

Users' Perception on Usage of G-Pay & Net Banking — A Case Study at Erode District

¹Dr. C. Vadivel and ²Ms. P. Parasakthi

¹I/C Director of PG Extension and Research Center, Erode District.

²Research Scholar, Government Arts and Science College, Modakkurichi, Erode District, Tamilnadu.

Abstract—Technology has brought a phenomenal change in the architecture of payment systems in India. Just a few years ago, payment systems in India were almost entirely based on paper, with currency and cheques. The electronic payment products in the country have progressed through two main phases — (i) introductory phase and (ii) rationalization phase. During the introductory phase, electronic products like Electronic Clearing System and Electronic Fund Transfer were introduced in the country by the Reserve Bank. The focus of the Reserve Bank during the rationalization phase has been to introduce centralized payment solutions. With technological advancement, it is today quite a complex collection of disparate arrangements, with different participants, different rules, and different processes in each place, but which all ensure quicker flow of money. Nowadays, payment made online is a frequently used and inevitable mode. This study deals with the users' opinion about G-Pay and online banking in Erode district.

Keywords—Users, G-Pay, Net Banking, Payment, Technology, Digital.

I. Introduction

Money is always regarded as an important medium of exchange and payment tool. Initially barter system was used as the significant mode of payment. Over the years, money has changed its form from coins to paper cash and today it is available in paperless form as electronic money or plastic card. Section 2(1)(i) of the Payment and Settlement System Act 2007 by Reserve Bank of India defines a payment system that enables payment to be effected between a payer and a beneficiary, involving clearing, payment or settlement service or all of them. But does not include a stock exchange. Payment system has further been explained as the systems enabling credit card operations, debit card operations, smart card operations, money transfer operations or similar operations.

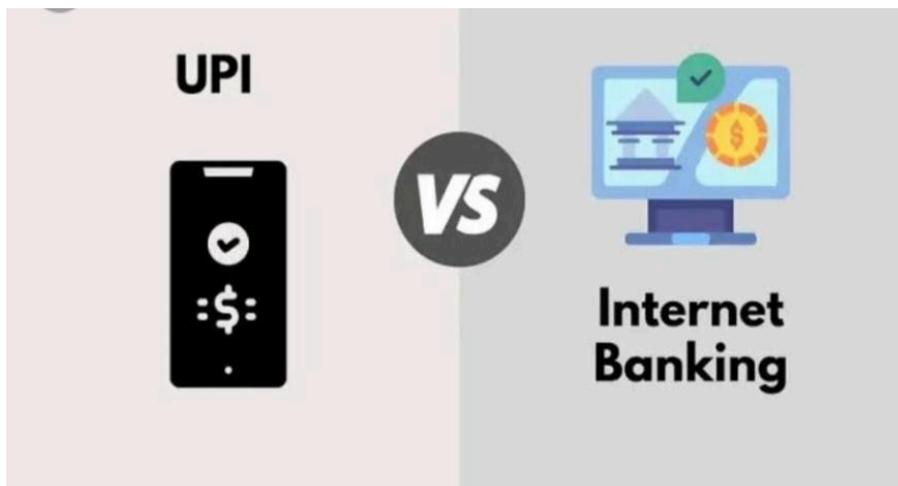
However, the primary goal of any national payment system is to enable the circulation of money in its economy. It has been recognized worldwide that an efficient and secure payment system is an enabler of economic activity. Thus efficient payment systems are essential components of well-functioning economies and financial markets facilitating the exchange of goods, services and assets. The speed and ease with which payments can be processed and executed will in general affect economic activities, output and price levels. Therefore, it is important that payment systems satisfy some basic principles of economic efficiency (Payment System in India, 2005–08).

G-Pay

Google Pay is a simple and secure way to manage money. We can use the Google Pay app to do things like make contactless payments and buy items online or in apps.

Net Banking

Net banking is a digital mode to conduct banking transactions by the means of the internet. It is a time-saving facility offered by all standard banks. Individuals can conduct banking activities from home through their smartphones, tablets, laptops and personal computers.



II. Objectives of the Study

The following are the important objectives of this study:

- To know about the concept of G-Pay & Net banking.
- To know about the users' perception towards the G-Pay & Net banking.
- To give findings and suggestions for further development of G-Pay & Net banking.

III. Scope of the Study

This study mainly considers the users of G-Pay and Net banking and analyses their perception towards the usage of this payment mode. This study covers only the Erode district users for this research work.

IV. Research Methodology

Primary Sources

This research has been done through mailed questionnaire for 60 respondents from G-Pay users and 60 respondents from Net banking users in Erode district.

Secondary Sources

This research has been done through internet sources, referring books and also referring to some projects which have been done by others.

Tools for Analysis

In this research study, simple mathematical tools and Likert three-point scaling techniques were used.

Sampling Method

This study is based on simple random sampling method.

Limitation of the Research

This study has some limitations:

- This study covers only one G-Pay payment mode and Net banking.

- This research has limited respondents (60) for sample.
- This study covers only Erode district for this research.

V. Analysis and Interpretation of Data

Table 1: Periodicity of Usage of Net Banking & G-Pay

Years	G-Pay	Net Banking	Total
Up to 1 year	16	20	36
1–2 years	24	22	46
2–3 years	12	10	22
3–4 years	6	4	10
Above 5 years	2	4	6
Total	60	60	120

Source: Primary data

Table 1 explains the periodicity of usage of Net banking & G-Pay. A maximum of 46 users use these payment modes from 1–2 years. Of these, 24 users use G-Pay and 22 users use Net banking. Following this, 36 users use Net banking & G-Pay up to one year.

Table 2: Respondents’ Preference to Use Electronic Channels like G-Pay and Internet for Banking Transactions

Opinion	G-Pay	Net Banking	Total
Very Likely	30	26	56
Somewhat Likely	16	18	34
Neither Like nor Unlike	8	6	14
Somewhat Unlikely	6	6	12
Very Unlikely	0	4	4
Total	60	60	120

Source: Primary data

Table 2 describes that a maximum of 30 users in G-Pay and 26 users in Net banking are very likely to use G-Pay and Internet banking to carry out their banking transactions rather than going to bank. A minimum of zero users and 4 respondents are very unlikely to prefer using electronic channels like G-Pay and Internet to carry out their banking transactions than going to bank.

Table 3: Respondents’ Opinion on Information Technology Increasing the Gap Between the Bank and the Client

Opinion	G-Pay	Net Banking	Total
Very True	32	26	58
Somewhat True	14	16	30
Neither True nor Untrue	8	6	14
Somewhat Untrue	4	8	12
Very Untrue	2	4	6

Opinion	G-Pay	Net Banking	Total
Total	60	60	120

Source: Primary data

Table 3 explains that a majority of 32 users in G-Pay and 26 users in Net banking said that the statement that information technology has increased the gap between the bank and the client is very true. Following this, 14 users in G-Pay and 16 users in Net banking said the statement is somewhat true. Only 2 customers in G-Pay and 4 users in Net banking said the statement is untrue.

Table 4: Opinion on Usage of Net Banking & G-Pay

Sl. No.	Statement	Agree	Neutral	Disagree
1	Net banking & G-Pay is easy to use	70	42	8
2	Net banking & G-Pay enables you not to carry cash	72	42	6
3	It is flexible to use to withdraw money from ATMs	88	20	12
4	You feel comfortable in using Net banking & G-Pay for shopping and making payments	112	8	0
5	Banks offer good promotion schemes to motivate the usage of Net banking & G-Pay	70	26	24

Source: Primary data

Table 4 shows the overall opinion about the usage of Net banking and G-Pay users. A maximum of 112 respondents agree with the statement “feel comfortable in using Net banking & G-Pay for shopping and making payments.” Minimum zero respondents disagree with the same statement. A minimum of 88 respondents agree with the statement “flexible to use Net banking & G-Pay to withdraw money from ATMs.”

VI. Findings of the Study

The following are the important findings from the research work:

- Maximum 46 users use these payment modes from 1–2 years. Of these, 24 users use G-Pay and 22 users use Net banking.
- A majority of 30 users in G-Pay and 26 users in Net banking are very likely to use G-Pay and Internet banking to carry out their banking transactions rather than going to bank. A minimum of zero users and 4 respondents are very unlikely to prefer using electronic channels like G-Pay and Internet to carry out their banking transactions.
- A maximum of 32 users in G-Pay and 26 users in Net banking said that the statement that information technology has increased the gap between the bank and the client is very true.
- A maximum of 112 respondents agree with the statement “feel comfortable in using Net banking & G-Pay for shopping and making payments.” Minimum zero respondents disagree with the same statement.

VII. Suggestions for Further Development

- Users are advised to keep payment information as secure as possible.
- Users must use minimal effort and cognitive load during the checkout and payment process while they engage in online transactions.
- Banks are encouraged to educate their customers for using the online payment system.
- Possibly the biggest appeal to accepting online payments is that a business can open up shop to the whole world.

VIII. Conclusion

This research is made for the purpose of determining whether bank users are satisfied with Net Banking & G-Pay paperless transactions. When compared to online banking, G-Pay has been highly successful in its objective of opening a network. From the analysis it can be concluded that customers have a good response towards digital products like Net banking & G-Pay. Net Banking is in the first position having a large number of users using UPI Payments, particularly G-Pay.