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Payments Bank: A Pioneering Catalyst for Digital Economy- An Empirical Study on The Woman Customers' Adoption and Satisfaction

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Abstract

The Indian financial system has undergone incredible transformations since 1991.The banking sector is one of the few, which is performing remarkably good after liberalization and its success can be attributed to the RBI's major banking reforms as well as technological advancements that have taken place over the last decade. These metamorphoses over the last decade have led to the establishment of payment banks in our country. Adoption of payment banks has created greater financial penetration among the Indian populace by way of enlarging awareness among customers and their retention, compacting burden of commercial banks and augmenting the digitization of banking transactions accordingly; reducing operational expenditure and maximizing the banks' profitability. The digital banking revolution opened a gateway to the users, as they could use services more efficiently such as electronic payments, fund transfers, daily account statements and use of debit/credit cards etc. These were less time-consuming; assure greater security that could provide transfers of funds instantaneously. In this study an attempt has been made to evaluate the woman customers' adoption and satisfaction towards Payment banks in the Thiruvananthapuram district.

Key words: *Payment banks, Customer satisfaction, RBI, Financial inclusion*

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I. INTRODUCTION

The Indian banking system has navigated through several arduous pathways; Pre-independence phase, the nationalization phase and the post reform period. Banking sector is performing really well since the liberalization of 1991, and this success can attributed to the major banking reforms taken by RBI and some major technological advancement that have taken place over the last decade. The Government is taking strategic steps to stimulate the public to use digital payment gateway platforms. Digital India is one of the promising flagship projects of the Government of India with a strong vision to transform India into a digitally empowered country. "Faceless, Paperless, Cashless" is one of fundamental notion behind Digital India. The digital banking revolution opened a gateway to the users, as they could use services more efficiently such as electronic payments, fund transfers, daily account statements and use of debit/credit cards etc. These were less time-consuming; assure greater security that could provide transfers of funds instantaneously. Regardless of the advancement in the digitalisation of the banks, the banking systems of our country have left the rural population unaware. In order to combat this problem and to reinforce the financial inclusion and financial literacy in our country; the committee on comprehensive financial services for small businesses and low income households recommended the establishment of payment banks in 2014.

Financial inclusion is the delivery of financial services at an affordable cost to the lower-income fragments of society. Disappointingly, it is a fact that billions of world's population have no access to different financial services which are provided by financial institutions like Banks, Mutual funds, Life insurance companies. The primary reason behind conceptualizing payment banks by the RBI is to enhance financial inclusion in India. Payment banks are a step in the right direction for facilitating financial inclusion in India and fostering India's transition to a digital cashless economy. Moreover, the digital payment system nowadays has become increasingly significant, especially after demonetization.

II. SCOPE OF THE STUDY

The geographical scope of the study confined to Thiruvananthapuram district only and has been undertaken exclusively to analyse the customer adoption and satisfaction towards payments bank.

III. OBJECTIVE OF THE STUDY

The study is done with the following specific objectives:

1. To identify the most preferred payments bank by the women customers.
2. To examine the usage pattern of Payments Bank services by the women customers.
3. To analyse the satisfaction women customers' towards the Payments Bank services.

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IV. DATABASE AND METHODOLOGY

The validity of any research work is grounded upon the systematic method of data collection and proper analysis of the data collected. The methodology adopted for the proposed study is given below:

4.1 Sources of data

Both primary and secondary data sources were used for carrying out the Study. Primary data were collected with the help of a structured questionnaire. While, Secondary data obtained from periodicals, journals, magazines, newspapers, websites, books and other reference material.

4.2 Sampling design

Purposive sampling, which is a classification of Non-probability sampling, is used to select the women customers' from the available population. Total number of women customers' participated in the study was 100.

4.3 Tools for analysis

The data collected were classified and analysed based on the objectives formulated. For analysis statistical techniques like percentages, tables, charts and chi-square test were used. The chi-square test was applied to examine the significance of variation in the opinion among the women customers'.

V. HYPOTHESIS

H01: There is no significant relationship between the Level of income and Satisfaction among women customers'towards payments bank services.

H01a: There is significant relationship between the Level of income and Satisfaction among women customers'towards payments bank services.

H02: There is no significant relationship between Usage pattern of payments bank services and Satisfaction among women customers.

H02a: There is significant relationship between Usage pattern of payments bank services and Satisfaction among women customers.

VI. LIMITATIONS OF THE STUDY

1. The study has been only confined to the payment bank adoption and satisfaction of women customers.
2. The study is based on the primary data collected from 100 women customers' in Thiruvananthapuram district and therefore the results of the study cannot be generalized.
3. This study is purely an academic one and doesn't free from the constraints of time and money.

VII. RESULTS AND DISCUSSIONS

Table: 1 Demographic profile of the women customers'

Particulars		Percentage (%)
Marital status	Married	62
	Unmarried	38
Age	Up to 30 years	43
	31 – 40	31
	41 – 50	14
	Above 50 years	12
Occupation	Salaried	45
	Professional	17
	Business	6
	House wife	12
	Others	20
Monthly income	Up to 20000	33
	20000-30000	25
	30000-40000	20
	Above 40000	22
Educational qualification	SSLC	14
	HSS	14
	Graduate	46
	Post Graduate	17
	Others	9

Source: Primary data

Interpretation:

The above table shows that 62% of the women customers' are married and the rest of the 38% women customers' are unmarried. When it comes to age, it is found that 43% belong to the age group of up to 30 years. So it can be inferred that the younger generation is more inclined to the usage of Payments bank. Customers in the age group of 31-40 years are 31%. Women customers' in the age group of 41-50 years are 14%. Women customers' in the age group of above 50 years are 12%. With regards to occupations 45% of the women customers' are salaried employees, 17% of the women customers' are professionals, 12% of the women customers' are house wife, 6% of the women customers' are doing business and 20% of the women customers' belong to others. Among the women customers' 33% are have a monthly income upto Rs20000, 25% of the women customers' have monthly income of Rs.20000-Rs.30000, 20% of the women customers' have monthly income of Rs.30000-Rs.40000, 22% of the women customers' have monthly income above Rs.40000. Among the women customers' the majority 46% of the women customers' are graduates, whereas post graduates constitute 17% of the women customers', 14% have qualified Matriculation level educational qualification, 14 % with Higher Secondary, and the least 9% belongs to other category.

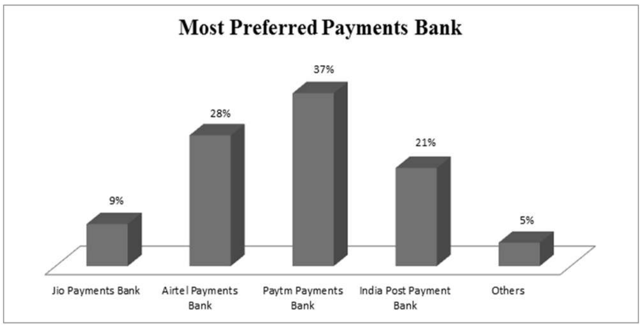
Table: 2 Most Preferred Payments Bank

Payments bank	Percentage (%)
Jio payments bank	9
Airtel payments bank	28
Paytm payments bank	37
India post payments bank	21
Others	5
Total	100

Source: Primary data

Interpretation:

The above table reveals that the majority 37% of the women customers'prefer Paytm payments bank, 28% of the women customers'prefer Airtel payments bank, 21% prefer India post payments bank, 9% prefer Jio payments bank and finally the least 5% prefer other payments banks.



Source: Primary data

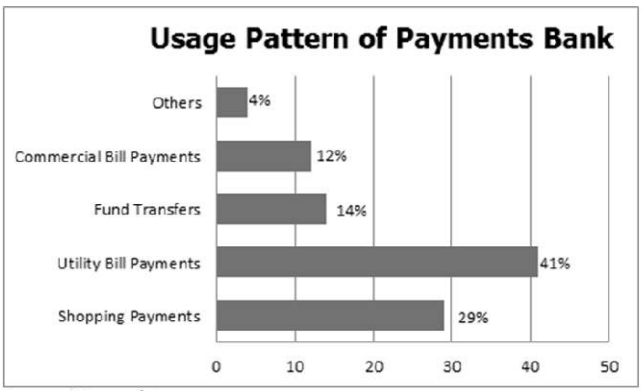
Table: 3 Usage Pattern of Payments Bank

Usage pattern	Percentage (%)
Shopping payments	29
Utility bill payments	41
Fund transfers	14
Commercial bill payments	12
Others	4
Total	100

Source: Primary data

Interpretation:

Above table reveals that majority 41% of the women customers' are using payments bank for Utility bill payments, then the 29% of the women customers' are using for Shopping payments, 14% of the women customers' are using for Fund transfers, 12% women customers' are using for Commercial bill payments and 4% of women customers' are using for other purposes.



Source: Primary data

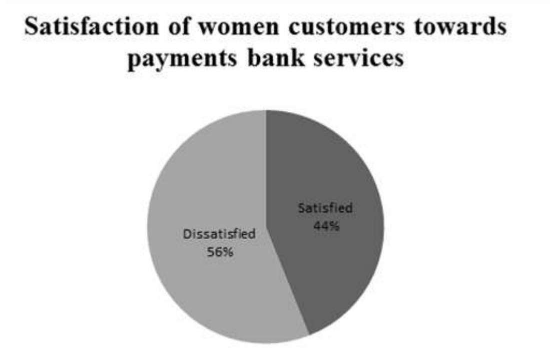
Table: 4 Satisfaction towards Payments bank services

Satisfaction level	Percentage (%)
Satisfied	44
Dissatisfied	56
Total	100

Source: Primary data

Interpretation:

From the above table it is clearly understood that the majority 56% of the women customers' were not satisfied with the payments bank services and the 44% of the women customers' were satisfied with the Payments bank services.



Source: Primary data

CHI SQUARE TEST & TESTING OF HYPOTHESIS

H01: There is no significant relationship between the Level of income and Satisfaction among women customers' towards payments bank services.

Table: 5 Observed Frequency - Level of income and Satisfaction

Level of income	Satisfied	Dissatisfied	Total
Up to 20000	5	28	33
20000-30000	10	15	25
30000-40000	11	9	20
Above 40000	18	4	22
Total	44	56	100

Source: Primary data

Interpretation:

By applying Chi-Square test on the observed data the significance of the data found and tested hypothesis. The critical value of $\chi 2$ is $\chi 2$ 0.05,3 = 7.815 where degrees of freedom = (no. of rows-1)X(no. of columns-1)= 3x1 =3. The calculated χ2cal value for the above table is χ2cal =25.053. At 95% confidence level, the χ2cal is more than the χ2critical, therefore the null hypothesis is rejected and there is significant relationship between the Level of income and Satisfaction among women customers' towards the payments bank services.

H02: There is no significant relationship between Usage pattern of payments bank services and Satisfaction among women customers'.

Table: 6 Observed Frequency - Usage pattern and Satisfaction

Usage pattern	Satisfied	Dissatisfied	Total
Shopping payments	17	12	29
Utility bill payments	12	29	41
Fund transfers	9	5	14
Commercial bill payments	3	9	12
Others	3	1	4
Total	44	56	100

Source: Primary data

Interpretation:

By applying Chi-Square test on the observed data the significance of the data found and tested hypothesis . The critical value of $\chi 2$ is $\chi 2$ 0.05,4 = 9.488 where degrees of freedom = (no. of rows-1)X(no. of columns-1)= 4x1 =4. The calculated $\chi 2$cal value for the above table is $\chi 2$cal =12.025. At 95% confidence level, the $\chi 2$cal is more than the $\chi 2$critical, therefore the null hypothesis is rejected and concluded that there is significant relationship between Usage pattern of payments bank services and Satisfaction among women customers'.

VIII. FINDINGS

- Majority 62% of the Women customers' are married.
- Majority 43% of the Women customers' belong to the age group of upto 30 years.
- It is disclosed that majority 45% of the Women customers' are salaried employees.
- The monthly family income of the majority 33% of the Women customers' is upto Rs 30000.
- Majority 46% of the Women customers' have completed their Graduation.
- Paytm payments bank is the most preferred payments bank chosen by the Majority 37% of the women customers'.
- Majority 41% of the women customers' are using payments bank for Utility bill payments.
- Majority 56% of the women customers' are dissatisfied with the payments bank services.
- There have a significant relationship between the Level of income and Satisfaction among women customers' towards the payments bank services. As comparatively higher income class of people are more satisfied with payments bank services than respondents with lower class of income.
- It is found that there has a significant relationship between the Usage pattern of payments bank services and Satisfaction among women customers'.

IX. CONCLUSION

Payment banks have been introduced with the fundamental goal of stimulating our country's financial inclusion drive. Financial inclusion is the process of ensuring access to suitable financial products and services by the weaker cross sections of the society and low-income groups at an affordable cost in a fair and transparent manner sponsored by the mainstream institutional players. India is now shifting as a cashless and digital economy, which is more viable and adaptable in the present technological and economic scenario. Payment banks are considered as the most popular medium of digital transactions in India. With the introduction of payment banks, the process of transferring money from bank accounts to wallets would become completely seamless, and accordingly it is very much possible that several customers may open payment bank accounts in addition to their regular bank accounts.

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