shops, textile shops, shopping malls like in many other places encourage this type of payment modes and people also prefer that because it is easy to use. At the same time some factors also affect consumers in certain cases. So this study which helps to analyze the factors makes changes in their buying behaviour pattern using digital payment modes.

3. LITERATURE REVIEW

DilipSoman (2001) found the new technology and payment mechanisms allow consumers to make payments with minimal effort and to complete their transaction early.

Afshan Ahmed., etal (2009) analyzed credit card offer most important elements such as convenience and security for women. They focusing the increasing number of independent working women and gives extra benefit for shopping household items.

Deviranjitham and Thamilarasam (2014) found customer satisfaction is less by using credit cards because the banks charged high rate of interest. High income earners and highly educated class peoples use credit card more. At the same time the cardholders face the major problem of lack of proper advice from banks.

Megawati Simanjuntak and Ambar Susan Rosifa (2016) studied about the buying behaviour of women in self-esteem, money attitude and credit card usages. The retention time and credit card usage behaviour had both positive and negative influence on compulsive buying behaviour respectively. The more working women do financial planning for future and less in the compulsive buying behaviour.

Varsha.R and Thulasiram.M (2016) studied the e-wallet are considered as a hi-tech platform for money transactions which was comfortable to use and its indicating high levels of acceptance.

AbdulrahmanAlhothaily et.al (2017) analyzed person to person (P2P) payment systems are quick cash online and quick cash offline for make easy fund transfer and also for cardholders to withdraw money from ATMs. It can be used in emergency situations and this payment model support economic growth in developing countries & create new opportunities.

HarshitaBhatnagar (2017)examined continuous process of demonetization moving into a cashless economy and it is a positive step taken towards a digital transformation of the country. The day is not far when physical money will get obsolete technologically but at the same time they also need to develop strategies to encourage customers and employees to use technology.

Kokila.V and Ushadevi.R (2017) analyzed the Government has executed various forms for transparent economic development. The demonetization and digital payments are one of the most important reforms. Cashless transaction is not only a requirement it is also emerging need for today's transparent economic development.

Shamsher Singh and Ravish Rana (2017) found where the education level is high particularly in metropolitan areas the possibility of acceptance of digital payment is also high. And the growth of smartphone and internet users in such areas also make easy to adopt digital payment.

4. OBJECTIVES

- To examine the factors influencing the buying behaviour of the consumers with digital payment modes.
- To examine the factors changes in the buying behaviour pattern ofconsumers after digitalization.

5. RESEARCH METHODOLOGY

This study based on primary data and secondary data collection method. Data collected from 160 respondents around the Chennai city. Questionnaire was designed to the study on factors influencing the buying behaviour of the consumers with digital payment modes. For this study the questionnaire designed with demographic profile and five point Likert Scale were used for the factors influences the buying behaviour with digital payment modes. The secondary data collected from books, journals and websites etc.,

Sample size: The targeted population of this study is who has been using digital payment modes while in shopping. The sample size was 160.

Statistical tools: The data collected and analyzed by statistical tools including frequency analysis, descriptive statistics and chi-square test. SPSS 20 was used to perform statistical analysis.

6. LIMITATIONS

- The sample size of the study was limited to 160 respondents.
- The area of the study is limited to Chennai city.
- This study is restricted to digital payment mode users only.

7. ANALYSIS AND DISCUSSION

The analysis of the data was classified in the following section:

Table 1 Demographic profile of the respondents

Profile		Frequency	Percentage
Gender	Male	91	56.9
	Female	69	43.1
Total		160	100.0
Age	18-25	49	30.6
	26-30	38	23.8
	31-40	45	28.1
	41-50	18	11.3
	Above 50	10	6.3
Total		160	100.0
Educational qualification	Schooling	17	10.6
	Diploma	32	20.0
	UG	40	25.0
	PG	41	25.6
	Professional	22	13.8
	Others	8	5.0
Total		160	100.0
Status	Student	24	15.0
	Employee	56	35.0
	Self-employed	49	30.6
	Home maker	25	15.6
	Others	6	3.8
Total		160	100.0
Maritalstatus	Married	67	41.9
	Unmarried	93	58.1
Total		160	100.0
Monthly Income	Upto 10000	32	20.0
	11000-20000	45	28.1
	21000-30000	42	26.3
	31000-40000	19	11.9
	Above 40000	22	13.8
Total		160	100.0

Source: Primary Data

Table 1 shows demographic profile of the respondents it is inferred that out of 160 respondents that means out of 100% most of the respondents are male (56.9%) and (43.1%) are female. Comparing this table male is using more digital payment modes. Among five types of age group majority (30.6%) are in 18-25 it shows the young generation use more digital payment modes. From their educational qualification majority (25.6%) post graduate and under graduates (25.0%) it shows in this stage those peoples are aware more about the digital payment modes. Most of the employees (35.0%) are using digital payments while shopping this may be occur because most of the employee’s salary are credited to their bank account so they are using digital payment modes. Majority respondents are unmarried (58.1%) because of the lifestyle changes people requirements are increased. And majority respondent’s monthly income is in 11000-20000 (28.1%) and 21000-30000 (26.3%).

Table 2 Descriptive statistics of the factors influencing the buying behaviour of the consumers

S.no	Statements	Mean	SD
1	Buy with confidence	4.26	.871
2	Buy with detailed charges information	4.16	.924
3	Buy more because they providing offers/rewards for payment	4.15	.940
4	Prefer digital payment modes because they offer option to pay on EMI	4.07	.891
5	Prefer digital payment modes because its having wallet option	4.03	.974
6	Can buy more branded items	3.92	1.206
7	It changes life style	3.84	1.125
8	Can buy without any limit	3.02	1.394
9	Don't care about the price of the product	2.78	1.395
10	It leads to spend more	2.28	1.110
11	Can't control expenditure	2.09	1.095
12	Advertisement influence to use e-wallets and other payment apps	1.03	.193

Source: Primary Data

Table 2 shows the factors changes the buying behaviour of the consumers after digitalization. The highest mean value of 4.26 and corresponding standard deviation 0.871 which implies consumers confidently buying while using digital payment modes, has followed by the mean value of 4.16 and standard deviation 0.924 are implies consumers are buying with detailed transaction charges information. And the lowest mean value 1.03 and corresponding standard deviation 0.193 which implies consumers are influenced by advertisement to use e-wallets and other payment mobile apps.

7.1. Chi-square Analysis

H₀: There is no association between demographic profile of the respondents and buying behaviour factors

H₁: There is an association between demographic profile of the respondents and buying behaviour factors

Table 3 Chi-square test for demographic profile of the respondents and buying behaviour factors

S. No	Statements	Gender	Age	Edu. qualification	Status	Marital status	Monthly Income
1	Buy with confidence	.001*	.702	.000*	.299	.087	.427
2	Buy with detailed charges information	.001*	.000*	.000*	.086	.000*	.010*
3	Buy more because they providing offers/rewards	.019*	.751	.044*	.671	.468	.517
4	EMI options	.010*	.261	.030*	.015*	.040*	.295
5	Wallet option	.088	.134	.004*	.057	.197	.418
6	Buy more branded items	.113	.924	.340	.324	.276	.650
7	It changes life style	.043*	.757	.003*	.039*	.405	.374
8	Buy without any limit	.000*	.003*	.000*	.100	.000*	.028*
9	Don't care about the price of the product	.000*	.078	.000*	.762	.003*	.381
10	It leads to spend more	.019*	.099	.002*	.264	.096	.295
11	Can't control expenditure	.133	.545	.544	.027	.332	.606
12	Influence of advertisement	.018*	.377	.189	.056	.055	.501

Source: Primary Data, *significant at 5% level

Table 3 shows chi-square value for demographic profile and buying behavior factors. It indicates the value of $p < 0.05$ for gender and education qualification has association with confidence on buying; Gender, age, educational qualification, marital status and monthly income has associated with transaction charges information while in buying; Gender, educational qualification has associated on the factor they can buy more because they providing more offers and rewards; Gender, educational qualification, status and marital status has associated with consumer prefer this payment modes because they offer option to pay on EMI; Educational qualification has associated with the consumers prefer digital payment mode because its having wallet option; Gender, educational qualification and status has associated with it changes the lifestyle of the consumers; Gender, age, educational qualification, marital status and monthly income has associated with the consumer they can buy without their limit; Gender, educational qualification and marital status has associated with they don't care about the price of the product; Gender and educational qualification has associated to the consumers leads to spend more; Gender has associated with consumers are influenced by advertisement to use e-wallets and other mobile payment apps.

8. CONCLUSIONS

Current study is an attempt to understand the consumer buying behaviour pattern with digital payment modes. Based on this analysis the consumers are buying with confidence is the major factor influencing to use these digital payment modes. Now everyone having smart phones and internet connection in their hands is the major life style changes of the consumers reflected in the buying behaviour pattern. Now digitalization has been changing the habit of the consumers. It is simple and fastest payment method, so people can use this for their convenience. At the same time the personal information's provided by the consumers while in payments are not secure in every place. Lack of awareness and cyber-attacks create major problems that they are fear to use. To avoid these risks the consumer must aware about the digital payment modes and their risks. They must read the terms and conditions of the particular payment modes before making payment.

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