



A study on customers' awareness on different cashless transactions in selected rural areas in Coimbatore district

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Abstract

A predetermined number of 'cashless exchange' examines tended to the issue that the method of installment influences view of cash and buy conduct, most of the explore is in the zone of the Visa installment mode. Visa based research has demonstrated that when a MasterCard based installment is utilized, the volume, esteem and sort of items bought increment. Regardless of whether this is because of the credit component or to the 'cashless or portable' component of the exchange isn't known. The thought that the substantial quality of money impacts view of cash isn't novel, yet it is untested. This paper proposes that under states of money, there is mindfulness (cognizant/oblivious) that an ownership of significant worth exchanged and this observation may well directly affect individuals' impression of cash and their spending conduct.

Keywords: cashless transactions, awareness, mobile payments, money, debit cards, credit cards

Introduction

A Cashless exchange portrays the monetary exchange are not directed with cash as physical banknotes or coins, yet rather through the exchange of advanced data between the executing parties. as the managing an account framework developed, it ended up plainly less demanding, sheltered and even profitable to keep ones cash in ledger and it turned out to be still more less demanding and safe to utilize move of cash in financial balances for making installments for the monetary exchange. Cashless transaction is a developmental process of a country. Most of the urban population has been adopted for making cashless transaction but rural population are having low awareness about it. To know the level of awareness about cashless transaction among rural peoples and how they are overcoming the problems faced by them while making cashless transactions.

Review of literature

Preeti Garg, Manvi Panchal in their study (2017) ^[1] "Study on Introduction of Cashless Economy in India 2016: Benefits & Challenge's" The point of this investigation is to survey the readiness for the execution of the cashless economy by Indian Government. The finding was it's critical to reinforce Internet Security from assurance against online extortion. Substantial number of populace is still underneath proficiency rate living in country zones. For smooth execution of trade less framework out India, the accompanying measures are prescribed Government need to acquire straightforwardness and productivity e-installment framework, systems utilized by government and RBI to support cashless exchanges by permitting instalment banks, advancing portable wallets and pulling back administration charge on cards and computerized installments. A money related education crusade ought to be directed by government time to time to make populace

mindful of advantages of electronic installments.

Balaji & Balaji, (2017) ^[2] in their study "A Study on Demonetization and Its Impact on Cashless Transactions". The point of study was to examine the effect of demonetization on money less exchanges. The development of the cashless exchange framework is achieving new statures. Individuals tend to move to cashless exchanges. It is all in all correct to state that the cashless framework isn't just a necessity yet additionally a requirement for the general public. Be that as it may, then again, the danger of digital wrongdoing is particularly higher as all the cashless exchanges are done over web. So appropriate and finish mindfulness must be made to the general population to keep their charge and Master cards safe and to utilize the web managing an account and the computerized wallet in a most secure manner. Keeping in mind the end goal to rebuff the digital lawbreakers, the appropriately organized digital police constrain with top of the line legal labs and innovation must be made.

Objectives of the study

- To examine the customer awareness on different cashless transactions among users.
- To identify the factors determining the usage of cashless transactions.
- To investigate the problem faced by users while using cashless transactions.

Scope of the study

India is changing its payment mode from cash to cashless. The study is conducted to find the customer awareness towards the cashless transaction. The scope reflects the benefits of going cashless in modern economy and the influenced factors towards awareness level of customers. The study has been done in Kovilpalayam, Kurumbapalayam, Athipalayam,

Kondagampalayam, Coimbatore District.

Research Methodology

Data Collection

The study is based on primary data and secondary data.

Source of data

The primary data is collected through the questionnaire from the customers in Coimbatore District. The secondary data is retrieved from various sources like Books, Journals and

Analysis and Interpretation

Websites.

Sampling

Sample size taken for the study is 250 respondents using Systematic Random Sampling technique.

Tools applied for analysis

The statistical tools used for the study is

- Simple percentage analysis
- Factor analysis

Table 1: Inspiration for obtaining cashless transactions

Idea About Cashless Transaction	No. of Respondents	Percentage
NEFT	05	2.0
RTGS	08	3.2
Mobile money	50	20.0
E-transfer	78	31.2
POS-terminal	09	3.06
Electronic purses and Wallet	55	22.0
Mobile Wallet	34	13.6
Debit cards / credit cards	250	100
Electronic Cheque	56	22.4
Digitized 'E-Cash' Systems	27	10.8

Source: Primary data

The above table shows that all the respondents are having idea about cashless transaction. 2 per cent of the respondents having about NEFT, 3.2 per cent of the respondents having idea about RTGS, 20 per cent of the respondents having idea about Mobile money, 31.2 per cent of the respondents are having idea about E-transfer, 3.06 per cent of the respondents are having idea about POS-terminal, 22 per cent of the respondents are having idea about Electronic purses and wallet, 13.6 per cent of the respondents are having idea about Mobile wallet, 22.4 per cent of the respondents are having idea about Electronic cheque, 100 per cent of the respondents are having idea about Debit or Credit card, 10.8 per cent of the respondents are having idea about Digitized E-cash systems.

Factor Analysis

A total of 10 variables were acknowledged for the purpose of collecting acceptance towards factors determining usage of cashless transactions. In order to reduce the number of

variables and to identify the key factors contributing towards the level of acceptance, factor analysis is performed. KMO and Bartlett's test is conducted to identify the sampling adequacy.

KMO and Bartlett's Test

Table 2

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.492	
Bartlett's Test of Sphericity	Approx. Chi-Square	60.623
	Df	45
	P-value	0.060

KMO of sampling adequacy value for the level of acceptance is 0.583 and it indicates that the sample is adequate to consider the data as normally distributed.

Rotated component matrix is used to identify the factors after data reduction. The results are shown below

Table 3

Rotated Component Matrix ^a					
	Component				
	1	2	3	4	5
Our requests are handled promptly	0.317	-0.133	-0.294	0.672	-0.260
Problem solving through instant information	0.318	-0.475	0.248	0.085	0.316
Electronic Bills payments	0.281	0.433	0.166	0.168	-0.324
Privacy or Confidentiality of the bank	0.072	0.726	0.022	-0.113	0.103
Language and information content	0.672	0.239	0.135	0.073	-0.204
User friendly system	0.243	0.033	0.667	-0.368	-0.004
Convenient hours of operation	-0.038	-0.260	0.671	0.059	-0.068
Capable of solving complaints adequately	0.108	0.338	0.046	.374	.686
Brochures to educate new users	-0.531	0.149	0.252	0.171	-0.448
Special services for the elders and disabled	-0.518	0.224	0.256	0.336	0.213
Extraction Method: Principal Component Analysis.					
a. 5 components extracted.					

The above table shows about rotated component matrix for factors related to acceptance towards factors determining usage of cashless Transactions. The common factors above 0.5 adequacy level of taken for decision making process of the study. The factors are acceptance towards Our requests are handled promptly, Language and information content, User friendly system, Convenient hours of operation, Capable of solving complaints adequately.

Problems in using cashless transactions: An attempt has

been made to know the problems of the respondents’ about using cashless transactions. For the purpose of this study, it has been classified into ten categories viz., Machine out of cash, Machine out of order, Long waiting time in queues, Not giving fast response, Leaving the operation unfinished, Waiting for longtime for conducting of transactions, Lack knowledge of customer service representative, Absence immediate connection to the service, Lack of clear guidelines, Lack of security in transactions, The details are furnished in the following table

Table 4: Problems in using cashless transactions

S. No	Particulars	Problems in using cashless transactions			Total	
			N	O		R
1	Machine out of cash	Freq	109	114	27	250
		per cent	43.6	45.6	10.8	100.0
2	Machine out of order	Freq	119	96	35	250
		per cent	47.6	38.4	14.0	100.0
3	Long waiting time in queues	Freq	97	117	36	250
		per cent	38.8	46.8	14.4	100.0
4	Not giving fast response	Freq	101	89	60	250
		per cent	40.4	35.6	24.0	100.0
5	Leaving the operation unfinished	Freq	98	81	71	250
		per cent	39.2	32.4	28.4	100.0
6	Waiting for longtime for conducting of transactions	Freq	109	74	67	250
		per cent	43.6	29.6	26.8	100.0
7	Lack knowledge of customer service representative	Freq	102	79	69	250
		per cent	40.8	31.6	27.6	100.0
8	Absence immediate connection to the service	Freq	94	83	73	250
		per cent	37.6	33.2	29.2	100.0
9	Lack of clear guidelines	Freq	51	120	79	250
		per cent	20.4	48.0	31.6	100.0
10	Lack of security in transactions	Freq	72	108	70	250
		per cent	28.8	43.2	28.0	100.0

Source: Primary data N-Never O-Often, R-Rarely

All respondents are having Aware about cashless transaction but they are not aware about different types of cashless transactions. 2 per cent of the respondents having about NEFT, 3.2 per cent of the respondents having idea about RTGS, 20.0 per cent of the respondents having idea about Mobile money, 31.2 per cent of the respondents having idea about E-transfer, 3.06 per cent of the respondents having idea about POS-terminal, 22.0 per cent of the respondents having idea about Electronic purses and wallet, 13.6 per cent of the respondents having idea about Mobile wallet, 22.4 per cent of the respondents having idea about Electronic Cheque, 100 per cent of the respondents are having idea about Debit or Credit card, 10.8 per cent of the respondents are having idea about Digitized E-cash systems.

While analyzing the factors related to usage of cashless transactions., factors determine our requests are handled promptly, language and information content, user friendly system, convenient hours of operation (24X7) are taken for the decision making process of the study.

Suggestions

Customer wants to learn and adopt the cashless transactions. So that they can save an enormous time and they will feel easy

in handling cash. Many customer friendly devices have come for making e-payments a pleasant experience. Hence it is essential that the customer keep updating their knowledge from bankers/service providers as to how to operate the same. While using card, the customers should be careful to see that it is swiped only once in their presence, otherwise it may be photocopied and duplicate card may be produced containing your card details, for which they may have to pay. Customers must get confident for using all types of cashless transactions. For that the Government has to take some measures and reduce the illegal activities which are been made while the transaction are been made. When this measure has been made then the number of using cashless transactions will be increased.

Conclusion

The cashless transaction system is reaching its growth day by day as soon as the market become globalized and the growth of banking sector more and more the people moves from cash to cashless system. The cashless system not only requirement but also a need of today society. All the online market basically depends on cashless transaction system. The cashless transition is not only safer than the cash transaction but it is

less time consuming and not a trouble of carrying and trouble of wear and tear like paper money.it also helps in record of the all the transaction done. So it is without doubt said that future transaction system is cash less transaction system.

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