SOCIAL AND TECHNOLOGICAL FACTORS TOWARDS

MOBILE PAYMENT ADOPTION

* Dr.C.VATCHALA
Associate Professor & Research Supervisor
PG & Research Department of Commerce
Pachaiyappa's College, Chennai
** R. LATHA
Assistant Professor
PG & Research Department of Commerce
Pachaiyappa's College, Chennai

ABSTRACT

The usage of mobile payment technologies have a great impact on the future of mobile commerce industries. This study identifies important factors of social and technological factors on mobile payment adoption. A questionnaire survey is used as a tool to collect the data. Research results reveal that performance expectancy, social influence, and perceived information security have direct significant effects on consumer's behavioural intention to adopt the MPA. It is also found that effort expectancy has indirect effect on intention through performance expectancy. Demographic factors such as gender, age, and self-reported knowledge about MPA, moderate the relationship between behavioural intention to adopt MPA and the predicting variables. Implications for practitioners and researchers are discussed.

Keywords: Mobile Payment Adoption (MPA), Social Influence, Information Security, Consumer's Behavioural Intention

INTRODUCTION

New technologies and digitalization of life are shaping the ways of doing business as well as the behaviours of consumers. Finding opportunities in the dynamic business scope and benefiting from them using new technologies is a major area of focus for organizations in creating value. In this new digital era, mobile devices have become one of the most prominent consumer products ever to be launched. These devices and the services provided by them rapidly became basic necessities of daily life throughout the world. The increasing popularity of the mobile devices around the globe may be attributed to their Omni-present access to a wide-range of services (communication, access to information, entertainment, or commerce). Mobile devices create value in a multitude of dimensions for their users.

Mobile payment (M-payment) is defined as a transaction method in which money is transferred from one person to another through a mobile device without intermediate. Mobile payment is a new payment method for purchases of products and services, which uses all kinds of mobile devices and wireless communication technologies (mobile telecommunication networks, Internet). In this new method, mobile devices can be used to make a varied types of small payments. These devices help users to connect to a server through which transactions are made and confirmed. The most common way to conduct transactions by mobile phone service is to send messages with predefined structure to the object to be traded. Payments for goods and services are then charged to the customer's mobile phone bill or deducted from subscribers. Instead of using a message to the transaction when using the old technology of cell phone, the advent of smart phones provides a new payment method through Internet connection of smart phone.

ADOPTION OF MOBILE PAYMENTS

There are various drivers that push the need and desire of mobile payments services in India, and there are several challenges which need to be addressed in order to ensure adoption

of the technology in the Indian context. One of the key roles of The Mobile Payment Forum of India is to address these challenges that may inhibit the widespread use of mobile financial services.

DRIVERS FOR MOBILE FINANCIAL SERVICES

- ✓ High penetration of mobile subscribers.

- ✓ Mobile top-up services, domestic remittances and bill payments can be made very conveniently over a mobile phone.

- ✓ Growing demand, and an existing thriving ecosystem, for mobile services like ring tone downloads, Bollywood music, update for cricket matches, etcetera. Thus the uptake for another service, especially financial services, should be positive.

- ✓ Drive to be a part of the financial system for those people who currently do not have a bank account. The cost of cash handling, storage and transfer is very high in the informal sector. The ability to perform basic financial transactions over a mobile could act as a driver.

- ✓ There is a strong demographic dividend in India, where a large proportion of the population is very young. The young are often enthusiastic to take up new technologies and services.

CHALLENGES FOR MOBILE FINANCIAL SERVICES IN INDIA

- ✓ Poor levels of literacy are a problem, and voice-based services offer a potential solution. Voice-based solutions, especially in local languages, have two major benefits: they can work on all handsets and can be used by all irrespective of one's comfort level with technology or level of literacy.

✓ The mobile financial services have to be effective in terms of usability, cost, efficiency, interoperability and security for transactions of all ticket sizes.

✓ M-payments options should be available even on low end mobile handsets.

The mobile wallet is now the first and also the favourite choice for most of the youths in India. Around ten years back, this mode of payment seemed to be unachievable for most of the people in India, but techies in India kept their faith that one day India will surely see a generation of Mobile Payment.

MOBILE WALLET

Open your mobile wallet app and add your cards

Use your app to make payments through an NFC reader

Hold or wave your phone over the reader until payment goes through

Mobile Wallet, or sometimes known as Digital Wallet, is an electronic device or online service that allows an individual to make electronic transactions. These electronic transactions include purchasing items online or buying something from the store with the help of smart phones.

Mobile payment in India

According to Government of India, till 2018, India has over 15 mobile payment or E-payment companies out of which 14 are Indian based mobile payment companies.
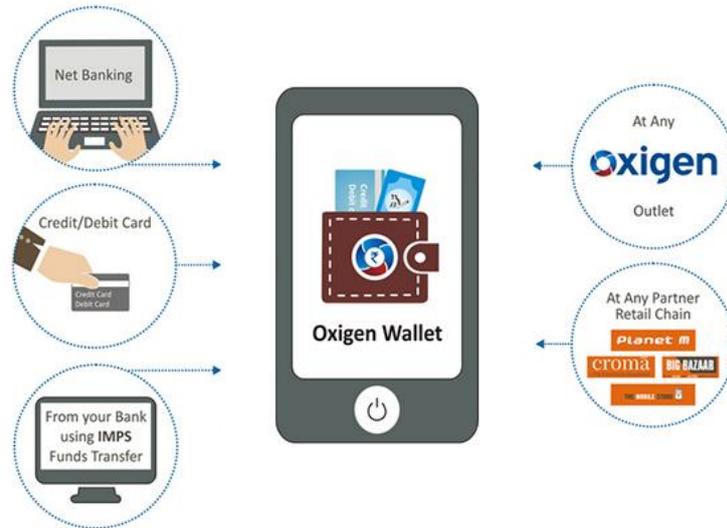
So, the point of curiosity is that which mobile payment was considered as the first mobile payment in India? Going according to the date of launching, Oxigen Payment considered as the first ever E-payment or mobile payment launched in India. The Oxigen payment was launched in July 2004. The headquarters of Oxigen Wallet is in Mumbai, and since last 14 years Oxigen Wallet is providing the services of online payments, mobile recharges, bill payment and money transfer through POS machines at over 500,000+ retail outlets.

But Oxigen Wallet is unable to get popularity like Paytm or Mobikwik. The reason behind this is mainly the low trend of smart phone usage amongst the familiar people in India at that time. Slowly and steadily, the generation of smart phones in India came into the picture, and varieties of smart phones started making their way in the profitable market of India. These new changes in the Indian market were proved to be a blessing in disguise for many mobile payment founders who just wanted to give their innovative ideas a picture of the real world. Some of them have proved to be the mastermind behind the trend of mobile payment in India.

In 2009, Bipin Preet Singh founded Mobikwik a mobile payment in India. And after that, Mobikwik Systems Private Limited contributes to bringing digital transaction in India. This mobile payment has the user base of 40 million along 2 Lakhs retailers.

People believe that Mobikwik starts the trend of mobile payment and mobile payments. So few analysts suggest that Mobikwik is the first mobile payment in India. But the reality is, apart from conflicts in thinking over the question, i.e. "1st mobile payment in India" we have to accept that the use of the mobile payment is really very helpful for the people of India and also very consequential for the Indian economy.

BEST MOBILE PAYMENT IN INDIA

There are many mobile payment exist in India, but only a few mobile payment are the choices of Indian citizens.

Paytm: Paytm is a mobile wallet, founded in 2010 is the best and most popular mobile payment in India. Paytm is used to do an online payment, online shopping, to book movie tickets, railway, and air ticket bookings. Paytm is also used to order food and to do mobile recharge. Paytm recently partnered with premium educational institutions in India to introduce cashless payments for school fees, bills, and other expenses.

Phone Pe: Phone Pe started in 2015, and in just four years, it has been able to cross 100 million download mark. Only like Paytm, Phone Pe also offers the services of online transactions, but Cash back offers provided by Phone Pe is quite different from paytm.

Freecharge: Freecharge started in August 2010 in Gurugram, Haryana. But now its headquarters is in Mumbai. Freecharge consumers can pay landline bills, utility bills or recharge mobile, DTH, broadband, etc. Freecharge also allows its consumers to invest in mutual fund and get easy credit through Freecharge EMI.

Mobikwik: Mobikwik is one of the fastest growing digital payment system. Mobikwik has witnessed around 35-40% rise in the number of online traffic since the Government of India has announced demonetization.

Google Pay: Google Pay, formerly known as Google Tez, is not a wallet. Google Pay allows its consumers to use their bank account to transfer money from one bank account to other bank accounts, to pay various kinds of bills with the help of a UPI.

Amazon Pay: Amazon is expanding its business at a significant level. Most of the Indians generally think that Amazon is only serving their clients in the field of e-commerce, but the truth is very much different because Amazon is helping their clients in various other areas also and one of the best services provided by Amazon is Amazon Pay.

Amazon Pay is a mobile payment or a digital payment used to do online transactions for various things like mobile recharge, DTH, electricity bill, landline bill, gas, and water bill. Amazon pay is also used to make payment for the products that you are buying from Amazon itself, and we can use Amazon pay for sending money to other users.

We have to make one thing very clear; Amazon has not launched any separate mobile app or website for Amazon pay as Amazon is providing this service in the app and website which people are using for e-commerce purpose.

Airtel Money: Airtel is the popular cellular networks in India. The new Airtel money provides limited but some beneficial services to its consumers.

Just provide your KYC details, and you will get a saving account on Airtel Payments Bank, which will give you a virtual debit card for online shopping. Airtel money also provides some other features including mobile recharge, bill payments, and transferring money using BHIM UPI.

The app further provides offers for online travels, entertainment, and food merchants. You can get all these offers and services from Airtel money, all you need is just an Airtel Sim Card.

PayPal:

PayPal is an electronic commerce (E-Commerce) company that facilitates payments between parties through online funds transfers. PayPal allows customers to establish an account on its platform, which is connected to user's credit card or checking account. Once identification and proof of funds have been confirmed, a user may begin sending or receiving payments to and from other PayPal accounts.

PayPal attempts to make online purchases safer by providing a form of payment that does not require the payer or payee to disclose credit or bank accounts numbers.

MOBILE PAYMENT: ADVANTAGES AND DISADVANTAGES

All the technologies in this high profile world have its advantages and disadvantages, no matter how superior that technology is. Similarly, Mobile Payment also has its advantages and disadvantages. Let's have a brief look in these areas.

ADVANTAGES:

Easy accessibility: Using a mobile payment for day to day transactions is straightforward. All you need to do is downloading the app and creating a user ID and password. And the best part of the mobile payment is that you can use it anytime, anywhere if your internet connection allows you to do so.

Security: By using a mobile wallet, users no longer have to presume the security dangers related to cash or worry whether they have enough money in their bulky physical payment so that mobile payments decrease theft risks of having cash on hand. Moreover, mobile payment is a secure way to make payment.

A range of uses: Mobile Payment is an all-rounder player just like Kapil Dev. Yes, you heard it right. Starting from bill payments for DTH, post-paid, data card to buy air and

train ticket, from online shopping to ordering Pizza, Mobile Payment can be used each and everywhere in the digital world.

Discount and Cash back Offers: Mobile payment and Payment gateways like Paytm and Google Pay offer various kinds of cash back offers and discounts in every digital transaction, and it helps you to enjoy many incentives, freebies, and discounts. The government also have announced a list of excuses for going cashless.

DISADVANTAGES:

Not always accepted: Mobile payments, especially in the country like India, is not still accepted everywhere. Even in the metropolitan cities like Mumbai, some shopkeepers don't have faith in the mobile payment.

Internet Connection: As all mobile payment works on the internet, internet connection is one of the significant problems in the country like India where it's tough to get fast internet connection in most of the States/Cities/Towns/Villages.

Supported by certain phones: Mobile payment do not support all the phones, and that is why it's tough to use mobile payment in such kind of phones.

Payments are bind to your phone: If your phone is lost or stolen or even if the battery dies, you are out of luck because you can't make payments.

IMPORTANCE OF MOBILE PAYMENTIN

In India, Mobile payment are becoming favourite day by day. And people are making a great habit of using mobile payment in their daily life. However, India still has to cover a significant distance to achieve the target of Cashless India. Nowadays, many mobile applications like Paytm, Mobikwik, PayPal, Phone Pe, and Google Pay have been developed to give massive support to the cashless transaction. Several new online games like LOCO and MPL have been started, which allows us to win the game and money as well. And then we can transfer that money in our mobile wallet. But still, 2019 will be crucial for India because

many more new technologies will be added to attract users with some joyful cash back offers. Many cities in India are remaining to adopt mobile payment, and 2019 will be the year for those cities. Various Mobile Application Development Companies are also developing on-demand apps for mobile payment. Apart from mobile payment, various other apps and technologies will be in the discussion in 2019, but still, mobile payment will remain on top in India.

MOBILE PAYMENT MARKET IN INDIA

The market of Mobile Payment in India is going higher and higher day by day since the demonetization. All these facts discussed above gives us a conclusion that the demand for mobile payment is a remunerative one, with investors ready to invest money. As E-commerce continues its rapid growth in India, mobile payment have become one of the most preferred ways to pay online. Most of these payment comprise multiple payment methods, from bank transfers to credit cards, debit cards, gift cards, and more.

According to the National Cyber Security Coordinator in the PMO, Mr. Gulshan Rai, mobile payment transactions in India have increased 40 times in the last five years, and each service provider is targeting India to market its services. Mr. Rai also said that online transactions in India was growing 1.5 times faster than the global average. It is because the digital transaction in India is the first and the favourite choice of youths in India, and they are helping mobile payment companies to set up an active market in India.

So by following all the theories mentioned above, it is very much believed that market of mobile payment in India is at its peak after the demonetization which is helping Indian Economy and the mind-set of Indian society in terms of digital transaction and mobile wallet.

CONCLUSION

Technologies around the world have been developed only to solve our problems. And the mobile payment is one of them. Adopting new trends without forgetting the old ones is the perfect way to balance your life in the world of technology. We have to put some efforts to support these new technologies, but at the same time, we have to judge the pros and cons of these technologies to avoid future difficulties.

Mobile payment is considered as the easiest possible way to make financial transactions anywhere around the world, and the reality is that mobile wallet also contributes to the betterment of society in many ways. As we discussed earlier, that every technology has its advantages and disadvantages, so we have to make a perfect balance between these two aspects. We cannot refuse any mobile apps or any other technology based on their disadvantages, as we have to understand all the aspects of a particular technology. Mobile payment in India are looking to target the year 2020 to set up some new and unbelievable records by helping us to perform a safe and secure digital transaction. Keep your trust on mobile payment, and you will surely realize that 2020 is a year of Mobile Payment in India.

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