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Commerce

A STUDY ON AWARENESS LEVEL OF CUSTOMERS TOWARDS THE VARIOUS MODES OF CASHLESS TRANSACTIONS

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ABSTRACT Cashless economy is an economy where the financial transactions take place digitally all over the world. The purpose of this study is to know about the perception and awareness level towards the cashless transactions in all the regions of Haryana. Various reviews of related literature revealed that there is a lack of literacy, lack of security level towards the various modes of cashless economy. A sample size of 360 respondents is taken to study the awareness level of the customers by using Simple Random sampling technique. The Primary data was analyzed through statistical tools like Frequency analysis, Percentage method and Chi-Square Test. In this it is revealed that most of the customer aware about the different modes of cashless transactions. From this study, it is concluded that cashless economy is a significant factor which contribute in the growth and development economy.

KEYWORDS : Cashless economy, Customer Awareness, Literacy rate, Economic Development.

INTRODUCTION

Cashless economy is an economy where the financial transactions take place digitally all over the world. Here, the term cashless economy means transactions without cash. In India, around 90's all the transactions are done with cash, but as the new LPG Policy 1991 reform takes place in an economy by the government, with this, most of the transactions are done through cash. Only about 7% of the payments are made through electronically. The people who are not well educated they don't know how to make digital payments. From 1.25 crore population, approximately 350 crore people avail digital services and aware about the cashless transactions. Even Banks and other Financial Institutions provides discount facilities and various offers on buying of credit card, debit card or e-wallets to make people more comfortable in using paperless transactions. E-Payment system ensures the security and provide convenience facility for online shopping to customers in an adequate time period.

Literature review

In order to conduct a study, a brief survey regarding work is undertaken on the study of cashless transactions.

Rajanna K.A. (2018) conducted a study on the topic *Perception and Awareness of Customer towards Cashless Transaction: A case study.* In the study, it shows that awareness level, literacy rate and rate of participation level pose a significant impact on cashless economy and in addition to this, it also reveals the awareness level of customers towards cashless transactions which in turns helpful for the economic development of the country. E-Payments help to avoid or deduce the corrupted black money. It is also observed that 90% of the respondents believe that due to introduction of e-payment system, it brings lack of security and safety and lack of illiteracy and infrastructure in an economy. So, it recommends that Government should take the steps to enhance the literacy level of the customers towards the cashless transactions.

Bhuvaneswari D.et.al. (2017), conducted a study on the topic *An Intellectual study on Preference towards the Usage of Electronic Wallets among Urban Population of Chennai city.* This study traced that with the emergence of E-commerce activities in the Indian economy, cash payment system turns into digital payment system. It determines the usage level of customers of using E-wallets which is further beneficial for generating maximum revenue. It also recommends various measures like awareness programmes should be conducted in order to aware about various modes of cashless transactions to the non-users. Discount facility and rewards points must be given in case of online shopping so that it helps in increasing the popularity and adoption of e-payment systems as well.

Kokila V.et.al. (2017), conducted a study on the topic *A Study on consumer behavior on cashless transaction in U.T. of Puducherry.* This study reveals that because of demonetization, it had significant impact on the Indian economy. It declines the use of cash payments and liquidity ratio and increases the use of digital payments. There should be an emphasis on adoption of digital payment system because it helps to avoid corruption activity, hoarding cash and further reduces the tax evasion activity. The government has taken number of steps in order to promote digital payment system in an economy like cancellation of service charges, given rewards points in case of extra shopping etc. It also recommends that government should provide wide coverage of internet and enhance the internet speed in Chennai city.

OBJECTIVES OF STUDY

The main objective of the study is:-

- To know the awareness level of the people towards the different modes of cashless transactions.
- To study the association between demographic variable and awareness level of customers.

RESEARCH METHODOLOGY

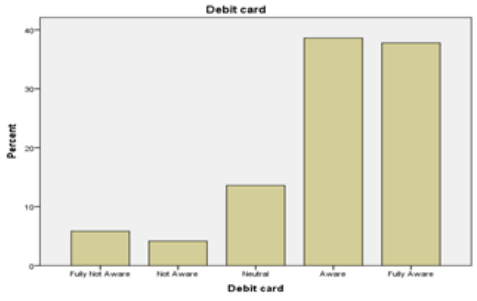
The study is based on Primary Data. For the collection of data, the whole Haryana is divided into four zones and out of the four zones, four districts are selected. After that three villages are selected from each district. In total 12 villages are selected are selected for data collection.

Data analysis and Interpretation

This part explains the awareness level of customers regarding various modes of the cashless transactions.

Table 4.2.1 Awareness about Debit Card

Debit card					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fully Not Aware	21	5.8	5.8	5.8
	Not Aware	15	4.2	4.2	10.0
	Neutral	49	13.6	13.6	23.6
	Aware	139	38.6	38.6	62.2
	Fully Aware	136	37.8	37.8	100.0
	Total	360	100.0	100.0	



The analytical table and figure show the data of awareness about debit card. According to above table 5.8% are not fully aware, 4.2% are not aware, 13.6% are neutral, 38.6% are aware and 37.8% are fully aware. In this study, it shows that maximum i.e. more than half of the respondents are aware about the use of debit card.

Applying Chi-Square Test

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	17.680[a]	8	.024
Likelihood Ratio	17.365	8	.027
Linear-by-Linear Association	.131	1	.717
N of Valid Cases	360		
2 cells (13.3%) have expected count less than 5. The minimum expected count is 3.79.			

Symmetric Measures					
		Value	Asymptotic Standard Error	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.222			.024
	Contingency Coefficient	.216			.024
Interval by Interval	Pearson's R	-.019	.053	-.362	.718c
Ordinal by Ordinal	Spearman Correlation	-.050	.054	-.950	.343c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

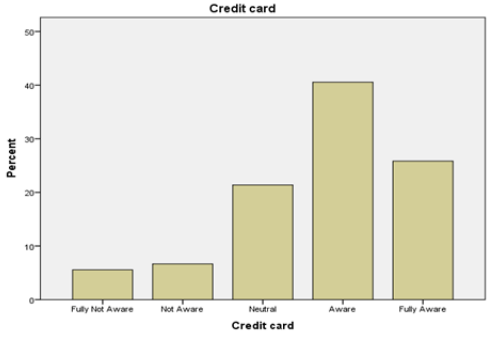
H0: There is no association between age and awareness level of Debit Card.

H1: There is an association between age and awareness level of Debit Card.

From the above data analysis, It shows that value of Chi Square 17.680 which is greater than the value of level of significance i.e. 0.024, this shows null hypothesis is rejected, it means there is an association between age and awareness level of Debit Card.

Table 4.2.2 Awareness about Credit Card

Credit card					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fully Not Aware	20	5.6	5.6	5.6
	Not Aware	24	6.7	6.7	12.2
	Neutral	77	21.4	21.4	33.6
	Aware	146	40.6	40.6	74.2
	Fully Aware	93	25.8	25.8	100.0
	Total	360	100.0	100.0	



The analytical table and figure show the data of awareness about credit card. According to above table 5.3% are not fully aware, 6.7 % are not aware, 21.4% are neutral, 40.6% are aware and 25.8% are fully aware.

In this study, it shows maximum i.e. more than half of the respondents are aware about the use of credit card.

Applying Chi-square test

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.929a	10	.821
Likelihood Ratio	6.306	10	.789
Linear-by-Linear Association	2.448	1	.118
N of Valid Cases	360		
a. 4 cells (22.2%) have expected count less than 5. The minimum expected count is .25.			

Symmetric Measures					
		Value	Asymptotic Standard Errora	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.128			.821
	Cramer's V	.091			.821
	Contingency Coefficient	.127			.821
Interval by AInterval	Pearson's R	-.083	.051	-1.568	.118c
Ordinal by Ordinal	Spearman Correlation	-.075	.052	-1.425	.155c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

H0: There is no association between age and awareness level of Credit Card.

H1: There is an association between age and awareness level of Credit Card.

From the above data analysis, it shows value of Chi Square 5.929 which is greater than the value of level of significance i.e. 0.821, this shows null hypothesis is rejected, it means there is an association between age and awareness level of Credit Card.

Table 4.2.3 Awareness about POS

POS(Point of Sale/Service)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fully Not Aware	133	36.9	36.9	36.9
	Not Aware	84	23.3	23.3	60.3
	Neutral	54	15.0	15.0	75.3
	Aware	47	13.1	13.1	88.3
	Fully Aware	42	11.7	11.7	100.0
	Total	360	100.0	100.0	

The analytical table and figure show data of awareness about POS. According to above table 36.9% are not fully aware, 23.3% are not aware, 15% are neutral, 13.1% are aware and 11.7% are fully aware about the use of POS.

Applying Chi-Square Test

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.016a	8	.933
Likelihood Ratio	3.088	8	.929
Linear-by-Linear Association	.332	1	.565
N of Valid Cases	360		
0 cells (.0%) have expected count less than 5. The minimum expected count is 10.62.			

Symmetric Measures					
		Value	Asymptotic Standard Errora	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.092			.933
	Cramer's V	.065			.933
	Contingency Coefficient	.091			.933
Interval by Interval	Pearson's R	-.030	.052	-.575	.565c
Ordinal by Ordinal	Spearman Correlation	-.032	.053	-.608	.544c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

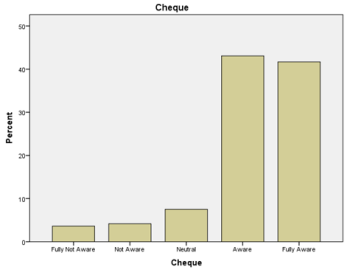
H0: There is no association between age and awareness level of POS.

H1: There is an association between age and awareness level of POS.

From the above data analysis, it shows value of Chi Square 3.016 which is greater than the value of level of significance i.e. 0.933, this shows null hypothesis is rejected; it means there is an association between age and awareness level of POS.

Table 4.2.4 Awareness about Cheque

Cheque					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fully Not Aware	13	3.6	3.6	3.6
	Not Aware	15	4.2	4.2	7.8
	Neutral	27	7.5	7.5	15.3
	Aware	155	43.1	43.1	58.3
	Fully Aware	150	41.7	41.7	100.0
	Total	360	100.0	100.0	



The analytical table and figure show data of awareness about cheque. According to above table 3.6% are not fully aware, 4.2% are not aware, 7.5% are neutral, 43.1% are aware and 41.7% are fully aware. In this study, it shows maximum i.e. more than the 80% of the respondents are aware about the use of cheque.

Applying Chi-Square Test

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.303[a]	8	.725
Likelihood Ratio	5.807	8	.669
Linear-by-Linear Association	1.613	1	.204
N of Valid Cases	360		
4 cells (26.7%) have expected count less than 5. The minimum expected count is 3.29.			

Symmetric Measures					
		Value	Asymptotic Standard Errora	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.121			.725
	Cramer's V	.086			.725
	Contingency Coefficient	.120			.725
Interval by Interval	Pearson's R	.067	.048	1.271	.204c
Ordinal by Ordinal	Spearman Correlation	.044	.052	.830	.407c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

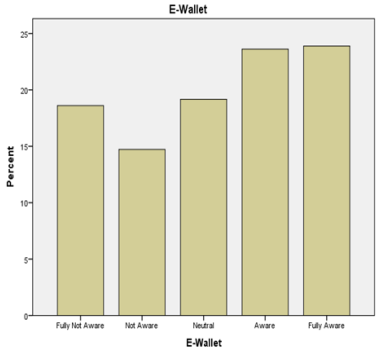
H0: There is no association between age and awareness level of Cheque.

H1: There is an association between age and awareness level of Cheque.

From the above data analysis, it shows value of Chi Square 5.303 which is greater than the value of level of significance i.e. 0.725, this shows null hypothesis is rejected, it means there is an association between age and awareness level of Cheque.

Table 4.2.5 Awareness about E-Wallet

E-Wallet					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fully Not Aware	67	18.6	18.6	18.6
	Not Aware	53	14.7	14.7	33.3
	Neutral	69	19.2	19.2	52.5
	Aware	85	23.6	23.6	76.1
	Fully Aware	86	23.9	23.9	100.0
	Total	360	100.0	100.0	



The analytical table and figure show data of awareness about E-Wallet. According to above table 18.6% are not fully aware, 14.7% are not aware , 19.2% are neutral, 23.6% are aware and 23.9% are fully aware. In this study, it shows that approximately 50% of the respondents are aware about the use of E-Wallet.

Applying Chi-Square Test

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.099a	8	.978
Likelihood Ratio	2.116	8	.977
Linear-by-Linear Association	.000	1	.992
N of Valid Cases	360		
0 cells (.0%) have expected count less than 5. The minimum expected count is 13.40.			

Symmetric Measures					
		Value	Asymptotic Standard Errora	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.076			.978
	Cramer's V	.054			.978
	Contingency Coefficient	.076			.978
Interval by Interval	Pearson's R	.001	.052	.010	.992c

Ordinal by Ordinal	Spearman Correlation	-.008	.053	-.142	.887c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

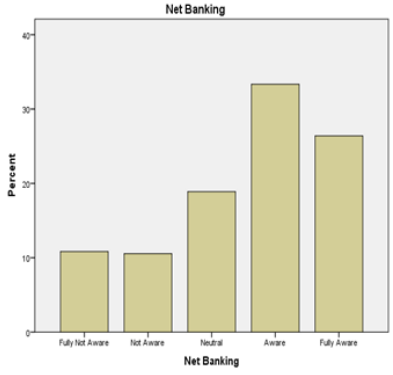
H0: There is no association between age and awareness level of E-Wallet.

H1: There is an association between age and awareness level of E-Wallet.

From the above data analysis, it shows that value of Chi Square 2.099 which is greater than the value of level of significance i.e. 0.978, this shows null hypothesis is rejected, it means there is an association between age and awareness level of E-Wallet.

Table 4.2.6 Awareness about Net Banking

Net Banking					
Valid		Frequency	Percent	Valid Percent	Cumulative Percent
	Fully Not Aware	39	10.8	10.8	10.8
	Not Aware	38	10.6	10.6	21.4
	Neutral	68	18.9	18.9	40.3
	Aware	120	33.3	33.3	73.6
	Fully Aware	95	26.4	26.4	100.0
	Total	360	100.0	100.0	



Applying Chi-Square Test]

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.197[a]	10	.213
Likelihood Ratio	14.085	10	.169
Linear-by-Linear Association	.473	1	.492
N of Valid Cases	360		
a. 3 cells (16.7%) have expected count less than 5. The minimum expected count is .25.			

The analytical table and figure show that data of awareness about Net Banking. According to above table 10.8% are not fully aware, 10.6% are not aware, 18.6% are neutral, 33.3% are aware and 26.4% are fully aware. In this study. It shows that approximately 60% of the respondents are aware about the use of Net Banking.

Symmetric Measures					
		Value	Asymptotic Standard Errora	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	.191			.213
	Cramer's V	.135			.213
	Contingency Coefficient	.188			.213
Interval by Interval	Pearson's R	.036	.034	.687	.493c
Ordinal by Ordinal	Spearman Correlation	.045	.053	.850	.396c
N of Valid Cases		360			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					
c. Based on normal approximation.					

H0: There is no association between age and awareness level of Net Banking.

H1: There is an association between age and awareness level of Net Banking.

From the above data analysis, It shows value of Chi Square 13.197 which is greater than the value of level of significance i.e. 0.213, this shows null hypothesis is rejected, it means there is an association between age and awareness level of Net Banking.

CONCLUSION AND SUGGESTIONS

In last, we can say that customer is aware about various modes of cashless transactions. But, there degree of customers varies between different modes of transactions. Some modern modes of transactions like e-wallet, net banking and Point of sales, where degree of awareness is low. So, it is suggested that government and other organisations should focus on increase the awareness level of customer regarding the use of these modes of payments.

In addition to this, some recommendations are given below:-

1. Banks provide more security regarding the use of digital transactions for buying and selling of goods and services.
2. Banks must use Biometric recognition for recording the details of cashless transactions related with customer also.

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