Customers Utility towards Online Payments

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Abstract

Customer makes payments instantly from anywhere and anytime without physical presence. This research will definitely help in customers to identify the best, quick and easy mode of online transactions to transfer their funds at any time. This research will provide an insight which customers may confidently prefer and utilize to meet their monitory obligation completely hassle - free. The usage of Digital transfers have brought behavioral change and helped in the adoption of digital payment. This mode of transactions helps in ease of transfer of money in rural and semi – urban areas which was not touched earlier by the other payment methods.

Keywords: Online payment, Digital, Customer, Utilities

Introduction

Online payments are very easy to use in payment process by just a few simple steps. They are websites or application based, which means there is no need to install a distinct software or buy special equipment, which was in earlier years. Nowadays the online and offline payments are interpenetrating and the distinction between these two become more and more blurred each year. It's related mainly to the dynamic growth of technologically advanced mobile devices with the internet connection, and retailers who allow you to pay in their brick and mortar stores with your smart phone are nothing exceptional nowadays.

The Government of India has introduced a digital India program that enables people doing cashless transactions in India. In these methods users or people don't need to use currency for making payment, buying products or services, transferring fund from one account to another one, and paying utility bills online besides various online payments are available.

Bank cards or debit cards provide customers more security, control and convenience than any other sort of payment methods. Even there is no smart phones, still the payment can be done through online using unstructured supplementary service data for mobile transactions.

All the leading banks in India with the help of GSM service providers are offering USSD based mobile banking in India.

The next way to pay online is AEPS (Aadhar Enabled Payment System), it's a bank led payment model that enables business online interoperable trend transaction at micro ATM, POS via correspond of any bank especially using Aadhar card authentication.

A user or customer makes payment instantly from anywhere and anytime without physical presence. This study will helps to identify which modes have been emerged as top most for making online payments. This study will highlight the most preferable utilities of sample respondents have the ability to pay their bills through online by giving customer satisfaction to provide 24/7 payments at any time on any device.

Literature Review

Chou, Yunstai, Lee, Chiwei, Chung, Jianru(2004) Electronic cash (or digital cash) was invented early on the development of e-commerce. However, the reality of e-cash business has proved less than exciting. Within the first few years, the issuers of e-cash either went bankrupt (Digicash), dropped the product (Cyber Cash), ormoved into another business (First Virtual).Observing the failure of the above e-cash mechanisms and the extensive adoption of the credit card on the internet (95percent of online payments are made by credit cards in the US).The authors probe the question of what payment schemes are adequate for the e-business environment and considered the impact in technological considerations, economic and social factors in the popularity of online payments.

Khan et.al (2017) examined that a better integration of online payment systems with the present financial and telecommunication infrastructure was needed for a prosperous future of this payment mode. They also found that future work may be directed towards the legalization of various factors responsible for contributing in the effective adoption of online payment systems all over the world.

Statement of The Problem

Online customer and merchants alike expect online buying and selling to be easy, efficient and safe. Digital transactions trigger complex automated processes that involve downstream players such as banks and payment processors. In addition technological advances in smartphones and e-wallets, shifting purchase patterns and demand for cross – border multi -

currency electronic payments have fueled PSP competition to maintain and increase market share. There are countless methods to pay online such as UPI, bank transfer, debit/ credit card payments, mobile wallets, social payments and real time international payments.

However with the benefits of the latest technologies, there are greater challenges as well. Despite the fast pace of technological innovations, every now and then customers across unique challenges. Although with the growing number of people who are been increasing pressured for time. Online bill payment has a become graceful solutions for the customers. The fundamental utility services include gas, water and electricity Customers can pay their electricity bill, Water bill, gas bill and phone bills using e-wallet. Through that customer can earn commission for every bill payment.

Customers would no longer need to stand in queues to pay their essential bills. Online utility bill payment is when the customer makes their payments through online for the utility services obtained from a particular company. By paying utility bills via online customers have the benefits of avoiding crowds, queuing, parking problems and cutting their travelling costs. The growing preference for online payment is due to its convenience and ease of use. Though online payments are perceived as increasingly secure and fast there are challenges as well. Online complaints, notification of outages or technician visits, self-service, deploy multiple channels due to these inconvenience there is still a large part of customers not comfortable with is mode.

This study will help to know about the challenges and problems in online payments of the selected sample respondents. Hence the researcher, made an attempt to find various utilities towards online payments.

Objectives

1. To study the customer's perception towards online payments.

2. To analyze the utilities towards online payments.

3. To analyze the prospects and problems in online payments

Methodology and Sampling Design

Sample of 75 respondents were selected from Madurai District for this study. The Study has been made as a descriptive research. The sampling design adopted for this study is proportionate random sampling. Questionnaire were used to collect the primary data and the secondary data was collected from books ,journals and websites etc.

Table 1.1: Level of Acceptance of Respondents Towards Online Payments

LEVELS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
LOW	12	16
MEDIUM	24	32
HIGH	39	52
TOTAL	75	100

Source: Primary Data

It is clear from the table 1.1 that out of the total respondents taken for the study, 16 percent of the respondents are in Low level acceptance, 32 percent of the respondents are in Medium level acceptance and the 52 percent of the respondents are in High level acceptance towards online payments.

Table 1.2: Customers Perceptions Towards Online Payments

PERCEPTIONS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
SAFE & SECURE	18	24
CONVENIENCE	14	19
PRIVACY	12	16
PAYMENT ON TIMING	21	28
RECORD KEEPING	10	13
TOTAL	75	100

Source: Primary Data

It is analyzed from the table 1.2 that out of the total respondents taken for the study, 24 percent of the respondents said that safe and secure, 19 percent of the respondents under convenience, 16 percent of the respondents under privacy, 28 percent of the respondents under payment on timing and 13 percent of the respondents under record keeping.

Table 1.3: Customers Facing Problems In Online Payments

PROBLEMS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
FRAUD	11	15
LOW SECURITY	23	31
STEP BY STEP PROCESSING	21	28
TECHNICAL INTEGRATION	20	26
TOTAL	75	100

Source: Primary Data

It is examined from the table 1.3 that out of the total respondents taken for the study, 15 percent of the respondents stated that the problems were fraud, 31 percent of the respondents under low security, 28 percent of the respondents under step by step processing and 26 percent of the respondents under technical integration.

Table 1.4: Customers Utilities Towards Online Payments

SERVICES	NUMBER OF RESPONDENTS	PERCENTAGE (%)
PREPAID &POST PAID MOBILE RECHARGE	16	21
ELECTRICITY BILL PAYMENTS	13	17
GAS BILL PAYMENTS	17	23
ONLINE SHOPPING	29	39
TOTAL	75	100

Source: Primary Data

It is clear from the table 1.4 that out of the total respondents taken for the study, 21 percent of the respondents preferred for Prepaid and post paid mobile recharge , 17 percent of the respondents preferred for electricity bill payments, 23 percent of the respondents preferred for gas bill payments and 39 percent of the respondents preferred for online shopping.

Conclusion

Present study has made an attempt to understand customer's utilities towards Online payment. It was found that the majority customers accepts the adoption of the digital payments for their day to day activities. Percentage analysis supported this finding as on time Payment was perceived by the perception towards online payments. Step by step process was the main difficult that the respondents highly faced the problems in online payments. It indicates that adoption of digital payment highly used for their gas and electricity bill payments.

Customer's needs to know utilities are using new technologies to provide them better services and conveniences. Today is an era in which technology is threaded through essentially every part of our lives. Utility customers use technology in their own personal businesses to benefit these who use their services and they expect utilities do the same. Customers want hyper –personalized interactions and meaningful experiences that align with their lifestyles. Utilities need to provide services and communications that are relevant to each customer customers who are increasingly aware environmentally can help them to reduce the consumption of resources that customers also expect to immediately receives the information. Acheiving these

requirements that the companies can predict the customers future behavior and provide the services or information before the customers even aware of their need.

Whatever technologies utilities adopt, it needs ensure that they consistently encage digitally with their customers and not just when it's time for monthly bill. Importantly these communications must be relevant, useful and personal to each individual customer.

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