



AN INVESTIGATION INTO THE DIGITAL ECONOMIC TRANSACTION HABITS OF COLLEGE LECTURERS IN CALICUT

Mohammed Anees Y C¹ & Dr. J Ravi Kumar²

¹*Research Scholar, Department of Commerce, University College of Commerce and Business Management (UCC&BM), Osmania University, Hyderabad – 500007*

²*Assistant Professor, Department of Commerce, University College of Commerce and Business Management (UCC&BM), Osmania University, Hyderabad - 500007*

ABSTRACT

We are in an era of digitalization, but still hard money is preferred more than digital money normally in Indian economic scenario. However, there seems a push towards digital transactions in the minds of the people due to the easiness of use and transparency after the declaration of digital economy campaign. College lecturers are a peer group with knowledge and capacity to use digitalized payment modes. They are also highly influential in igniting the young minds. And this study attempts to evaluate their preference towards modern digital payment modes like UPI, BHIM, AEPS, etc. Overall, a major portion still finds the conventional digital payment modes more convenient and neglects the novel ones. This study also analyzes the different occasions where digital transactions are utilized and the reasons for them.

KEYWORDS: Digital Transactions, Conventional Modes, Innovative Modes.

INTRODUCTION

Indian economy is victimizing tremendous compulsions from various authorities and institutions to move towards a cashless economic system over the last few years. The initial trigger begins with the launching of Digital India campaign on 1st July 2015. The Digital India program is a flagship program of the Government of India with a vision of transforming India into a digitally empowered society and knowledge economy. “Faceless, paperless, cashless” is one of the

professed role of the program. It was then followed by linking of ADHAAR with bank accounts, payment of subsidies through bank accounts, launching of BHIM, launching of UPI and demonetization of the two higher denomination currencies, i.e., Rs.500/- and Rs.1000/-. The government has been frequently updating the digital transaction trends in our economy through circulars and notifications from RBI, Central Statistics Office and prime ministers website. Despite of the initial reluctance on the part of people to accept the new reforms in the economic activities, the

recent statistics show that the economy is now accepting the new modes of financial transactions.

On analyzing the recent statistics released by various government authorities and institutions, it's very evident that the proportion of cashless transactions in the economy has increased to a great extent and experiencing a quicker transformation. The Honorable Prime Minister of India has released some interesting data on his website which clearly depicts that cashless transactions have picked up ever since the recent demonetization. Along with this, various initiatives were taken by the wings of government in encouraging people to go cashless. In the financial year of 2016-17, there were a total of 865.9crore digital transactions in India across all banking platforms which is a significant rise from the year 2013-14 with 254.5crore digital transactions. Within a short span, i.e. 3 years, the amount of digital transactions has increased enormously by more than 340%. Recently Ratan Vatal, the principal advisor of NITI Aayog, shared similar statistics stating that digital payments grew 55 per cent in volume and 24.2 per cent in value in 2016-17 over 2015-16. However, on scrutinizing these figures, it's quite notable that the proportion of debit card transactions are pretty much higher as compared to the other modes of digital transactions like Electronic Fund Transfer (EFT), Uniform Payment Interface (UPI), E- Wallets, etc. This fact is worth studying and need to be analyzed.

Here in this study on electronic payment habits we focus the peer group,

college lecturers. Since college lecturers are persons who ignite the young minds with updated information they might be aware of every changes in the economy. They are a group having stable income with knowledge and skill. This study takes an initiative to analyze the habits of the peer group on electronic payments with special reference to Calicut, a well known town in Kerala State.

REVIEW OF LITERATURE

Many researchers have studied the digital transaction habits of various groups of people in different parts of India and around the globe. And many of them have come with positive conclusions about the ongoing digitalization drive in the country. However, there are findings to the other way also. The Digital India campaign has motivated most of the people to make payments through electronic modes and more people are now adopting the electronic payment modes for their economic transactions (Kaur, 2015). The usage of various modes of transactions is location dependent and the awareness about using the services do not get readily transformed into usage (Sethuraman et al., 2016). Internet banking and other innovative banking facilities are much preferred by customers as they feel it as time saving and convenient. However, people need them to be more user friendly simultaneously being well secured (Parmar Parmar et al., 2013). The use of E-banking services in different provinces of Indonesia is fairly high with an increasing growth rate percentage (.

There is a significant and positive impact by the consumer perception on

adoption of digital payment and the consumer perception do not vary significantly on the basis of demographic factors such as gender, age, profession and annual income (Singh and Rana, 2017). The digital drive in the country will compel more merchants to accept digital payment modes as they bring in better transparency, scalability and accountability (Ramya et al., 2017). The reasons for reluctance towards digital banking include lack of awareness and ignorance about digital banking procedures, scepticism regarding security, attachment on conventional modes and in some instances, as a part of being social, especially in case of retired people (Dastidar and Das).

OBJECTIVE OF THE STUDY

1. To analyze the overall response of college lecturers towards digital economic transactions.
2. To analyze the priority among the study group towards different modes of digital transactions.

DESIGN AND METHODOLOGY

This study is analytical and investigates into the preference of college lecturers towards digital economic transactions and the various factors influencing their digital transaction habits. Samples include responses from 100 lecturers from different departments of 8 colleges situated in the Calicut town using snowball sampling method collected during January and February 2018. Both primary as

well as secondary data is used for the study. Primary sources were collected using a structured questionnaire and the secondary data are sourced from internet and various journals. Along with the basic descriptive statistics, Analysis of Variance (ANOVA) is used in this study to check the differences in usage and preference of different digital payment modes by the college lecturers.

DATA ANALYSIS AND INTERPRETATION

1. Proportion of Digital Transactions in the Overall Financial Transactions of College Lecturers

The proportion of cashless transactions in the overall financial transactions of college lecturers in a month on an average basis is analyzed here. The results showed in Table. 1 shows that about one-third of the respondents are using cash transactions for approximately half of their financial transactions. 38% of the respondents use digital modes of payment for 20%-40% of their financial transactions and 29% of the respondents use digital modes for fulfilling 40%-60% of their financial transaction requirements. Still the 4% figure who is having 80-100% financial transactions establishes that 100% cashless economy concept still need much more efforts. The lower rate of digital payments may be due to lack availability of payment options and lack of confidence in the security of such payment modes.

Table.1: Proportion of average digital transactions in monthly transactions.

SI. NO.	PROPORTION OF CASHLESS TRANSACTION	NO. OF RESPONDENTS
1	0%-20%	9
2	20% - 40%	38
3	40% - 60%	29
4	60% - 80%	20
5	80% - 100%	4
	TOTAL	100

2. Composition of Different Modes While Making Digital Transactions

To understand the preference of different digital payment modes available for them, the proportion of different modes of payment used by college lecturers while making digital transactions is analyzed and presented in Table.2. From the results it is found that the respondents are using debit cards 4 times out of their each 10 digital

transactions. Apart from this, 28% of the digital transactions are done through net banking channels. E-Wallets and UPI together constitutes 26% of the digital transactions. This indicates that the respondents are still comfortable with the conventional methods and still not ready to try extensively the innovative modes of payments. This might be due to the lack of confidence in the security as well as lack of clear practical knowledge in using them.

Table.2: Preference of different digital payment modes by college lecturers.

SI. NO.	PAYMENT MODES	INTENSITY OF USAGE
1	Debit Cards	40%
2	Net Banking	28%
3	E-Wallets	17%
4	UPI	9%
5	Others	6%
	TOTAL	100%

Further, a one way ANOVA test is conducted to check whether there is any significant difference in the preference

towards different digital payment modes based on the gender, age and type of college (government, aided or self-financing). The

p-values of 0.932, 0.909 and 0.822 derived from the test for age, gender and type of college explains that there is no significant difference in the preference of college lecturers in this aspect.

3. Application of Different Digital Modes of Payment among College Lecturers.

Finally, the purposes for which college lecturers are using digital modes of payments are analyzed and the results are presented in Table.3. The above table shows that 27% of the respondents are using their digital transactions over online stores which are a common trend among the people these days. However, the 34% of respondents who are using digital transactions for payments on Point of Sales and fuel stations is really a good move towards cash less economy.

Table.3: Purpose of using digital payment modes by college lecturers.

SI. NO.	Reasons for Using Digital Payment Modes	Proportion of Usage
1	Payment in Online Stores	27%
2	Point of Sales (POS) including Fuel Stations	34%
3	Online Bill Payments & Recharges	19%
4	Online Cash Transfers	15%
5	Others	5%
	TOTAL	100%

In addition to this, the online bill payments and recharges are still lacking popularity in usage which is evidenced from the table figure of 19%. Despite of this, the cash transactions are still at 15% which needs to be boosted to a greater extend to become a real cashless economy. A one-way ANOVA is conducted to check whether there is any significant difference in the purpose for which digital payment modes are used by college lectures based on their age, gender and type of institution and the p-value calculated are 0.796, 0.950 and 0.805 respectively for these three factors indicating they are not causing any significant differences in the lecturers' purpose of using digital payment modes.

DISCUSSION AND CONCLUSION

Although college lecturers are supposed to be updated with new technologies for going cashless, they are still using cash and traditional modes of digital transactions for most of their payments. The problem is not their lack of awareness rather they are affected with security threats and lack of availability of modern e-payment facilities. On analyzing the usage of different modes of E-payments more preference goes to debit cards where as UPI, BHIM, etc. are less used. Despite of the wide campaigns and huge promotional expenses from the part of government, they fail to convince even the educated section of the society about the security and

convenience of digital transactions. The preference of digital payments is confined only to E-Commerce where people choose banks for cash transfers and settlements. By resolving the issues of network problems, adding up more infrastructural facilities and ensuring world class securities will definitely have a boost on digitalizing the economy.

The study concludes that the proportion of digital transactions has increased reasonably in recent periods especially among the college lectures. This is due to the transparency and convenience of use. However, they still need to be popularized more to reach the entire population. It is also important to mention that the people are still using the conventional modes of payment and still not open to try the new technologies. This is due to the lack of training and security threats among the people. The government needs to be more cautious to these issues and take more measures to include these things as a part of their training and development programs.

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