

AWARENESS OF E-WALLET AMONG PEOPLE AFTER DEMONETIZATION

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Abstract—*In the eve of demonetization, financial analysts were talking about what the long-term impacts could be while several businesses and people are caught up in the unprecedented cash crunch that has been caused. Online money transactions and digital payments are not as difficult as they were before. The sectors adversely affected were demand is backed by cash, especially those not within the organized retailing. For instance, transport services, kirana, fruits and vegetables and all other perishables, would face compression in demand which is backed by purchasing power. The objective of study is to awareness of e-wallet among people after demonetization. Questionnaire was distributed to 200 respondents to study the consumer attitude towards the usage of cashless transaction during demonetization. The study period is between 8th November 2016 to 31st march 2017. Simple random sampling method was adopted for collection of information and the data were analyzed with the frequency descriptive statistics, Independent t-test, and one way ANOVA. The demonetization where causing the possibility of change in spending behavior as a result of moving to instruments other than cash. There are many substitutes for cash in the modern economy ranging from cheques, debit cards, pre-paid cards, credit cards and mobile wallets. When compared to cash, these instruments differ in a number of key characteristics.*

Keywords—*Awareness, Demonetization, E-Wallet, Public, Vendors.*

INTRODUCTION

Demonetization is most important form of financial analysts everywhere are talking about what the long-term impacts could be while several businesses and people are caught up in the unprecedented cash crunch that has been caused. The retail businesses taking the new dimension thanks to the growth of the internet, the business models and the payment methods have all changed. 86% of currencies from circulation are suddenly removed by India. Hundreds of millions of people were left without the means to engage economically, to buy the things they wanted and needed, and myriad businesses were left without a readily available mechanism to receive payment for their goods, to buy supplies, or pay their staff. The serious discussions are moved from starting acquisition of demonetization in India by the process of formal and, informal economy.

OBJECTIVES OF THE STUDY

To ascertain the awareness of e-wallet among people after demonetization.

LIMITATIONS OF THE STUDY

- Demonetization refers to discontinuing of current currency units and replacing those currency units with new currency units.
- The major limitations in disadvantage is that destruction of old currency units and printing of new currency new units involve costs which has to be borne by the government and if the costs are higher than benefits then there is no use of demonetization.

It move is targeted towards black money but if people have not kept cash as their black money and rotated or used that money in other asset classes like real estate, gold and so on then there is no guarantee that demonetization will help in catching corrupt people.

RESEARCH METHODOLOGY

In this research study the sample questionnaires were given to Private, Public and Business people, Trichy Region. This helps in getting Awareness of E-Wallet people after demonetization. The questionnaire is given to all the people who are working in public, private and business sectors. The sample data are collected from 200 respondents to capture the use of E-wallet at the time of demonetization. The data were analyzed with percentage method, frequencies and regression, factor analysis, Charts and tables are also prepared.

LITERATURE REVIEW

(Biswajit Chatterjee, 2016)

This article explains about the demonization effects in India at present stage. The demonization which leads leading role in the year of 2016. It creates more impact on Indian economy. Due to this affect the bank deposits saving where increasing to interest-bearing financial assets. The cash transactions where declined to the key sectors. The 2-tier and 3-tier cities are prevented more in cash-less transactions. There is a limit on printing currency notes. Government just can't order RBI to print new notes as per requirement. There is a regulatory system which guides RBI and Indian government how much new currency notes should be printed other country has to face some serious issues like, inflation. So, government will not be able to provide enough money to banks to pass on to consumers. It will create uncertainty.

(sachdeva, 2016)

This article which explains about the earlier stage of demonization in European countries like Soviet Union, North Korea, Ghana, Nigeria and Myanmar. The European Central Bank prepared for almost three years with everyone fully knowing about the changeover on a particular day. Printing new notes and minting of new coins had already started in mid-1998. Europeans normally use cards. The major success in demonization is, the banks prepared earlier in case of new coins and currency notes in circulations. India does not plan their currency exchange exactly in all their demonization period. They execute only failed transaction effect.

(pranav mukul, 2016)

This article explains about there were around 75 crore debit and credit cards in the country, and almost 72 crore of these are debit cards. A merchant can acquire a POS machine from a bank in which he or she holds an account. Banks provide a POS terminal free of cost to their account holders, but they charge a merchant discount rate (MDR) as prescribed by the RBI. Traditionally, the idea of a POS terminal was a bulky machine connected to a telephone line. This equipment would set back a bank by almost Rs 15,000 to Rs 16,000 per machine. These are called PSTN-based POS terminals. Mobile POS terminals are also available for Rs 3,000 to Rs 6,000 and are mostly used by e-commerce companies to collect payment by credit and debit cards upon delivery of the orders

(Mehak sharma, 2016)

With consumers saving every single penny post the Government's recent decision to demonetize Rs 500 and Rs 1,000 notes offline retailers are extending and encouraging consumers to use digital payment alternatives, in order to counter the short-term loss in consumption emerging from lack of enough liquidity in the economy. Consider the fact that India is among the most cash-intensive economies in the world, with a cash-to-GDP ratio of 12 per cent. That is almost four times that of countries like Brazil, Mexico and South Africa. The recent decision has led to retail shops and malls wearing a deserted look, albeit even for a short period of time.

(Vidhya Ganesan and Ganesan Subramanian, 2016)

E-wallets (mobile money store and transfer facility) are fast emerging as a substitute for cash. Many credible players like Pay tm, Oxygen, m-Rupee and Airtel Money now offer e-wallet. The Government has suggested use of e-wallets, but mere suggestion won't help, without the Government actively promoting it and hand-holding people in the early stage adoption. Also, since the Government is unable to offer enough cash to the public (through banks and POs), it is the Government which has to introduce this e-cash as a substitute for physical currency to willing public. Once this is done, it will mitigate the sufferings of people substantially.

(yogesh k dwivedi,kuttimani tamilmani., 2016)

This article explains about a link to digital Multi currency services, our systems have devised methods of payment from your e-Wallet to your debit card, as well as make email transfers to your checking or savings account. You can even transfer funds using your cellular-telephone in addition to these methods of fund transfers; our services also enable EFT (electronic fund transfers) and ACH (automated clearinghouse) transactions for approved customers.

(navad anwer, 2016)

The big beneficiaries have been the e-Wallets and even among the e-Wallets, Paytm by its own admission is reaping rich rewards. The company on November 21 said that it was doing over 7 million transactions worth Rs 120 crore in a day. It said that it has served 45 million users in the last 10 days and now has over 150 million users. In a country like India these are big numbers. But then these have been two big weeks for the Indian technology companies that deal in the e-Wallets or e-payments. In the subsequent days as people found them cashless and with ATMs running out of hard currency, the Pay tm wallets fattened. Nearly two weeks after that blog post, Pay TM announced that it was processing over 7 million transactions in a day, surpassing the number of credit and debit card transactions that are done in India.

DATA ANALYSIS AND INTERPRETATION

The researcher of table-1 and table-2 has made the following analysis to understand the user category of Payment gateway in e-payment system usage and people after demonetization with its impact on working on different sectors in Trichy region.

Table 1: Frequency Analysis - User category and Payment gateway in e-payment system

Particulars	Frequency	Percentage	Cumulative Percentage
Private sector	146	73.0	73.0
Public sector	49	24.5	97.5
Business man	5	2.5	100.0
Total	200	100.0	
Mastercard	132	66	66
Bill desk	44	22	88
Paypal	20	10	98
Rupay	4	2	100
Total	200	100	

Source: Primary data

Table 2: One-way ANOVA Between the Presence of Factor Variables and Demonetization is Effective in Digital Transaction

Ho accepted at 5%

Particulars		Sum of Squares	Df	Mean Square	F	Sig.
Operational	Between Groups	18.247	1	18.247	10.760	.001
	Within Groups	335.753	198	1.696		
	Total	354.000	199			
convenient	Between Groups	65.709	1	65.709	150.915	.000
	Within Groups	86.211	198	.435		
	Total	151.920	199			
Security	Between Groups	.110	1	.110	.048	.827
	Within Groups	452.765	198	2.287		
	Total	452.875	199			
Cost	Between Groups	51.538	1	51.538	18.458	.000
	Within Groups	552.857	198	2.792		
	Total	604.395	199			

Hypothesis 1: H₀- The presences of factor variable during the cashless transaction do not vary with the demonetization is effective in digital transaction.

The significance of ‘F’ is less than 0.05 for the cashless transaction are adapted by factors such as operational, convenient, security and cost. So, the null hypothesis is not accepted and it is

concluded that the presence of Factor variables and demonetization is effective in digital transaction.

REGRESSION ANALYSIS

Table 3: Model Summary

<i>R</i>	<i>R square</i>	<i>Sum of squares</i>	<i>Df</i>	<i>Mean square</i>	<i>F</i>	<i>Sig.</i>
0.26	0.069	2.516	1	2.516	14.668	.000
		33.964	198	.172		
		36.480	199			

Table 4: Co-Efficient Between the User Category and Demonetization is Effective in Digital Transaction

<i>Model</i>		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
			Std. Error	Beta		
1	(Constant)	1.768953069	0.14118219		12.5296	6.7E-27
	Users category	-0.23826715	-0.2382671	-0.26262534	-3.8299	0.00017

a. Dependent variable: demonetization is effective in digital transaction

Source: Primary Data.

*=Significant at 5% (If the sig of t is less than 0.05 it indicates that the concerned variable is significant in the model)

The model summary shows that R-square value “goodness of fit” of the model. R-square for this model is .069, which means that the X variable can explain about 6.6% of the change in Y. The next table, ANOVA, just tells about that the model can predict Y using X. The significance is .000, so we can reject the null hypothesis that “The model has no predictive value.” Finally, the most important table is the coefficients. The significance level of .000 indicates that we can reject the null hypothesis that X does not predict Y. The first coefficient, “(Constant)”, is your intercept term. That is, before the account for Dependent variable – or, putting it another way, when X is zero – this is the value of Y. In this case, the intercept is 1.76, so when X=0, Y will equal 1.76.

Table: 5: Correlation Analysis

Correlations			
<i>Particulars</i>		<i>How many hours will spend in using the electronic gadgets?</i>	<i>demonetization is effective in digital transaction</i>
How many hours will spend in using the electronic gadgets?	Pearson Correlation	1	.206**
	Sig. (2-tailed)		.004
	N	200	200
demonetization is effective in digital transaction	Pearson Correlation	.206**	1
	Sig. (2-tailed)	.004	
	N	200	200

Source: Primary data

From the above table the correlation between cash less transaction and people spends time in usage of electronic gadgets is not significantly correlated. Due to the correlation value has 0.01 is high than the significant value of 0.04.

FINDINGS, RECOMMENDATION AND CONCLUSION

It is found from this study that the banking system evolved, it became easier, safe and even remunerative to keep one's money in a bank account and it became still easier and safe to use, transfer money in bank accounts for making payments for the economic transactions. This was more so for large value transactions.

This instrument was the cheque for a very long period. Thus, a system consisting of the cheque as the payment instruments and an infrastructure around the cheques consisting of the drawee bank, the drawer bank and the cheque clearing houses came on the scene and were known as the payment systems. With the developments in the information and communication technology, world over, different kinds of payment instruments and innovations in the instruments and the payment systems evolved.

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