A study on

YOUNG CONSUMERS PREFERENCES OF MOBILE WALLETS – GATEWAY FOR CASHLESS PAYMENTS

Project Report

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Under the guidance of

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ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM

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CERTIFICATE

This is to certify that the project titled **" YOUNG CONSUMERS PREFERENCES OF MOBILE WALLETS-GATEWAY FOR CASHLESS PAYMENTS"** submitted to Mahatma Gandhi University in partial fulfillment of the requirement for the award of Degree of Bachelor in Commerce is a record of the original work done by **Ms. Elsa Mariya George, Ms. Malavika A, Ms. Sneha Santy**, under my supervision and guidance during the academic year 2021-24.

DEPARTMENT OF COMMERCE (SF) ST.TERESA'S COLLEGE (AUTONOMOUS) ERNAKULAM

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DECLARATION

We Ms. Elsa Mariya George, Ms. Malavika A, Ms. Sneha Santy, final year B.Com students, Department of Commerce (SF), St. Teresa's College (Autonomous) do hereby declare that the project report entitled **"YOUNG CONSUMERS PREFERENCES OF MOBILE WALLETS-GATEWAY FOR CASHLESS PAYMENTS"** submitted to Mahatma Gandhi University is a bonafide record of the work done under the supervision and guidance of Ms. Divya Tomy Kattikaran, Assistant Professor of Department of Commerce (SF), St. Teresa's College (Autonomous) and this work has not previously formed the basis for the award of any academic qualification, fellowship, or other similar title of any other university or board.

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DATE: 24-04-2024 **MALAVIKA A**

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Sneha Santy

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CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

In the rapidly evolving landscape of financial technology, the surge in mobile wallet usage has become a defining characteristic of the modern era. Among the various demographic segments embracing this transformative trend, young consumers stand out as trailblazers in the realm of cashless payments. As we delve into the intricacies of mobile wallets, it becomes apparent that they are not merely tools for transactions but gateways to an entirely new dimension of convenience, security, and seamless financial experiences.

The advent of mobile wallets marks a paradigm shift from traditional cash transactions to a digital ecosystem that fits seamlessly into the dynamic lifestyles of young consumers. No longer confined to physical wallets bulging with banknotes, this tech-savvy generation is opting for the sleek convenience of mobile wallets that reside within their smartphones.

The rise of contactless payments, QR code scanning, and peer-to-peer transfers reflects a shift towards frictionless, intuitive payment experiences. E-wallets embody this ethos of simplicity and seamlessness, positioning themselves as the preferred choice for a generation accustomed to instant gratification and personalized services.

To guarantee the widespread acceptance and fair access to e-wallets, however, obstacles such discrepancies in digital literacy, data privacy concerns, regulatory difficulties, and interoperability issues need to be solved. Building a reliable and inclusive cashless ecosystem requires strong consumer protection frameworks, industry stakeholder engagement, education, and awareness efforts.

In summary, young consumer preferences on e-wallets and cashless payments are shaped by a convergence of factors including convenience, security, value-added services, social dynamics, environmental consciousness, technological trends, and regulatory considerations. By understanding these preferences and addressing associated challenges, businesses, financial institutions, and policymakers can unlock the full potential of e-wallets in driving financial inclusion, innovation, and economic growth in the digital age.

1.2 STATEMENT OF THE PROBLEM

Consumer behaviour, especially among young adults, has changed significantly in the last several years with regard to financial transactions. The payment landscape has completely changed as a result of the introduction and broad acceptance of cashless payment methods like digital currencies, contactless cards, and mobile wallets. However, in the middle of this swift change, it is now more crucial than ever for businesses, governments, and financial institutions to comprehend young consumers' preferences and views regarding cashless payment systems.

1.3 SIGNIFICANCE OF THE STUDY

As cashless payments are becoming more and more common among young people and the general public, it is important to understand them and carry out study on them. In addition to increased security and ease of use, these digital payment options also provide expedited transactions. Cashless payments remove the need for actual currency, allowing for quick and easy financial transactions. Strong security features considerably lower the chance of theft or loss, such as authentication procedures and encryption. Moreover, cashless transactions enable better financial management and expenditure tracking via digital records, enabling people to properly control their spending and stick to a budget.

The appeal of cashless transactions is further enhanced by the adaptability of online shopping and the availability of multiple payment choices. Through exploring the nuances of cashless transactions, we can remain up to date with the constantly changing financial scene and make wise choices in this digital age to successfully manage their budget and keep an eye on their expenditures.

1.4 OBJECTIVES OF THE STUDY

- To understand the rate of young consumers using the e-wallets and cashless payment methods.
- To understand the limitations and barriers of cashless payment methods.

- Helps to understand the saving habits of young consumers through the usage of cashless payment.
- To Evaluate the usage of e-wallets in future.

1.5 SCOPE OF THE STUDY

Recent years have seen a substantial shift in consumer behaviour, notably among young individuals and with regard to financial transactions. The payment environment has changed as a result of the growing use of cashless payment methods including mobile wallets, contactless cards, and digital currencies. Businesses, governments, and financial institutions must comprehend young consumers' preferences and views on cashless payment methods in the middle of this rapid shift.

The objective of this study is to offer significant insights into the changing field of cashless payments by tackling these research questions. Additionally, it will provide young consumers with doable suggestions on how to better meet the requirements and tastes of young consumers in the digital era.

Furthermore, a unique goal of this study is to comprehend how consumers view digital wallets. It looks for information on customer acceptability of digital wallets, problems they encounter, and general satisfaction levels with using digital wallets. This study will advance our knowledge of customer behavior in relation to digital payment options.

1.6 RESEARCH METHODOLOGY

1.6.1 Source of data collection:

a) Primary data: Primary data was collected through a structured questionnaire.

b) Secondary data: Books, journals and web-sites.

1.6.2 Sample unit: General Public.

1.6.3 Sample size: 112.

1.6.4 Sampling technique: Convenient sampling.

1.6.5 Research design: Descriptive research.

1.6.6 Tools of Data analysis: Bar chart, pie chart, tables.

1.7 LIMITATIONS OF THE STUDY

- The study is time bound.
- The study is limited to an age group below 30 years.
- Literature review was limited.
- The sample taken from the respondents might not represent the uses of digital wallets or cashless payments.
- The data does not provide complete and accurate information rather, it provides a general analysis on the uses of e-wallets and cashless payments.

CHAPTER 2

REVIEW

OF

LITERATURE

Dr. Sunil Patel, Mr. Yash Vaghela (2023) In their study "A Study about Perception, Preference & Hindrance towards Usage of Mobile Wallets among Youngsters", their study examines young consumers' attitudes, preferences, and obstacles concerning mobile wallet usage in Gujarat, utilizing a sample of 233 individuals. Through cross-tabulation and percentage analysis, it aims to provide insights valuable for app developers to enhancecustomer engagement and drive business growth.

Juan Galang (2023) In the study "Analysis of the Acceptance Level of E-Wallet as a Non- Cash Payment Method among Indonesian Students" delves into the adoption of E-wallets, among Indonesian students in the digital economic era. His study aims to analyse students' acceptance levels of e-wallets as a non-cash payment method, motivated by the rapid advancement in information and communication technology and the emerging need for efficient and secure financial transactions. The research focuses on students' perceptions regarding the ease of use, usefulness, and perceived risks of E-wallets.

Gan, Wei Ni and Lim (2023) In the study "Cashless society: A study on intention to adopt E-wallet by the young adults in Malaysia" aims to identify factors influencing the adoption ofE-Wallets among young adults in Malaysia, drawing on the Unified Theory of Acceptance andUse of Technology 2 (UTAUT 2). They examine the significance of four factors, including social influence, facilitating conditions, price value, and perceived risk, on the behavioural intention of young adults in Malaysia. Their research findings provide valuable implications for the government, E-Wallet companies, and academia to address the current state of E-Walletadoption in Malaysia and promote the uptake of this technology.

Hendy Mustiko Aji, Wiwiek Rabiatul Adawiyah (2022) In their study "How E-wallets encourage excessive spending behaviour among young adult consumers?", they show that E-wallets exert significant influence on young adult consumers' excessive spending behaviour by offering ease of transactions, enticing promotions, undermining self-control, and creating an illusion of liquidity. These factors contribute to increase spending among young adults, highlighting the complex interplay between digital payment methods and consumer behaviour.

Viral Bhatt , Hiteshi Ajmera (2021) In their study "Factors affecting the consumer's adoptionof E-wallets in India: An empirical study", it focus on employing PLS-SEM and multiple regression analysis reveals significant direct impacts of social influence, perceived utility, easeof use, benefits, risk, and security on users' attitudes and trust towards mobile wallet applications, subsequently influencing usage intentions. This research offers valuable insights for mobile wallet firms, facilitating a deeper understanding of user attitudes and behaviours, aiding in strategic decision-making.

Nethravathi T S (2021) In the study "Online consumer perception on cashless transaction andacceptance of E-wallets in Bengaluru" cashless transaction was not widely accepted concept in India before demonetization due to trust issues. The government of India initiated and encouraged a cashless society to curb various economic issues. This has given rise to a plethoraof modes of cashless transactions which aim at protecting the consumer while reducing his effort. This research found that there is increase in acceptance of cashless transaction and E- wallets/mobile wallets by the consumers for purchasing product and service.

Marvello Yang, Abdullah Al Mamun, Muhammad Mohuiddin (2021) In this study "Cashless transactions: A study on intension and adoption of E-wallets" evidenced the mediating effect of the intention to use an e-wallet on the correlations between the predictors and adoption of an e-wallet. Both the age and gender of the respondents moderated the effect of lifestyle compatibility on intention to use an e-wallet. The study outcomes serve to inform managers and policy makers to devise effective strategies that capture consumer's intention touse and experience of using an e-wallet in the midst of a turbulent market.

Angel C Dy-Tioco (2021) In the study "A study on customer perception on cashless transactions in food service industry" focused on establishing an understanding of howcustomers perceived the use of a cashless payment system as part of their usual transactions inthe food service industry. Results of the study showed that there were people who are using cashless transactions already and others are not that familiar since it was not introduced to thembut they were willing to learn the process of cashless transaction.

Rajat Wahi, Deloitte (2020) In the study "Evolution of digital wallet industry in India", they show the last five years have seen a rapid expansion of the mobile wallet market. Transactionvolume and value saw an incredible CAGR of c.120% between FY13 and FY17, having morethan doubled between FY16 and FY17. Numerous factors, such as growing customer demand for convenience and the general expansion of the e-commerce sector, are propelling the industry along its growth trajectory.

Karim, Haque, Ulfy, Hossain, & Anis (2020) In this study "Factors Influencing the Use of E-wallet as a Payment Method among Malaysian Young Adults" focus on how Malaysia explores young adults E-wallet adoption, finding strong links between behavioural intention and perceived usefulness, privacy, and security. Utilizing Smart PLS-SEM and the Technology Acceptance Model, the research offers insights for service providers to tailor offerings effectively for this demographic.

Shaizatulaqma Kamalul Ariffin, Khor Teik Lim (2020) In their study "Investigating FactorsAffecting Intention to Use Mobile Payment Among Young Professionals in Malaysia", The article explores the factors influencing young professionals intention to use mobile payments in Malaysia, focusing on attitude, subjective norms, perceived behavioural control, perceived utility, and perceived ease of use. A sample of 211 respondents from an initial pool of 250 completed surveys revealed significant positive associations between attitude and perceived behavioural control with mobile payment intention. These findings offer insights for mobile payment service providers and marketers aiming to better understand and target this demographic.

Ekaterina Semerikova (2020) In the study "What hinders the usage of smartphone paymentsin Russia? Perception of technological and security barriers", explains the research in a Russiancontext highlights the preference for bank cards due to their security, ease of use, and online purchasing capabilities. Despite this, cash remains in use due to habit when cashless options are limited or incur fees. Smartphone pass-through wallets are embraced for their speed, style,and cashback incentives.

Ashwarya Kapoor, Rajiv Sindwani and Manisha Goel (2020) In the study "Mobile Wallets:Theoretical and Empirical Analysis" highlights a lack of research on assessing m-wallet servicequality despite their decade-long existence. Drawing from e-services and mobile wallet research, the authors propose ten dimensions for evaluating m-wallet service quality. Using fuzzy TOPSIS, they rank these dimensions, providing valuable insights for managers to enhance customer retention and gain a competitive advantage.

Gagandeep Singh (2020) In the study "A Review of Factors Affecting Digital Payments and Adoption Behaviour for Mobile e-wallets" shows that E-wallets have emerged as the new faceof plastic money, showcasing the banking sector's prowess and the realization of a cashless society through digital payment technologies. With the majority of users falling between 18 to40 years old, factors such as perceived risk, cost, and India's demonetization drive have been pivotal. This presents an opportune moment for E-wallet companies to scale and establish growth benchmarks amidst the rising trend of digital lifestyles.

Pradeep Kumar Deka (2020) In this study "Intention to use mobile wallet by youths in North- East India" aims to understand the implication of established variables/factors an intention to use mobile wallet by youths, especially in the North-Eastern Part of India. A questionnaire withelements from established scales which were then customized for the study was used to collectdata. The attitude towards the mobile wallet is significantly influenced by facilitating conditions and perceived compatibility.

Kasthuri Subramaniam Raenu Kolandaisamy (2020) In the study "The Impact of E-Walletsfor Current Generation" evaluates the positive and negative impacts of E-wallets to users. Results show that awareness is the key to users to reduce the negative impact of e-wallets. E- wallet is rising immensely due to the convenience of E-wallet or payment in this busy era. Notwithstanding technological advancement, many customers often prefer cash in hand to the traditional way because they think that cash in hand is more safety than E-wallet. This is the viewpoint of the old generation relative to that of the young generation, just like others, everything has its pros and cons.

P.Sarika, S.Vasantha (2019) In the study "Impact of mobile wallets on cashless transaction",A study conducted in Jalgaon city metropolitan region examined the relationship between demographic characteristics and mobile wallet usage among 60 participants. Results revealed that 29% use mobile wallets for DTH payments and phone recharging, with 42% preferring alternative cashless payment methods and 50% expressing concerns about mobile payment security. Additionally, 81.7% emphasized the importance of safety when making online purchases.

Saurabh Mittal, Vikas Kumar (2018) In the study "Adoption of mobile wallets in India", predicts over five billion global mobile phone users, with India expecting 310 million new users within three years. Mobile features rapidly evolve to meet consumer needs, particularly in purchasing and payment. Smartphone ubiquity and high-speed connectivity drive innovation, notably in artificial intelligence, shaping increased adoption among children and teenagers for shopping, communication, and entertainment.

Ravish Rana (2017) In the research "Study of consumer perception of digital payment mode"in Saudi Arabia found that there is a bright future form payment. Security of mobile payment transactions and the unauthorized use of mobile phones to make a payment were found to be of great concerns to the mobile phone users. Security and privacy were the major concerns forthe consumers which affect the adoption of digital payment solutions.

Nidhi Singh, Shalini Srivastava, Neena Sinha (2017) In the study "Consumer preference andsatisfaction of M-Wallets: a study on North Indian consumers", show a strong relation betweencustomer's perception, preference and satisfaction of mobile wallet users. The result also showsthe impact of customer's perception, satisfaction and preference on the usage rate of mobile wallets in India. The authors have collected responses from the various regions in south and North India.

CHAPTER 3

THEORETICAL FRAME WORK

3.1 THE ORIGIN OF E-WALLETS AND CASHLESS PAYMENTS

The origin of e-wallets and cashless payments can be traced back to the late 20th century with the rise of the internet and advancements in digital technology. The concept of storing payment information electronically and making transactions without physical cash began to emerge with the introduction of online banking and e-commerce platforms. Companies like PayPal, founded in 1998, played a significant role in popularizing the idea of transferring money electronically between individuals and businesses. As technology continued to evolve, smartphones became ubiquitous, paving the way for mobile payment solutions and e-wallet apps like Apple Pay, Google Pay, and Alipay. The convenience, security, and efficiency of cashless payments have since revolutionized the way people conduct transactions worldwide, with an increasing number of individuals and businesses embracing digital wallets and electronic payment methods for their everyday financial needs.

3.2 E-WALLETS AND CASHLESS PAYMENTS: A HISTORICAL OVERVIEW

The history of cashless transactions and e-wallets extends over several decades, and they have undergone substantial change throughout that period. An outline is provided here:

1970s–1990s : Since credit cards were first introduced in the 1950s and enabled customers to make purchases without cash, the idea of cashless payments has existed.

Cashless transactions between banks and financial institutions were made possible in the 1970s and 1980s with the introduction of electronic payment technologies like Automated Clearing House (ACH) and Electronic Funds Transfer (EFT).

In the 1990s, the concept of safe online payment processing was investigated with the creation of the first digital currencies, Digi Cash and Cyber Cash.

The emergence of e-wallets in the 2000s:

The early 2000s witnessed the rise of e-wallets in the early 2000s provided a secure

and convenient method for storing credit card information and conducting online transactions.

This trend was significantly boosted by companies such as PayPal, established in 1998 and later acquired by eBay, which played a crucial role in popularizing e-wallets for digital payments.

Moreover, the advent of mobile payment services initiated by mobile carriers enabled consumers to make purchases both online and in physical stores, while also facilitating the storage of payment details directly on their mobile devices.

Transitioning into the 2010s, the mobile wallet revolution was fuelled by the widespread adoption of smartphones and the availability of mobile internet access. Major players in the tech industry like Apple, Google, and Samsung introduced innovative mobile wallet solutions such as Apple Pay, Google Pay, and Samsung Pay. These advancements allowed customers to seamlessly conduct contactless payments using their smartphones, marking a significant shift in how transactions were carried out in both online and offline retail environments.

Expansion of Digital Payments (2010s-Present):

- Digital payments have gained immense popularity globally due to their convenience, security features, and increasing acceptance among consumers.

- The widespread adoption of Near Field Communication (NFC) technology has facilitated the broad acceptance of contactless payments in retail outlets, public transit systems, and various other point-of-sale environments.

- Governments and regulatory bodies have actively promoted the use of digital payments to decrease reliance on cash, combat financial crimes, and promote financial inclusivity.

Current Trends and Future Directions:

- The realm of e-wallets and digital payments is continually evolving, with ongoing advancements in technology, enhanced security measures, and improvements in user experience.

- Notable trends include the incorporation of additional services into e-wallet platforms, such as loyalty programs, peer-to-peer transfers, and digital identity authentication.

- The COVID-19 pandemic has expedited the transition towards digital payments, as both consumers and businesses prioritize safer and more hygienic payment solutions.

In summary, the historical progression of e-wallets and digital payments signifies a gradual shift from traditional currency and payment methods towards digital wallets and mobile payment options. This transformation is propelled by technological advancements, evolving consumer preferences, and regulatory initiatives.

We are steadily progressing towards a technological future and moving closer to a cashless economy, with e-wallets emerging as the primary backbone of nearly all financial transactions. Some common types of e-wallets offered by issuers include:

3.3 TYPES OF E-WALLETS

- **Closed Wallet**

  Closed wallet is an e-wallet that allows the users to use the funds stored to make transactions with only the issuer of the wallet

  - Payments can be made via an app or website using a closed wallet.
  - Such wallets are usually established by companies engaged in selling goods or services.
  - Users with a closed wallet are limited to utilizing the funds stored within it solely for transactions with the wallet's provider.
  - In case of transaction cancellation or refunds, the complete amount is returned to the wallet.

- **Semi-Closed Wallet**

  Semi-closed wallets are digital wallets that allows its users to make transactions to listed merchants and locations.

  - Users can conduct transactions conveniently at designated merchants and locations using a semi-closed wallet.
  - The coverage area of this wallet type is restricted.
  - Merchants must enter into a contract or agreement with the issuer to facilitate payments from a semi-closed wallet.

- **Open Wallet**

  Open wallet is an e-wallet which is flexible and allows the users to link multiple bank accounts and transfer funds between them.

  - Open wallets, provided by banks, are versatile and usable for all transaction types.
  - These wallets facilitate seamless fund transfers and are suitable for both online and offline purchases.
  - The provider of an open e-wallet grants users the ability to transact globally; however, both the sender and recipient need accounts on the same application.

- **Crypto Wallet**

  Crypto wallet is a coin based digital wallet that is used to store user's private keys and to send and receive digital money.

  - Public and private keys, serving as proof of ownership, are kept in cryptocurrency wallets.
  - Hardware wallets, also termed cold wallets, offer enhanced security and protection.
  - These wallets are capable of functioning offline through a USB stick.
  - Payments with cryptocurrencies can be executed using hardware wallets.

- **IoT Wallet**

  The abbreviation IoT represents the Internet of Things. They are digital wallets that stores user's information for various payment methods.

  - IoT devices encompass a variety of items such as smart watches, jackets, wristbands, and similar gadgets.
  - Instances of IoT devices comprise smart car systems and intelligent refrigerators.
  - IoT wallets are compatible with e-money and virtual currencies.

We are continually advancing into a technology-driven future and moving steadily towards a cashless economy. The primary pillar supporting this transition is the widespread adoption of e-wallets, which have become indispensable for nearly all financial transactions.

3.4 THE TOP 5 DIGITAL WALLETS

In our rapidly evolving digital landscape, traditional methods of payment are giving way to more convenient and secure alternatives. One such innovation gaining widespread popularity is the digital wallet. A digital wallet, also known as an E-wallet, is a virtual tool that enables users to store and manage various forms of payment securely within a digital environment.

- **Google Pay:**

The platform was founded in 2015 and gained significant popularity in 2019 as users realized its convenience in simplifying transfers without the need to carry physical wallets or cash. It requires users to follow a straightforward funds transfer process and links their accounts directly to their bank accounts, enabling direct bank-to-bank transfers. The app is compatible with both iOS and Android devices. Here are some of the advantages of using the app:

- It provides a rapid checkout feature, even when using the web.
- It employs strong encryption with multiple layers of security.
- The information is easily manageable and accessible.
- It entices users with rewards and cashback incentives.

- **PayPal:**

It facilitated international transactions during a time when other methods of sending money abroad were unavailable. It stands out as one of the most secure platforms for conducting transactions, offering greater ease compared to many other e-wallets. The app supports 25 different currencies and is accessible on both iOS and Android devices. Here are the benefits of using the app:

- Even after completing the payment, the seller does not receive the payer's information, ensuring buyers' security.
- Buyers enjoy a 180-day protection period, allowing them to receive a full refund within this timeframe if needed.
- Users do not require multiple accounts for local and international purchases; one account suffices.
- The seller remains unaware of the payer's financial details, enhancing security for users.

- **Facebook Pay:**

Facebook pay is the checkout process through which the customers can buy the products which they wish to buy from the social media pages. The major benefits of using Facebook pay are:

- It aids in preventing fraudulent activities by detecting them.
- The platform ensures data security through encryption and does not share users' financial information with merchants.
- There are no charges for users when they conduct transactions via WhatsApp and Facebook.
- Users receive support through live chat or email assistance.

- **Amazon Pay:**

Amazon Pay is widely acknowledged as one of the fastest payment methods globally, accepted almost universally. It offers a sturdy and extremely secure platform for carrying out transactions, simplifying and enhancing the payment process with flexibility.

  - Users are only required to establish a single Amazon account, which can be used across all transactions, eliminating the necessity for multiple accounts on various applications.
  - It is available on both web browsers and mobile devices, ensuring accessibility and convenience.
  - The application effortlessly integrates with Alexa, allowing users to utilize voice commands while completing the checkout process.

- **WhatsApp Pay:**

A digital payment tool called WhatsApp Pay has been incorporated into the well-known messaging program, WhatsApp. It makes use of India's Unified Payments Interface (UPI) technology to enable users to send and receive money safely within the app. Peer-to-peer transactions are made easy and convenient with WhatsApp Pay, which allows users to link their bank accounts and use them to send money to contacts, pay for goods and services, and even start transactions through chat discussions.

3.5 CHARACTERISTICS OF DIGITAL WALLETS

- **Bill Payments**

  Electronic wallets (E-Wallets) enable users to make online payments for various utilities like electricity, gas, mortgage, rent payments, etc. To ensure its security and effectiveness, it's crucial to collaborate with several third-party service providers in this sector, providing users with a convenient payment solution.

- **Contactless Payments Method**

  The use of contactless technologies such as QR codes and NFC is increasingly prevalent within retail chains. Given their expanding popularity, integrating contactless payment options into your digital wallet for physical stores can prove highly lucrative, enhancing transaction speed, simplicity, and convenience**.**

- **Secure Authentication**

  When creating a fintech app, prioritizing security is essential. Therefore, ensure you incorporate strong user authentication methods like generating PINs, using fingerprints, facial recognition, and even employing two-factor authentication. This step guarantees that only authorized individuals can access your application.

- **Self-Registration**

  To guarantee the prosperity and inclusivity of your digital wallet across diverse demographics, it's important to enable a straightforward self-registration procedure, allowing a broad user base to access your services. Typically, the self-registration process involves the following stages:

  - Downloading the app.
  - Completing the KYC procedure.
  - Verifying registration via OTP.
  - Creating a password and logging in.
  - Associating cards.
  - Depositing funds into the wallet.

- **Rewards and Discounts**

  The enticing aspect of your E-Wallet is the rewards and discounts, which attract users to utilize the app for a wide range of financial activities, resulting in higher engagement and retention rates.

- **Multi-Currency Support**

  When developing your E-Wallet for a global audience, it's crucial to include multi-currency support to meet diverse needs. This functionality simplifies transactions and conversions for users from around the world.

- **Peer-to-Peer (P2P) Payments**

  One of the frequently utilized functionalities of digital wallets is peer-to-peer (P2P) payments, which enable users to send and receive money directly to and from their contacts via their E-Wallets. This feature is especially handy for dividing expenses or reimbursing friends. PayPal stands out as a prominent example in this realm, with millions of individuals leveraging it for various personal and professional purposes, such as outsourcing payments, among others.

3.6 MERITS OF DIGITAL WALLETS

Electronic wallets, also known as e-wallets, have transformed the method by which we manage our finances. They offer a multitude of benefits that streamline our daily transactions and improve the security and efficiency of handling money, ultimately simplifying our lives.

- **Convenience**

  E-wallets offer easy and quick access to your funds, allowing you to conduct transactions, transfer money, and keep track of your balance effortlessly through your mobile device or computer. With just a few taps, you can smoothly move funds between accounts, showcasing one of the key advantages of e-wallets. Furthermore, the widespread integration of e-wallet services in stores, retail establishments, and transportation systems has improved user convenience, enabling students to conveniently manage, send, and receive money, underscoring a significant benefit of e-wallets.

- **Security**

  E-wallets offer a secure method for storing your payment details. They utilize encryption and authentication techniques to safeguard your financial information, minimizing the potential for fraud. Each e-wallet application is protected by a passcode and features a unique PIN known exclusively to you. In fact, prior to installing your e-wallet app, you must undergo a comprehensive authentication and verification procedure to verify your legitimacy. This aspect of e-wallets is highly comforting and instils a sense of trust among users.

- **Efficiency**

  E-wallets enhance transaction processes by eliminating the necessity for physical cash, credit/debit cards, or forex cards. This leads to quicker and hassle-free payments, particularly beneficial for individuals with busy schedules. This advantage of e-wallets is particularly advantageous for busy students who are balancing coursework, part-time jobs, and extracurricular activities.By enabling swift purchases and facilitating bill splitting among friends or roommates, e-wallets simplify financial responsibilities, allowing students to prioritize academic and personal development. This e-wallet advantage greatly simplifies expense management, fund access, and expenditure tracking for students, all conveniently accessible via their smartphones or laptops.

- **Mobility**

  E-wallets offer accessibility from anywhere with an internet connection, whether you're shopping online or in-store, providing effortless payment options. With e-wallets, individuals can carry their complete financial ecosystem in their hands, making transactions a breeze whether they're online shopping or grabbing a quick coffee. This convenience is a significant advantage of using an e-wallet. For students, in an era where smartphones are constant companions, the primary advantage of e-wallets lies in the ability to swiftly and securely conduct transactions with just a few taps, delivering a

smooth and hassle-free experience through e-wallet applications. Furthermore, e-wallet apps transcend geographical barriers, allowing people and students studying abroad or traveling to access their funds and conduct transactions from virtually anywhere with an internet connection, alleviating concerns about financial matters.

- **Trackable Expenses**

  E-wallets offer valuable assistance in monitoring spending habits. Many e-wallet applications include features like transaction histories and categorization, enabling effective budget tracking. This ability of e-wallet apps to monitor expenses is a significant benefit for individuals, especially students who often have tight budgets and a need to manage their finances meticulously. Another advantage of e-wallet apps is their provision of comprehensive transaction records, allowing users to track precisely where their money is being spent. What distinguishes these apps is their categorization functionality, automatically organizing expenses into various spending categories like food and lifestyle, transportation, or entertainment. This detailed breakdown empowers students to develop a deeper insight into their financial patterns and make informed choices regarding their expenditures.

- **Rewards and Cashback**

  Numerous e-wallets feature rewards, cashback, or loyalty schemes where users can gain benefits, discounts, or points for their expenditures, resulting in notable savings over time. Rewards and cashback programs are standout advantages of e-wallets, particularly advantageous for users such as students. Many e-wallet applications utilize these incentives as a means to engage and retain their clientele. As students utilize e-wallet apps for their daily spending, spanning groceries, transportation, and online shopping, they amass rewards, discounts, or loyalty points. These e-wallet advantages gradually translate into considerable savings and potential opportunities for complimentary or reduced-cost purchases. For students, who often manage tight budgets, these perks can significantly impact their financial stability. Whether it's earning

cashback on educational materials or accessing meal discounts, these rewards and cashback initiatives amplify the overall utility of using e-wallet apps.

3.7 DEMERITS OF DIGITAL WALLETS

- **Possibility of Overspending:**

  Young individuals are typically busy and tend to follow new trends and fads, making it challenging for them to save money. They may also surpass their checking account limits due to the convenience of checking account balances instantly. However, the displayed account balance may not accurately represent their actual available funds unless they meticulously review their check book or a list of uncleared debit transactions. Failure to monitor all transactions closely could result in overdrafts and associated fees.

- **Concerns about Identity Theft and Security:**

  When handling multiple transactions and mobile applications, there is a potential for security breaches and theft. Many young people have fallen victim to cybercriminals who have unlawfully acquired their data, resulting in possible financial and legal repercussions.

- **Remote Areas:**

  In rural or distant areas, cash continues to be the dominant method of payment. Residents in these regions may lack familiarity or knowledge regarding online payments and e-wallets, posing difficulties in completing transactions when traveling to these remote destinations.

- **Technical Problems:**

  Since it operates online, there's a possibility of technical failures leading to service downtime. Individuals overly reliant on this service for their payments may encounter difficulties in such situations. Furthermore, a lack of internet connectivity can disrupt plans entirely and potentially result in financial losses.

- **Service fees/hidden fees:**

  On occasions when utilizing e-payment services, we may incur service fees or a convenience fee, thereby increasing our expenses. Although not all e-payment platforms impose these fees, some do require payment of additional hidden charges.

- **Banking service limitations:**

  Certain services are exclusive to banks and cannot be accessed through e-wallets or other electronic payment platforms.

3.8 OBJECTIVES AND FUNCTIONS OF E-WALLETS

- **Convenient Payments**: E-wallets aim to provide a convenient and hassle-free way for users to make payments. it provides motivations and preferences of young users. It also helps in improving and maintaining financial habits and behaviours.

- **Financial Inclusion:** E-wallets strive to promote financial inclusion by providing access to digital payment services for individuals who may not have access to traditional banking systems. It also examines and finds solutions for the potential barriers or challenges faced by young users in adopting e-wallets.

- **Cashless Society:** E-wallets aim to reduce the reliance on cash and promote a cashless society by enabling digital transactions. This also contributes in reducing the pollution by reducing the use of papers. Thus, this study helps to analyse the impact of social and peer influences on the usage of e-wallets among young people.

- **Rewards and Discounts**: E-wallets may offer additional rewards, discounts, or cashback programs to incentivize users to choose their platform for transactions. Thus, studying about young consumer preferences in cashless

payments helps in Analysing the impact of promotional campaigns and incentives on the usage of e-wallets among youngsters.

- **Efficiency:** Cashless payments aim to streamline the payment process, making transactions faster and more efficient. By eliminating the need for physical cash handling and providing instant payment confirmations, cashless payments enhance transaction speed and accuracy.

- **Growth of the Digital Economy:** By promoting online shopping, e-commerce, and digital financial services, cashless payments are essential to the expansion of the digital economy.

- **Security:**By reducing the dangers of theft or loss connected with handling a actual cash,cashless payments prioritize transaction security.Cashless payme nt systems protect user's financial information with strong authentication and encryption protocols.
  In order to assure user safety, research in this area must examine the security policies and procedures that e-wallet providers have implemented.

- **International Transactions:** Cashless payments simplify international transactions by eliminating the need for currency exchange. With platforms like digital wallets or international payment gateways, you can make seamless cross-border payments.

- **Innovation and Future Potential:** Cashless payments continue to evolve, with emerging technologies like blockchain and digital currencies paving the way for new possibilities. The future of cashless payments holds potential for enhanced security, efficiency, and financial inclusion.

- **Accessibility:** Cashless payments make transactions more accessible to individuals with disabilities. Features like voice commands, screen readers,

and accessible interfaces ensure that everyone can participate in digital transactions.

3.9 IMPACTS MADE BY DIGITAL WALLETS

- **Altered Customer Behaviour**

Digital wallets have changed how people do their banking in many ways. More people are using them to make payments online and at stores, which means they don't rely on physical banks as much. Especially after the COVID-19 pandemic, people prefer touchless payments, which digital wallets offer. This shift has made it clear that easy, secure, and clean payment options are vital, pushing traditional banks to adapt.

- **Reduced Foot Traffic**

Traditional banks are seeing fewer people visit their branches because more banking activities are happening online through digital wallets. People find it easier to handle their finances using mobile apps and websites, so they don't need to go to a physical bank as often. As a result, traditional banks are rethinking how they use their physical branches and putting more effort into their online services to meet the changing needs of customers.

- **Security Concerns**

The increasing usage of digital wallets has led banks to strengthen their security protocols in order to safeguard client information and transactions. Concerns about security are growing as more individuals use digital wallets. In response, banks are strengthening their security protocols to guarantee that client information and financial dealings are protected against such intrusions. In response to the growing popularity of digital wallets, banks are making investments in cutting-edge encryption, biometric verification, and real- time monitoring systems to give consumers peace of mind and security.

- **Regulatory Adaptation**

Traditional banks are grappling with shifting regulations spurred by the surging popularity of digital wallets in the financial sector. Digital wallets, driven by fintech companies and tech giants, have disrupted traditional banking by offering convenient financial management solutions. In response to this disruption, governments and regulators are working to maintain financial stability and security. Traditional banks must adapt to these new regulations.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

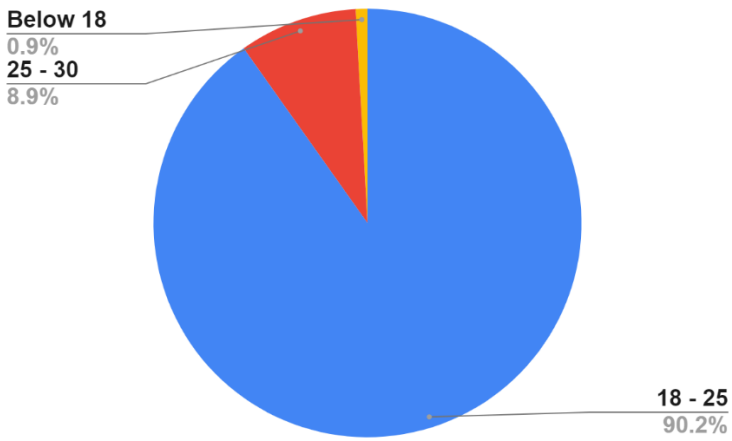
4.1 Classification showing the age group of the people.

Table 4.1 showing the classification of age group of people

Age group	No. of respondents	Percentage (%)
Below 18	1	0.9
18-25	101	90.2
25-30	10	8.9
Total	**112**	**100**

Source: Primary Data.

Figure 4.1 showing the classification of age group of people



Source: Primary Data.

Interpretation

Responses from consumers in the 18-25 age group regarding mobile wallet preferences generally indicate a strong preference for convenience, seamless user interfaces, and integration with other digital services. The data shows that 90.2 % are from the age group of 18-25 years.

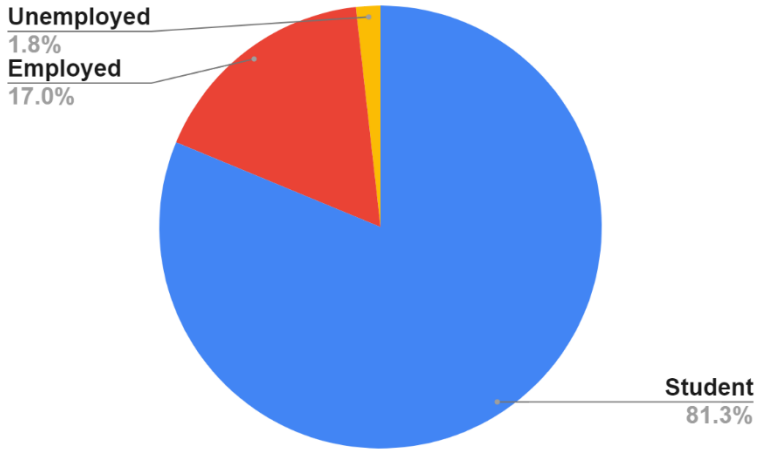
4.2 Classification showing the current employment status.

Table 4.2 Showing the current employment status.

Category	No. of respondents	Percentage (%)
Student	91	81.3
Employed	19	1.8
Unemployed	2	17
Total	**112**	**100**

Source: Primary Data.

Figure 4.2 Showing the current employment status.



Source: Primary Data.

Interpretation

Feedback from consumers predominantly comprising students highlights their emphasis on budget-friendly options, rewards, and discounts when it comes to mobile wallet preferences. The data is valid enough to show that majority respondents are from the student community.

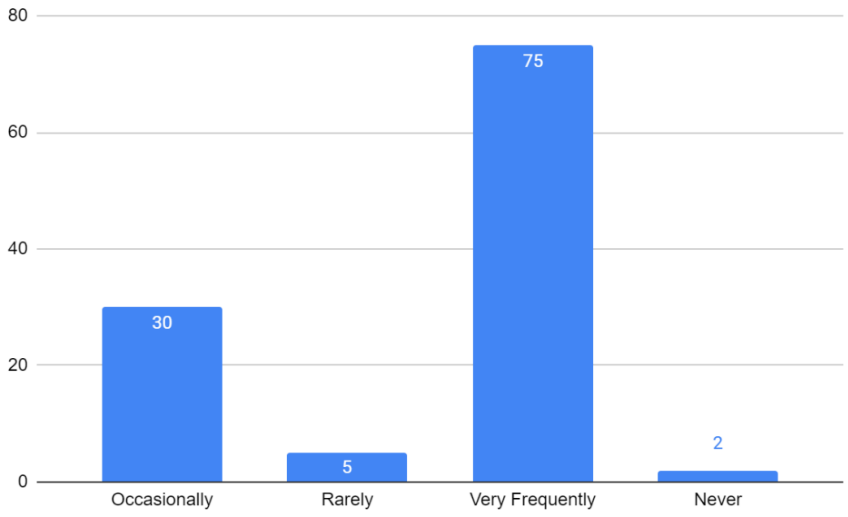
4.3 Classification showing how often young consumers use cashless payment methods.

Table 4.3 showing how often young consumers use cashless payment methods.

Category	No. of respondents	Percentage (%)
Very frequently	75	67
Occasionally	30	26.8
Rarely	5	4.5
Never	2	1.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.3 showing how often young consumers use cashless payment methods.



Source: Primary Data.

Interpretation

The data is evident that 67% people use the cashless payment methods very frequently. Responses regarding the frequency of cashless payment methods suggest a notable shift towards increased usage, with many individuals citing convenience, speed and express a preference for digital transactions, highlighting a diminishing reliance on traditional cash payments in favour of the efficiency offered by various cashless methods.

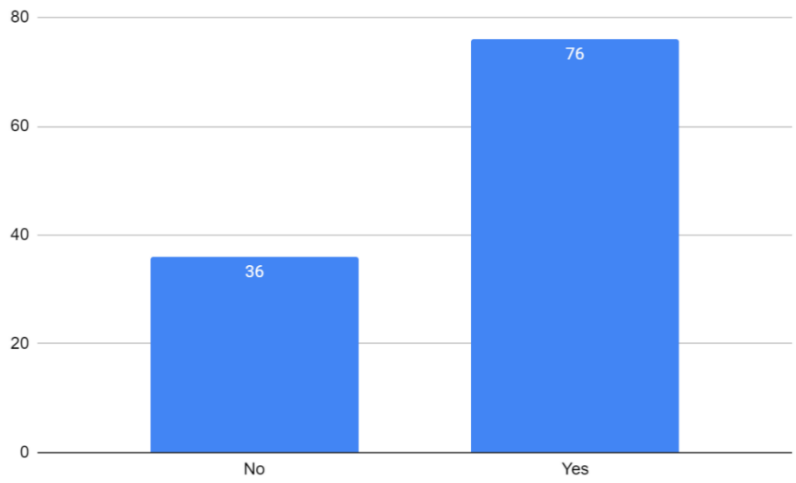
4.4 Classification showing how young consumers feel that mobile wallets are more secure than traditional payments.

Table 4.4 showing how young consumers feel that mobile wallets are more secure than traditional payment methods.

Category	No. of respondents	Percentage (%)
Yes	76	67.9
No	36	32.1
Total	**112**	**100**

Source: Primary Data.

Figure 4.4 showing how young consumers feel that mobile wallets are more secure than traditional payments.



Source: Primary Data.

Interpretation

From the data it is shown that 76 consumers agree that mobile wallets are more secure than traditional payment methods. Consumer responses often convey a perception that mobile wallets are more secure than traditional payment methods, citing features like biometric authentication, transaction alerts, and encryption technologies.

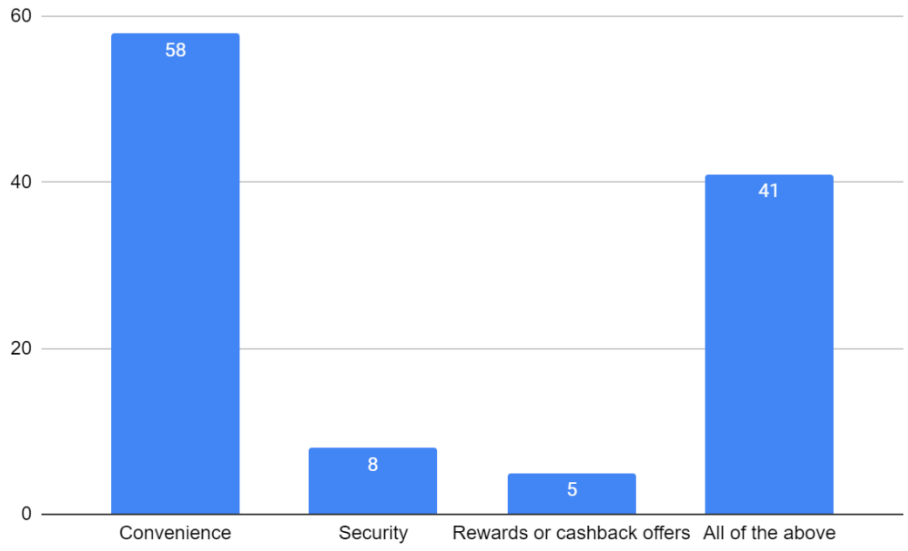
4.5 Classification showing the factors that influence the choice of cashless payments or E-wallets.

Table 4.5 showing the factors that influence the choices of cashless payments or E-wallets.

Category	No.of respondents	Percentage (%)
Convenience	41	36.6
Security	8	7.1
Rewards or cash back offers	5	4.5
All of the above	58	51.8
Total	**112**	**100**

Source : Primary Data.

Figure 4.5 showing the factors that influence the choice of cashless payments or E-wallets.



Source: Primary Data.

Interpretation

41 consumers says that it is their convenience that influence their choice of cashless payments or e-wallets. The other factors also include security, rewards or cashbacks offers etc.

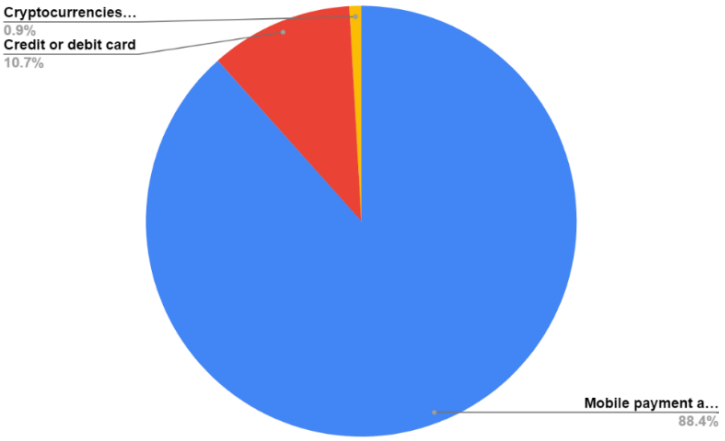
4.6 Classification showing young consumer preference in cashless payment methods.

Table 4.6 showing young consumer preference in cashless payment methods.

Category	No. of respondents	Percentage (%)
Credit or debit card	12	10.7
Mobile payment apps(e.g., apple pay, google pay)	99	88.4
Online payment platforms(e.g., PayPal, Venmo)	0	0
Cryptocurrencies(e.g., bitcoin, Ethereum)	1	0.9
Total	**112**	**100**

Source: Primary Data.

Figure 4.6 showing young consumer preference in cashless payment methods.



Source: Primary Data.

Interpretation:

The pie chart illustrates a predominant shift towards mobile payment apps, indicating a majority of consumers embracing digital transactions. This trend underscores the growing reliance on convenient and secure mobile payment solutions in today's financial landscape.

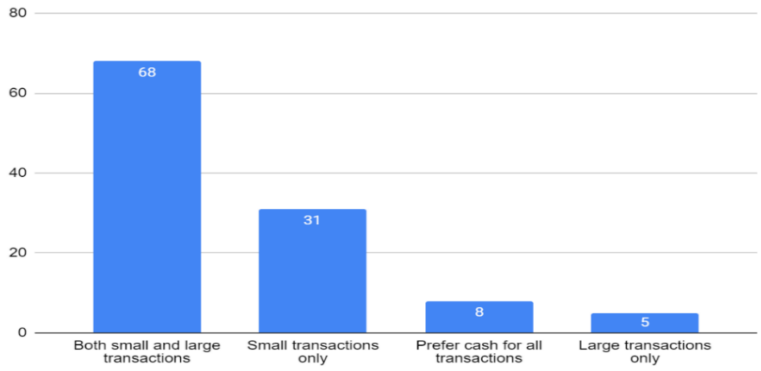
4.7 Classification showing preference of using cashless payment methods for small or large transactions.

Table 4.7 showing preference of using cashless payment methods for small or large transaction.

Category	No. of respondents	Percentage (%)
Small transactions only	31	27.7
Large transaction only	5	4.5
Both small and large transactions	68	60.7
Prefer cash for all transactions	8	7.1
Total	**112**	**100**

Source: Primary Data.

Figure 4.7 showing preference of using cashless payment methods for small or large transactions.



Source: Primary Data.

Interpretation:

The bar chart illustrates the preference for cashless payment methods in both small and large transactions. The graph states that 68 consumers use electronic wallets for small as well as for large transactions. 31 consumers use E-wallets only for small transactions. A very few consumers use E-wallets for large transactions with a significant majority of participants favouring digital transactions, the data indicates a growing trend towards the convenience and security offered by cashless payment options across various transaction sizes.

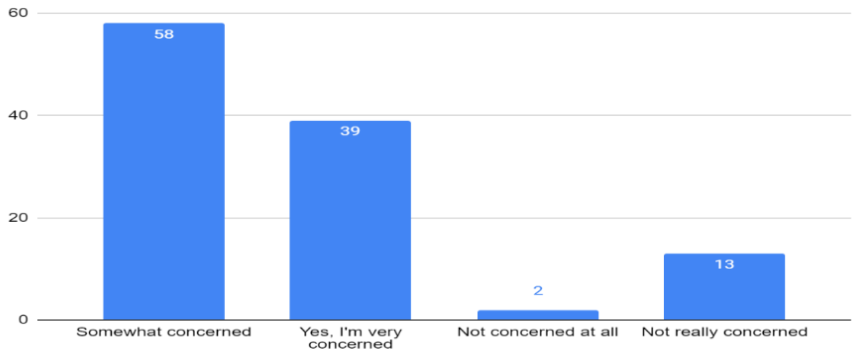
4.8 Classification showing about the security of cashless payments or E- wallets.

Table 4.8 showing about the security of cashless payments or e- wallets.

Category	No. of respondents	Percentage (%)
Yes, very concerned	39	34.8
Somewhat concerned	58	51.8
Not really concerned	13	11.6
Not concerned at all	2	1.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.8 showing about the security of cashless payments or e- wallet



Source: Primary Data.

Interpretation:

The bar chart reveals that a substantial portion of consumers, 51.8%, hold some level of concern regarding the security features offered by E-wallets. Additionally, 34.8% of consumers express a high degree of worry, indicating a significant proportion of the population is very concerned about the security issues associated with electronic wallets. This data underscores the importance of addressing and enhancing security measures in E-wallet platforms to alleviate consumer apprehensions.

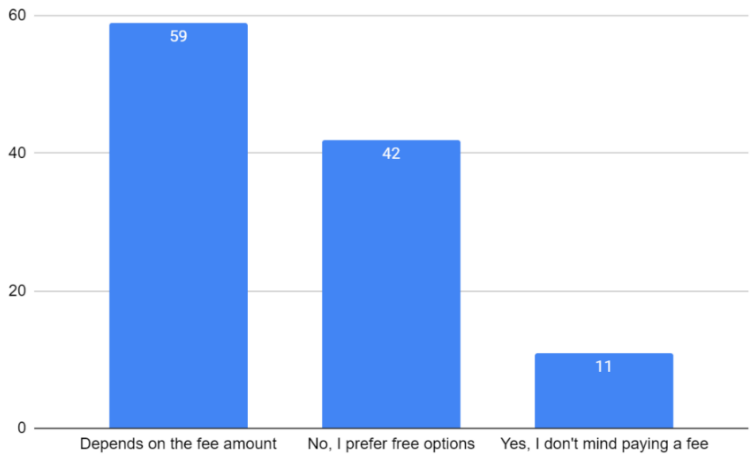
4.9 Classification showing the willingness to pay a small fee for using certain cashless payment methods.

Table 4.9 showing the willingness to pay a small fee for using certain cashless payment methods.

Category	No. of respondents	Percentage (%)
Yes, I don’t mind paying a fee	11	9.8
Depends on the fee amount	59	52.7
No, I prefer free options	42	37.5
Total	**112**	**100**

Source: Primary Data.

Figure 4.9 showing the willingness to pay a small fee for using certain cashless payment methods.



Source: Primary Data.

Interpretation:

The bar chart illustrates the varying attitudes of consumers towards fees associated with cashless payment methods. A notable 59 of consumers are willing to pay a small fee for certain cashless transactions. In contrast, 42 prefer free transactions, while a smaller percentage, 11 doesn't mind paying a fee.

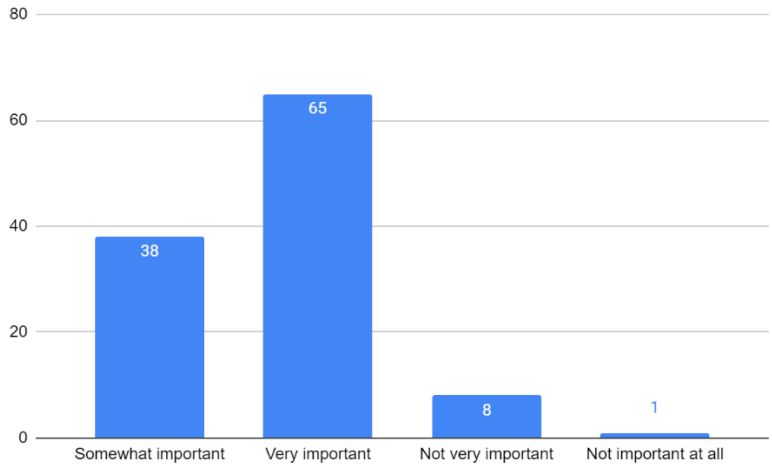
4.10 Classification showing likeliness to make impulsive purchases when using cashless payments.

Table 4.10 showing likeliness to make impulsive purchases when using cashless payments.

Category	No. of respondents	Percentage (%)
Yes, definitely	24	21.4%
Sometimes	68	60.7
Rarely	16	14.3
Not at all	4	3.6
Total	**112**	**100**

Source: Primary Data.

Figure 4.10 showing likeliness to make impulsive purchases when using cashless payments.



Source: Primary Data.

Interpretation:

The bar chart depicts the likelihood of making impulsive purchases when utilizing cashless payments, with 68 of respondents indicating that they sometimes succumb to impulsive buying tendencies. Furthermore, 24 explicitly acknowledge a definite inclination towards impulsive purchases, while a more conservative 16 rarely engage in such spontaneous buying behaviour. This data highlights the nuanced relationship between cashless payments and impulsive spending habits among consumers.

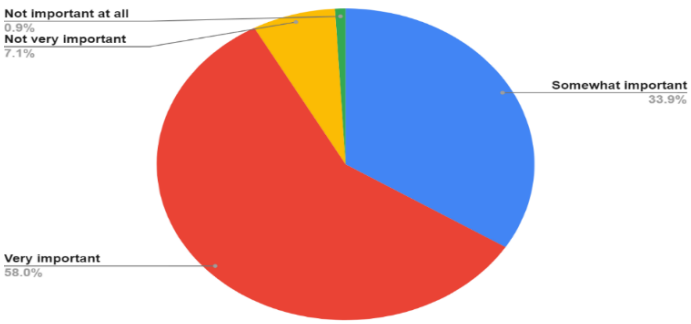
4.11 Classification showing the importance to have access to customer support when using cashless payment methods.

Table 4.11 showing the importance to have access to customer support when using cashless payment methods.

Category	No. of respondents	Percentage (%)
Very imporatant	65	58
Somewhat important	38	33.9
Not very impotant	8	7.1
Not important at all	1	0.9
Total	**112**	**100**

Source: Primary Data.

Figure 4.11 showing the importance to have access to customer support when using cashless payment methods.



Source: Primary Data.

Interpretation:

The pie chart emphasizes the significance of customer support for users of cashless payment methods, with 65 respondents expressing that access to customer support is deemed very important. Additionally, 38 of respondents consider it somewhat important, 8 respondents says that it's not very important. Only 1 of the respondents considered it as not very important. This underscores the pivotal role that customer support.

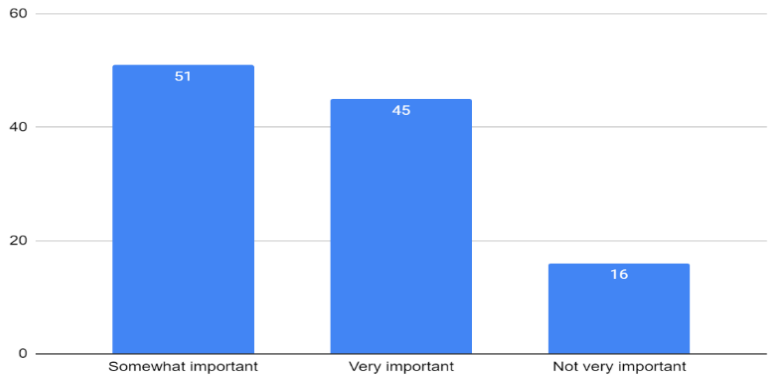
4.12 Classification showing the importance of having a wide variety of cashless payments or E-wallet options available.

Table 4.12 showing the importance of having a wide variety of cashless payments or E-wallet options available.

Category	No. of respondents	Percentage (%)
Very important	45	40.2
Somewhat important	51	45.5
Not very impotant	16	14.3
Total	112	100

Source : Primary Data

Figure 4.12 showing the importance of having a wide variety of cashless payments or E-wallet options available.



Source: Primary Data.

Interpretation:

The bar chart highlights the varying degrees of importance assigned to the availability of a diverse range of cashless payment or E-wallet options. A notable 51 of respondents consider it somewhat important, suggesting a moderate emphasis on having a variety of choices. However, the data also reveals that 45 and 16 perceive it as both very important and not very important, indicating a mixed sentiment regarding the significance of the breadth of options available, with a segment of users valuing it more than others.

4.13 Classification showing the likeliness to try out new or emerging cashless payment technologies.

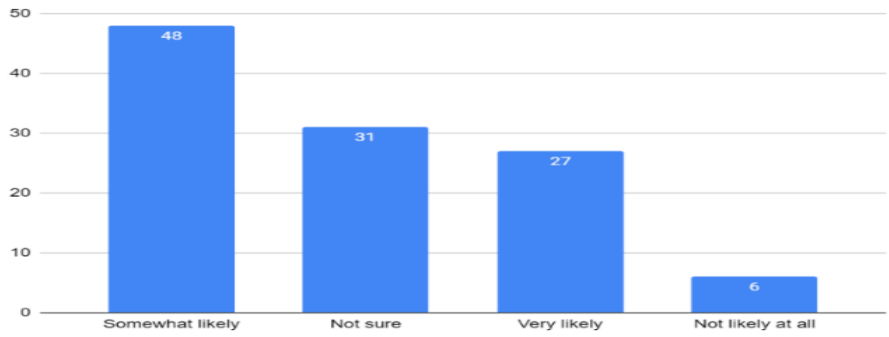
Table 4.13 showing the likeliness to try out new or emerging cashless payment technologies.

Categories	No of respondents	Percentage (%)
Very likely	27	24.1
Somewhat likely	48	42.9
Not sure	31	27.7
Not likely at all	6	5.4
Total	**112**	**100**

Source : Primary Data.

Figure 4.13 showing the likeliness to try out new or emerging cashless payment technologies.

Source: primary data.



Source: Primary Data.

Interpretation:

The bar chart reflects a diverse range of attitudes towards adopting new or emerging cashless payment technologies. While a significant 42.9% of respondents express a moderate interest, deeming themselves somewhat likely to try out such innovations, an additional 24.1% convey a higher level of enthusiasm, categorizing themselves as very likely. Interestingly, 27.7% remain uncertain, indicating a portion of the population that may require further information or reassurance before embracing novel cashless payment technologies. This suggests that fostering awareness and addressing concerns could play a pivotal role in encouraging broader acceptance of emerging payment methods.

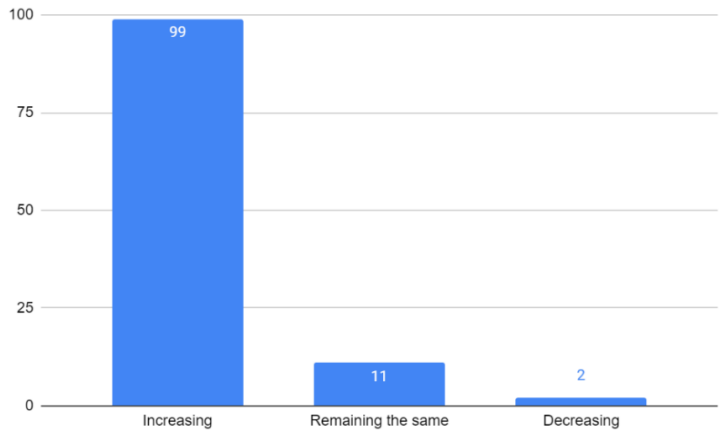
4.14 Classification showing the foresight of reliance on cashless payments evolving in the next 5 years.

Table 4.14 showing the foresight of reliance on cashless payments evolving in the next 5 years.

Category	**No. of respondents**	**Percentage (%)**
Increasing	99	88.4%
Remaining the same	11	9.8
Decreasing	2	1.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.14 showing the foresight of reliance on cashless payments evolving in the next 5 years.



Source: Primary Data.

Interpretation:

The overwhelming majority, comprising 112 respondents, anticipate a significant escalation in their reliance on cashless payments over the next five years. This resounding trend underscores a collective shift towards a more digitalized and cash-free financial landscape. As technology continues to advance and convenience becomes increasingly paramount, the chart suggests a sustained trajectory towards a cashless future for the majority of respondents.

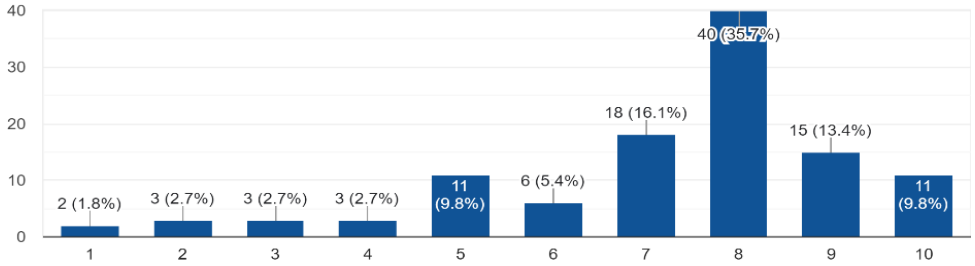
4.15 Classification showing the satisfaction of young consumers with the current state of cashless payments.

Table 4.15 showing the satisfaction level of young consumers with the current state of cashless payments in the region.

Category	No. of respondents	Percentage (%)
1	2	1.8
2	3	2.7
3	3	2.7
4	3	2.7
5	11	9.8
6	6	5.4
7	18	16.1
8	40	35.7
9	15	13.4
10	11	9.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.15 showing the satisfaction level of young consumers with the current state of cashless payments in the region.



Source: Primary Data.

Interpretation:

The graph illustrates a generally positive satisfaction level with the current state of cashless payments in the region. A notable 35.7% customers gave a high satisfaction rating of 8, while 15 customers rated it even higher at 9. With a substantial number of respondents rating satisfaction above 7 on a scale of 1 to 10.

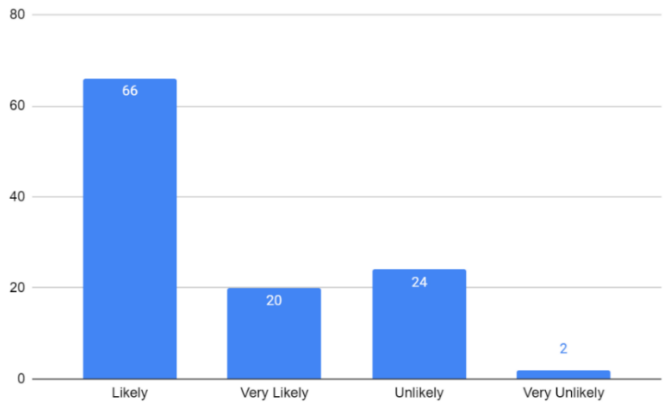
4.16 Classification showing the likeliness of young consumers to adopt new cashless payment technologies.

Table 4.16 showing the likeliness of young consumers to adopt new cashless payment technologies, such as biometric authentication or blockchain-based systems.

Category	No. of respondents	Percentage (%)
Very likely	20	17.9
Likely	66	58.9
Unlikely	24	21.4
Very unlikely	2	1.8
Total	**112**	**100**

Source:Primary Data.

Figure 4.16 showing the likeliness of young consumers to adopt new cashless payment technologies, such as biometric authentication or blockchain-based systems.



Source: Primary Data.

Interpretation:

The chart reveals a positive inclination towards the adoption of new cashless payment technologies, with 58.9% of respondents expressing a likelihood to embrace innovations such as biometric authentication or blockchain-based systems. Furthermore, 17.9% convey a higher level of enthusiasm. However, 1.8% of respondents indicate an unwillingness to adopt, possibly influenced by concerns or uncertainties surrounding the new advancements.

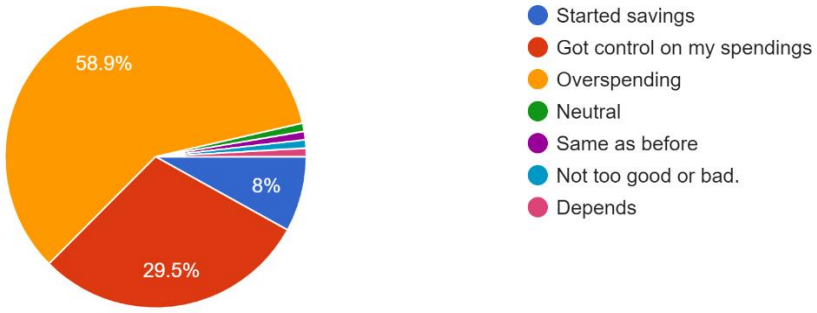
4.17 Classification showing the spending habits after being switched to cashless payments.

Table 4.17 showing the spending habits after being switched to cashless payments.

Category	No. of respondents	Percentage (%)
Started savings	9	8.0
Got control on my spendings	33	29.5
Overspending	66	58.9
Neutral	1	0.9
Same as before	1	0.9
Not too good or bad	1	0.9
Depends	1	0.9
Total	**112**	**100**

Source: Primary Data

Figure 4.17 showing the spending habits after being switched to cashless payments.



Source: Primary Data

Interpretation:

The data indicates a notable impact on spending habits, with 58.9% of respondents admitting to overspending. On the contrary, 29.5% claim to have gained better control over their spending, while a smaller but significant 8.0% report a positive shift, indicating they started saving after transitioning to cashless transactions. This suggests that while cashless payments may lead to increased expenditures for some, a substantial portion of users experiences improved financial discipline or even the initiation of savings.

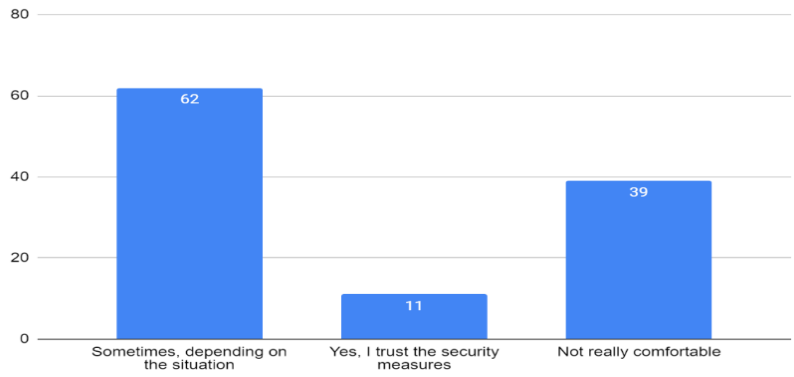
4.18 Classification showing how comfortable the young consumers are while sharing their personal information.

Table 4.18 showing how comfortable the young consumers are while sharing their personal information when using cashless payment methods.

Categories	No. of respondents	Percentage (%)
Yes, I trust the security measures	11	9.8
Soemtimes, depending on the situation.	62	55.4
Not really comfortable	39	34.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.18 showing how comfortable the young consumers are while sharing their personal information when using cashless payment methods.



Source: Primary Data.

Interpretation:

A majority, 62 express a conditional comfort, indicating that their willingness to share personal information varies depending on the situation. On the other hand, 39 of respondents convey discomfort, suggesting a notable portion of the population has reservations about sharing such information. Interestingly, 11 express trust in the security measures, highlighting a smaller yet significant group that feels confident in the safeguards provided by cashless payment systems.

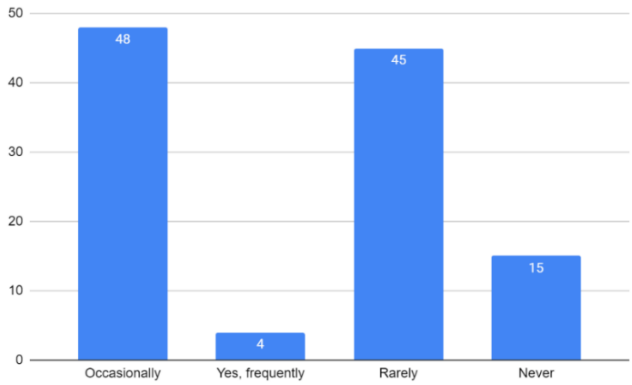
4.19 Classification showing the issues or challenges faced while making cashless payments.

Table 4.19 showing the issues or challenges faced while making cashless payments.

Categories	No. of respondents	Percentage (%)
Yes, frequently	4	3.6
Occasionally	48	42.9
Rarely	45	40.2
Never	15	13.4
Total	**112**	**100**

Source: Primary Data.

Figure 4.19 showing the issues or challenges faced while making cashless payments.



Source: Primary Data**.**

Interpretation:

The data reveals varying experiences with challenges in making cashless payments, as reported by respondents. A substantial 48 acknowledge encountering issues occasionally, while 45 report rare instances of challenges. Interestingly, 15 claim never to have faced any issues, i.e. Server issues, scams, network issues, etc suggesting a sizable portion of users has had relatively smooth experiences with cashless transactions.

4.20 Descriptive responses from respondents on issues or challenges while making cashless payments.

Table 4.20 Descriptive responses from respondents on issues or challenges while making cashless payments.

Server issues
Server problem
Scam by some merchandise or by online saying "this is not our QR code we hv done transaction to someone"
Bank server goes down, sometimes payment status stays as pending for a while.
Network issue
Occurrence of Bank Server Maintenance
Network issues,over spending
The bank server won't be responding, or if the internet is not good, and I'm really in need of cash, I can't really Rely on cashless payment. Safe to have some cash in han
With internet issues the cash wont get transacted and sometimes puts me in a uncomfortable situation.
Network issues
Basically net work issues
Issues regarding paumebt debited from one party but not credited to the other party
Because of poor internet facility at certain areas, I can't prefer cashless payments. And still some shops has to implement cashless payment options.
Transaction errors
Denied transactions.
Server down issues
Bank server error, lack of internet connection
Cash debited but not reached the recipient.
Bad network

Source: Primary Data.

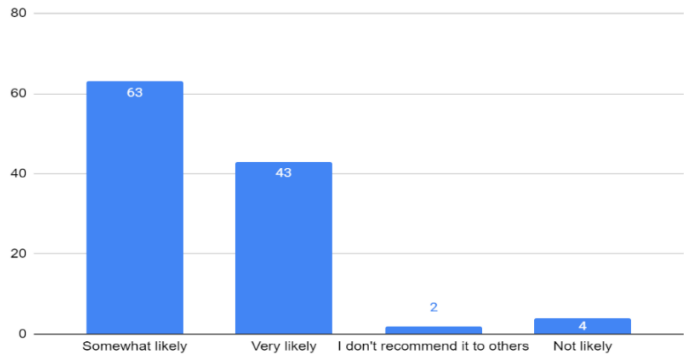
4.21 Classification showing the likeliness to recommend a preferred cashless payment method or E-wallets or others.

Table 4.21 Classification showing the likeliness to recommend a preferred cashless payment method or E-wallets or others.

Categories	No. of respondents	Percentage (%)
Very likely	43	38.4
Somewhat likely	63	56.3
Not likely	4	3.6
I don't recommend it to others	2	1.8
Total	**112**	**100**

Source: Primary Data.

Figure 4.21 Classification showing the likeliness to recommend a preferred cashless payment method or E-wallets or others.



Source: Primary Data.

Interpretation:

The responses indicate a generally positive inclination among users to recommend their preferred cashless payment method or E-wallets to others. A significant 56.3% express a moderate likelihood, while a notable 38.4% convey a higher level of enthusiasm, deeming themselves very likely to recommend their chosen payment method. This suggests a considerable level of satisfaction and endorsement, potentially contributing to the continued growth and adoption of these cashless payment solutions within social circles.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS

The findings from research on "Young consumer preferences of mobile wallets - a gateway for cashless payments" are:

- The research reveals that most young consumers favour utilizing mobile wallets as opposed to conventional payment methods such as cash or credit/debit cards.
- It reveals the primary drivers prompting young consumers to embrace mobile wallets, including factors like convenience, security features, rewards programs, and peer influence.
- The research reveals 67% of the respondents frequently use mobile wallets, for their transactions.
- It identified the barriers preventing some young consumers from using mobile wallets, such as concerns about security, lack of awareness, understanding of how mobile wallets work, and preference for traditional payment methods etc.
- The study uncovers demographic trends related to mobile wallet usage among young consumers, such as differences based on age, gender, income level etc. 90.2% of the users of mobile wallets and cashless payments are of the age 18-25.
- Research helped to gather feedback on young consumers' satisfaction with existing mobile wallet services among 112 respondents, a majority of 35.7% rate 8 out of 10 about their satisfaction of current state of cashless payments.
- 58.9% of respondents are likely to adopt new cashless payment technologies.
- Based on the findings, the research offers insights into future trends in mobile wallet adoption among young consumers, including potential growth areas and challenges for the industry.

5.2 SUGGESTIONS

- Majority of the youngsters are somewhat concerned about the security. Optimizing user experience, enhancing security measures, and leveraging social influence could be key strategies for attracting and retaining young customers.
- Many faces several challenges and issues while using E-wallets like server problems, network issues and scams. Therefore, improvement in technology can help in increasing the use of e wallets.
- Future researchers could explore additional factors influencing the adoption of electronic wallets, such as cultural differences or geographical differences.
- Initiatives should be taken for improving financial literacy among young consumers, ensuring regulatory frameworks are conducive to innovation, and promoting competition within the digital payment space.

5.3 CONCLUSION

Young customers' inclinations towards mobile wallets point to a major move away from cash payments. Convenience, security, and connectivity with other services are only a few of the factors that are important in their adoption. Mobile wallets have the potential to revolutionise the payment environment in the future by serving as the major means of cashless transactions for the younger population, as technology advances further. To maintain this trend and increase the use of mobile wallets, further innovation and attention to issues like privacy and interoperability are required.

Moreover, youthful consumers' inclinations towards mobile wallets highlight how crucial flawless user interfaces and customised functionality are. They anticipate easy-to-use interfaces, speedy transactions, and customised incentives that improve their entire payment experience because they are digital natives. In order to satisfy these changing needs, mobile wallet providers must always innovate, utilising AI and machine learning to give frictionless experiences and tailored recommendations.

Furthermore, mobile wallet providers have an opportunity to integrate eco-friendly practices into their platforms due to the rising focus that younger consumers are placing on sustainability and environmental consciousness. Mobile wallets may further strengthen their position as the preferred gateway for cashless payments in the future by aligning with the ideals of environmentally concerned consumers by encouraging paperless receipts, eliminating the use of plastic cards, and supporting green initiatives.

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ANNEXURE

QUESTIONNAIRE

YOUNG CONSUMER PREFERENCES OF MOBILE WALLETS – GATEWAY FOR CASHLESS PAYMENTS.

1.Age

- Below 18
- 18-25
- 25-30

2.Current employment status

- Student
- Employed
- Unemployed

3. How often do you use cashless payment methods?

- Very Frequently
- Occasionally
- Rarely
- Never

4. Do you feel that mobile wallets are more secure than traditional payment methods?

- Yes
- No

5. What factors influence your choice of cashless payments or e-wallets?

- Convenience
- Security
- Rewards or cashback offers
- All of the above

6. Which cashless payment method do you prefer?

- Credit or debit card
- Mobile payment apps (e.g., Apple Pay, Google Pay)
- Online payment platforms (e.g., PayPal, Venmo)
- Cryptocurrencies (e.g., Bitcoin, Ethereum)

7. Do you prefer using cashless payment methods for small or large transactions?

- Small transactions only
- Large transactions only
- Both small and large transactions
- Prefer cash for all transactions

8. Are you concerned about the security of cashless payments or E-wallets?

- Yes, I'm very concerned
- Somewhat concerned
- Not really concerned
- Not concerned at all

9. Would you be willing to pay a small fee for using certain cashless payment methods?

- Yes, I don't mind paying a fee
- Depends on the fee amount
- No, I prefer free options

10. Are you more likely to make impulsive purchases when using cashless payments?

- Yes, definitely
- Sometimes
- Rarely
- Not at all

11. How important is it for you to have access to customer support when using cashless payment methods?

- Very important
- Somewhat important
- Not very important
- Not important at all

12. How important is it for you to have a wide variety of cashless payment or E -wallet options available?

- Very important
- Somewhat important
- Not very important

13. How likely are you to try out new or emerging cashless payment technologies?

- Very likely
- Somewhat likely
- Not sure
- Not likely at all

14. How do you foresee your reliance on cashless payments evolving in the next 5 Years?

- Increasing
- Remaining the same
- Decreasing

15. On a scale of 1 to 10, how satisfied are you with the current state of cashless payments in your region?

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

16. How likely are you to adopt new cashless payment technologies, such as biometric authentication or blockchain-based systems?

- Very Likely
- Likely
- Unlikely
- Very Unlikely

17. How is your spending habits after being switched to cashless payments?

- Started savings
- Got control on my spendings
- Overspending
- Others_____

18. Are you comfortable sharing your personal information when using cashless payment methods?

- Yes, I trust the security measures
- Sometimes, depending on the situation
- Not really comfortable

19. Have you ever faced any issues or challenges while making cashless payments?

- Yes, frequently
- Occasionally
- Rarely
- Never

20. If yes, please describe.

_____

___

_____

___

21. How likely are you to recommend your preferred cashless payment method or E-wallets to others?

- Very likely
- Somewhat likely
- Not likely
- I don't recommend it to others