



# Unveiling The Digital Landscape: Exploring E-Wallet Adoption And Factors Driving India's Digitalization With A Focus On Management Students In Thane Region

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## **ABSTRACT:**

The days of queuing at ATMs for cash withdrawals are long gone. The rapid proliferation of e-payment methods has given rise to diverse channels of E-wallets. The surge in E-commerce, coupled with the widespread penetration and usage of smartphones, along with the increasing speed and network coverage of the internet, is propelling the E-wallets market in India. The confluence of technology and the ubiquitous availability of the internet has facilitated the evolution of Digital or E-wallets, predominantly embraced by the younger generation, particularly students. This research paper aims to investigate the factors contributing to India's digitalized economy, with a specific focus on E-wallets, concentrating exclusively on the student segment in colleges within the Thane region. The study also seeks to examine the awareness levels and the extent of E-wallet adoption among management students.

## **KEYWORDS:**

Digitalization, E-Wallets, E-Commerce, Management Students.

## **I. INTRODUCTION:**

The landscape of financial transactions has undergone a paradigm shift, signifying the conclusion of an era where individuals queued at ATMs for cash withdrawals. The rise of electronic payment methods, particularly the exponential growth of E-wallets, has introduced a new era characterized by enhanced convenience and efficiency. This transformation is propelled by the swift expansion of E-commerce, widespread adoption of smartphones, and the increasing speed and coverage of the internet in India.

The confluence of technology and the pervasive availability of the internet has facilitated the widespread adoption of Digital or E-wallets, predominantly embraced by the younger generation, particularly students. This study aims to scrutinize the factors contributing to India's ongoing digitalization, with a specific focus on the pivotal role of E-wallets in this transformative shift. The research concentrates on the Thane region, with management students in colleges forming the exclusive target audience.

In the contemporary scenario, mobile devices have become integral to daily life. The number of mobile phone users has witnessed a significant surge, with students constituting a substantial majority due to the affordability of these devices. India is experiencing a rapid transition into a mobile and internet-centric nation. As technology evolves at an unprecedented pace, students in management colleges are adapting swiftly to these revolutionary changes. Initially serving the purpose of communication, mobile phones now function as multi-faceted tools, providing entertainment, gaming, social interaction, and even serving as a means of digital payment (Indrajit Sinha, 2016).

The surge in e-commerce activities has driven the modernization of the E-payment system, leading to the prominence of Digital payments through Digital wallets or E-wallets. Their function mirrors that of physical wallets, with the key distinction being that payments are executed digitally and online (Shailendra Singh Rana, 2017). The widespread availability of smartphones and internet facilities at nominal costs has catapulted the success and demand for E-wallets, particularly among the student segment. In India, the student demographic represents the youthful citizens of the country, characterized by a willingness to take risks, embrace challenges, and adopt innovative ideas.

### **1.1.Theoretical Framework:**

The E-wallet, or mobile wallet, serves as the digital counterpart to a physical wallet, offering expanded functionality. In essence, it is a digital technology facilitating instant online bill payments without the need for cash or constant reliance on credit or debit cards. Functioning as a virtual wallet, it can be replenished with a preferred amount of money from a bank account or credit/debit cards, and the funds can be used for online transactions. E-Wallet apps installed on smartphones eliminate the need to carry physical cash, providing a convenient and efficient payment method.

## **II. LITERATURE REVIEW:**

### **2.1. Mobile Technology Adoption among Students:**

Studies suggest a significant surge in mobile phone adoption among students due to its affordability and multifunctional capabilities (Indrajit Sinha, 2016). As smartphones become an integral part of daily life, this trend plays a crucial role in the widespread acceptance of E-wallets, especially among the student demographic.

### **2.2. Digital Payments and E-Wallet Modernization:**

Shailendra Singh Rana (2017) emphasizes the role of E-wallets in the modernization of digital payments. The increasing prevalence of e-commerce activities has driven the adoption of Digital payments through E-wallets. The study sheds light on how E-wallets function as digital counterparts to physical wallets, enabling secure and efficient online transactions.

### **2.3. E-Wallets and Financial Inclusion:**

Research by Ghosh, P. and Tripathy, A. (2018) explores the role of E-wallets in promoting financial inclusion. As E-wallets gain traction, they contribute to bridging the financial inclusion gap by providing convenient and accessible digital payment solutions. This aspect is particularly relevant in the context of India's digitalization efforts.

### **2.4. Smartphone and Internet Accessibility Impact on E-Wallet Adoption:**

A study by Gupta, R., & Jain, D. (2019) delves into the impact of smartphone penetration and widespread internet accessibility on the success of E-wallets. The research highlights that the combination of affordable smartphones and readily available internet facilities has been instrumental in the success and growing demand for E-wallets.

## 2.5. Youthful Demographics and Innovation Adoption:

Examining the demographics, particularly the young citizenry in India, Sinha, I. (2016) notes that this segment possesses a propensity for risk-taking and is open to embracing innovative ideas. This characteristic makes the student demographic particularly receptive to adopting new technologies, including E-wallets.

## 2.6. Theoretical Framework of E-Wallets:

Understanding the theoretical underpinnings of E-wallets, Sadiq, N. M., & Thurasamy, R. (2018) provide insights into the digital technology that underlies E-wallet functionality. This framework elucidates how E-wallets serve as virtual wallets, allowing users to make online payments seamlessly using their smartphones or tablets.

## III. OBJECTIVE:

01. To assess the awareness level of E-wallets among management students in the Thane region.
02. To explore the factors responsible for the growth of E-wallets leading to digitalization in India.

## IV. RESEARCH METHODOLOGY:

The investigation aims to thoroughly examine the depth of awareness and the various factors influencing it. This research employs a quantitative methodology to delve into the subject matter. The chosen approach involves conducting a survey to systematically collect data, aligning with the study's objectives. This method ensures a comprehensive understanding of the awareness levels and contributing factors, enhancing the precision and reliability of the study's findings.

### 4.1 Population of the Study:

To achieve the objectives outlined in this study, the population comprised management students enrolled in undergraduate and postgraduate programs in the Thane region of Maharashtra, all under the age of 25, who were active users of digital wallets. Initially, the sample size consisted of 120 management students, encompassing those pursuing both undergraduate and postgraduate degrees in management colleges and utilizing E-wallets. However, due to various reasons, a few responses were deemed invalid, resulting in an adjusted sample size of 112.

### 4.2 Sampling Technique:

A simple random probability sampling technique was employed for this study. Responses were systematically and randomly collected, with a specific focus on students within the Management stream.

### 4.3 Data Collection Tools:

This research primarily relies on primary data, gathered through a structured questionnaire. The scales of variables were informed by a review of relevant literature and previous researchers' works.

### 4.4 Data Analysis Tool:

The collected data underwent analysis using SPSS software, employing statistical tools such as descriptive statistics and pie charts to derive meaningful insights.

## V. DATA ANALYSIS & INTERPRETATION:

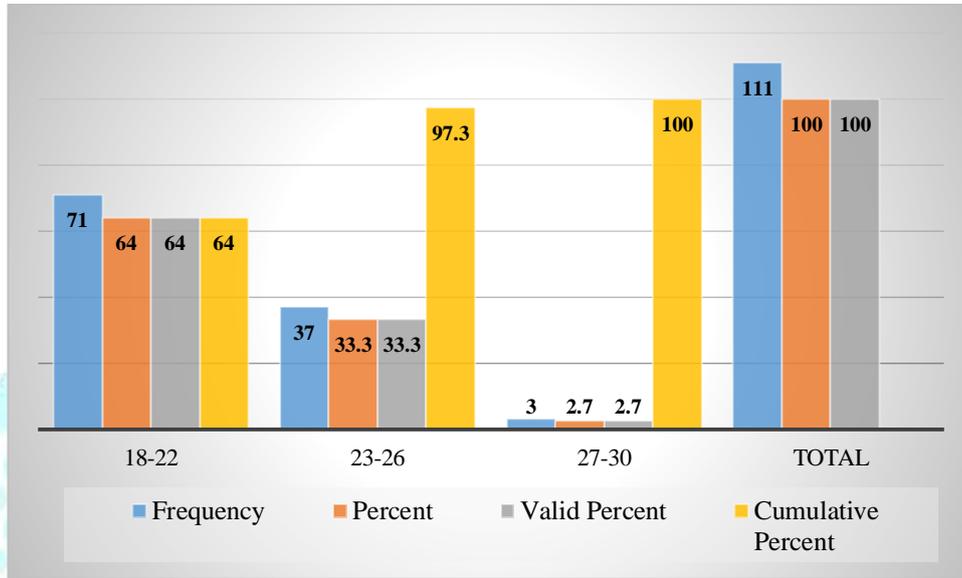
### 5.1. Data Analysis & Interpretation:

The table below presents the demographic profile of management students, delineating various age groups across different educational stages and distinctions in gender.

**Table 01: Age**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-22	71	64	64	64
	23-26	37	33.3	33.3	97.3
	27-30	3	2.7	2.7	100
	Total	111	100	100	

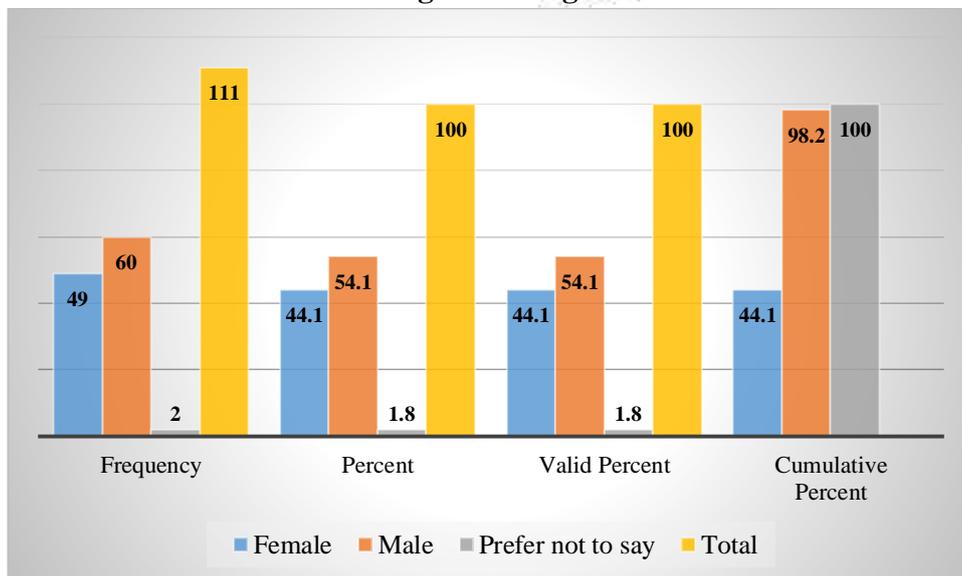
**Figure 01: Age**



**Table 02: Gender**

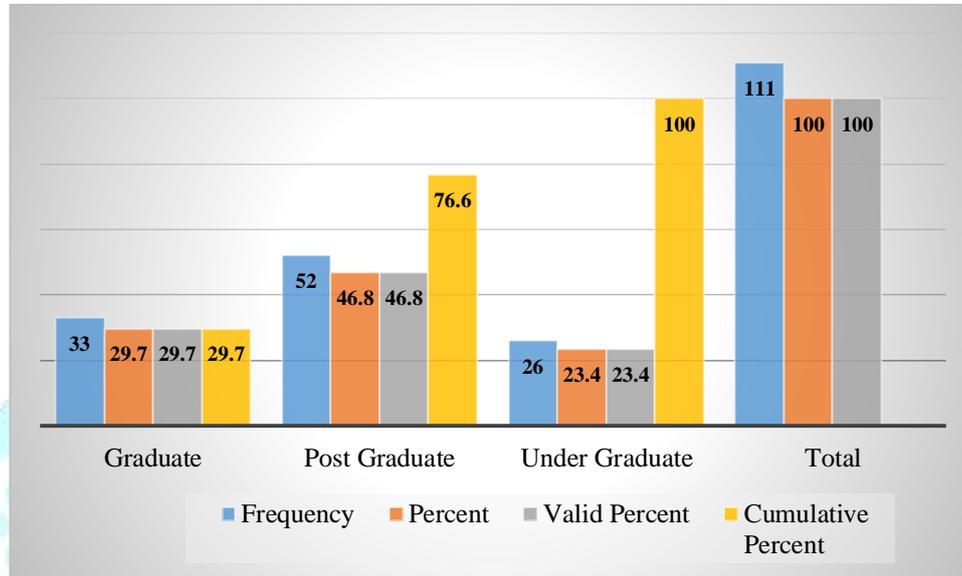
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	49	44.1	44.1	44.1
	Male	60	54.1	54.1	98.2
	Prefer not to say	2	1.8	1.8	100
	Total	111	100	100	

**Figure 02: Age**



**Table 03: Education**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduate	33	29.7	29.7	29.7
	Post Graduate	52	46.8	46.8	76.6
	Under Graduate	26	23.4	23.4	100
	Total	111	100	100	

**Figure 03: Education**

**Interpretation:** Analysis of the provided tables and figures reveals a notable concentration of students within the 18-22 age bracket. Within this demographic, 54% of the respondents are male, while the remaining 44% are female. Moreover, 47% of the participants are currently pursuing master's programs, 30% have successfully completed their undergraduate studies, and the remaining 23% are presently engaged in undergraduate degree programs.

## VI. HYPOTHESES OF THE STUDY:

Hypothesis 1 (H1): There is no statistically significant correlation between education levels and awareness of E-wallets among students.

Hypothesis 2 (H2): There is no statistically significant association between gender and the advancement of digitalization in India.

### 6.1. Hypothesis Testing:

Hypothesis 1 (H1): There is no statistically significant correlation between education levels and awareness of E-wallets among students.

**Table 04: Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Education *Are you familiar with e-wallets	111	100.0%	0	0.0%	111	100.0%

**Table 05: Education \* are you aware about e-wallets Cross Tabulation**

			Are you familiar with e-wallets			Total
			Yes	Moderately Yes	No	
Education	Graduate	Count	32	1	0	33
		Expected Count	28.8	2.4	1.8	33.0
	Post Graduate	Count	43	3	6	52
		Expected Count	45.4	3.7	2.8	52.0
	Under Graduate	Count	22	4	0	26
		Expected Count	22.7	1.9	1.4	26.0
Total	Count	97	8	6	111	
	Expected Count	97.0	8.0	6.0	111.0	

**Table 06: Chi-Square Tests**

	Value	df	Asymp. Sig.(2-sided)
Pearson Chi-Square	10.669 <sup>a</sup>	4	.031
Likelihood Ratio	12.589	4	.013
N of Valid Cases	111		

a. 6 cells (66.7%) have expected count less than 5. The minimum expected count is 1.41.

**Results:** In light of the presented output, where the p-value is equal to or less than 0.05, signifying that the awareness of E-wallets among students is somewhat contingent on the independent variable, Education. This leads to the rejection of the null hypothesis, indicating a statistically significant relationship between education levels and the awareness of E-wallets among students.

Hypothesis 2 (H2): There is no statistically significant association between gender and the advancement of digitalization in India.

**Table 07: Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Education *Are you familiar with e-wallets	111	100.0%	0	0.0%	111	100.0%

**Table 08: Gender \* do you think E-wallets are a step towards digitalisation cross Tabulation**

			Do you think E-wallets are a step towards digitalisation		Total
			Yes	No	
Gender	Female	Count	49	0	49
		Expected Count	48.1	.9	49.0
	Male	Count	58	2	60
		Expected Count	58.9	1.1	60.0
	Prefer not to say	Count	2	0	2
		Expected Count	2.0	.0	2.0
Total	Count	109	2	111	
	Expected Count	109.0	2.0	111.0	

**Table 09: Chi-Square Tests**

	Value	df	Asymp. Sig.(2-sided)
Pearson Chi-Square	1.731 <sup>a</sup>	2	.421
Likelihood Ratio	2.492	2	.288
N of Valid Cases	111		

a. 4 cells (66.7%) have expected count less than 5. The minimum expected count is .04.

**Results:** The above output indicates that, with a p-value less than 0.421, there is no statistically significant relationship or association between the gender of respondents and the growth of digitalization in India. This implies that the process of digitalization in India is independent of gender, serving as an uncorrelated variable.

## 6.2. FINDINGS:

Out of the total 112 respondents, the majority (54%) were male, and over 70% fell within the age range of 18-22 years. Approximately 80% of respondents identified as students, showcasing a high level of awareness regarding E-wallets. This suggests that E-wallet service providers have effectively disseminated the concept among the general public. Respondents predominantly use smartphones for online payments.

The information regarding E-Wallets reached respondents through various sources, with social media having a more significant impact than other methods such as advertisements, magazines, TV, and government promotions. As most respondents are students, their purchasing frequency tends to be less frequent. Among the respondents, 30% used Paytm, while 55% preferred Google Pay, indicating the higher penetration of Google Pay and Paytm compared to other wallets. This suggests that Google Pay and Paytm have a higher level of adoption than their competitors.

Ninety percent of respondents use E-Wallet applications for making online payments, indicating a strong inclination toward using E-wallets for various transactions. The majority (92%) agreed to prefer E-Wallets or cashless payments over cash on delivery, suggesting a potentially high future adoption rate. Data analysis indicates that respondents believe E-wallets play a pivotal role in advancing the digitalization of India.

## VII. CONCLUSION:

The study endeavors to comprehensively investigate the awareness and utilization of E-wallet systems within the youth and student demographic in India. The expansion of the E-wallets market is attributed to the technological revolution, notably embraced by the country's younger generation. The proliferation of smartphones has laid the groundwork for online services and payments, creating a conducive environment for various digital wallet service providers to capitalize on by offering efficient services. Sustaining a robust presence in this rapidly evolving technological landscape necessitates ensuring the availability of essential services such as internet facilities, robust connectivity, network accessibility, seamless gateways, expedited payment methods, advanced software, cost-effective maintenance, convenience, and enticing offers and discounts. These factors collectively contribute to fostering a higher adoption rate of digital wallets, resulting in a consistent and substantial increase in usage over time.

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