A Study On Paytm Services In Promoting Cashless Economy After Demonetization In India

And An Outline On Its Support Towards Making India Digital

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Abstract: Strategy structure which was offered by our Indian Government are towards innovation are Make in India, Startup India and Skill India. And Paytm was one among such innovation which came as an alternative to the cash transactions. Demonetization has given Paytm an elevate in the India's money exchange economy and constrained individuals, and specifically the little vendors to look for alternatives. The shoppers started utilizing computerized installment modes and Paytm is currently enrolled as a safe versatile wallet and is slowly expanding its relationship with more providers. It is a changeover to a digital model according to the marketplace. In India Paytm is constantly growing to be the top platform for mobile, e wallet and commerce. After demonetizing the 500 and 1000 rupees notes Paytm understood that it can successful only by offering services towards Cashless Economy. Paytm is a successful technological innovation which has created a balance between cost and efficiency. The main aim is to study the importance given to Paytm by people in their daily routine life and success of Paytm in motivating the Cashless economy. The aim is also to study the flexible services offered by Paytm promoting the Cashless economy and also supporting the Digital India.

Introduction

The development and the ascent of versatile innovation all through the world among individuals has extended to a great extent in light of the prepaid model. Because of this all classes of society approach the budgetary administrations and have turned out to be exceptionally comfortable with
the versatile cash framework. For the Banks a newer possibility has been opened for the middle class and the poor people using the new innovation. With the presentation of advanced wallets in mid-90's spearheaded by Sam Pitroda with the vision, fundamental the necessities of the clients a simple to utilize interface, capacity to safely execute in the virtual and certifiable, in came application-based wallets, for example, Paytm. The buyer brand of India's driving portable web organization, for example, One 97 Communications. One 97 speculators incorporate Ant Financial (Ali Pay), SAIF Partners, Mediatek, Sapphire Venture and Silicon Valley Bank. Paytm comprehended the significance of a contrasting option to the current money exchanges and presented an exceptionally basic versatile Mobile application based secure medium of advanced method of exchange which is the place where the future untruths. A commercial center model and a Revenue based show which gives clients an opportunity to save money choice, energizes, charge installments, Cashbacks when things are acquired, installment arrangements, Digital Gold, Paytm Bank and e-wallet. With a helpful commercial center for dealers and Paytm is the first organization in India who took the reception of a Mobile Wallet currently having 120 million purchasers and 2 million every day exchanges. For adjusted class of items Revenue from this subcategory is produced as expenses and commissions from the dealers. Paytm has focused more on Digital currency thus it can increase its brand preference through the better distribution, promotional and better marketing strategies. Wallet which can be utilized to store money in computerized shape and consequently can be utilized to purchase merchandise and ventures from shops or foundations which have a particular contract with the organization to acknowledge these installment instruments. Paytm wallet doesn't allow money withdrawal. Clients deposits cash in the Paytm Wallet is saved by Paytm in an Escrow account, based on the RBI rules and Paytm gets premium and this is considered as an agreement between bank and Paytm. Accepts Deposits and gives out loans for the money deposited. Paytm cannot give loans. Here QR codes are used for payment which is nowadays available in each shop both in Rural and Urban areas. Debit cards are also available for Paytm. Online Payments are accepted and the option for payment comes with no maintenance charge but there is a commission cut on each transaction. Initially Paytm had only Recharge services and mindset of the people been that Paytm was only for Recharge, but now things have changed using Paytm we can even pay educational fees and bills. For both buyers and sellers Paytm is still serving as alternative means of cash transaction and offers a convenient,
safer and secure use on mobile applications for both consumers and marketers. Achievement of an innovation is the point at which a customer acknowledges an item and administration over a market depends on another heap of advantage traded at a price or a value. Paytm gained attention, importance in day to day life.

- Myersin (1969) stated that the vast majority of the innovation are essentially advertise driven and is acquainted as an answer with the particular needs of the customer. Lynn (1966) states that more development is presented in Consumer Market when contrasted with mechanical markets. Galbraith (1970).

- Madur Deora, CFO and senior VP of Paytm, expressed that an installment bank offers an essential store connection with the clients at first and also Paytm is building this relationship utilizing the cash by spending, sparing and acquiring. To him the installments bank permit isa colossal obligation.

- Dr. Poonam Painuly, Shalu Rathi in their paper “Mobile Wallet: An upcoming mode of business transactions” (May 2016) clearly explains about the mobile wallet, it’s types and latest trends. At that point examined about Role of portable wallet in different divisions like Banks, Retail and Hospitality. The paper clarifies the significance of versatile wallet for Banks, Customers and Companies. In future extension it also discusses on the versatile wallets turning into a trend of advertising channel in not so distant future. Also, contributing exceedingly in a consistent shopping knowledge for the clients that expansion their inclination for regular and more repurchases with delightful encounters. They additionally talk on the significance and development of portable cash in business, social and monetary planned. The nearness of versatile wallet spreading from urban to country territories on a huge scale. Henceforth, wallet cash sees a high splendid future in close time.

- Rajesh Krishna Balan, Narayan Ramasubbu, Giri Kumar Tayi studied in their paper “Digital Wallet: Requirements and Challenges” (2006) that the prerequisites and difficulties of sending money across the country using computerized wallet arrangement in Singapore. Advance, they examined why Singapore is prepared for a computerized wallet and recognize the key difficulties in building and sending a computerized wallet and at that point the exchange was on the difficulties confronted when utilized with
Digital Wallet framework in real money exchange and more detail and end the paper with their proposed arrangement.

- Prof Trilok Nath Shukla in his paper “Mobile Wallet: Present and the Future” (June 2016) has discussed about mobile wallet, working, types and its advantages and disadvantages. His investigation included impression of customers and retailers about portable wallets. He reasoned that portable wallets will be utilized to draw in with the client by the advertisers and advanced organizations. Independent of the market status of these versatile wallets, advertisers should exploit the developing openings.

- FE Bureau (2017) states that According to the RBI: Demonetization has increased the growth of Paytm & Mobikwik which is known as the Digital payment companies. “ANewspaper Article in Financial Express”.

- Shwetu Kumar, Vijay Yadav, Atiqu-Ur-Rahman, Aditi Bansal (2014), did a study on “Paytm”. They examined on Paytm achievements, particular in designing, working and developments of Paytm which consolidated an examination on organizing a store, web progression, online gadget and also depicted about electronic portion system.

- Brawn et al., (1999) stated that the ads do support a typical experience. The promotion through Paytm guarantees that that it is a cordial and a fast-well-ordered process which is secured toward the finish of buyers and advertisers. The utilization of Paytm application conveyed the guarantee in this manner Paytm increased better selection in contrast with other portable wallets.

- Haugtvedt et al., (1994). Paytm featured that brand reposition is based on aligned belief. Here customers where helping the administration to battle dark cash. The shoppers needed to be a dynamic help to this preface along these lines they starred utilizing computerized installment modes.

**Research Methodology**

- **Sample design:** The study is done by using Convenience sampling method with 95% confidence and 5% margin of error. A sample of 50 employees have been taken across India. The data gathered was analyzed using Percentage Analysis, Correlation Test and Chi-square Test.

- **Data Collection:** In view of this questionnaires were sent to 50 respondents and the inquiries were asked where their responses are noted. Respondents are mainly college
students, employed and non-employed youths, middle aged people both employed and non-employed and the merchants.

- **Data Analysis Tool:** Microsoft Excel program.

**Research Objectives**

- To study the acceptance level of Paytm in India as an alternative to the cash transactions
- To study the flexible services offered by the Paytm
- To study the opinion among people in adopting Paytm as a solution to the Indian Demonetization.
- To examine the importance of Paytm in day to day life.
- To study the role played by Paytm in making India Digital.

**Hypothesis**

- H0: There is an acknowledgment level for Paytm as another option to the money exchanges among individuals
- H1: There is an acknowledgment level for Paytm as another option to the money exchanges among individuals.
- H0: Services offered by Paytm are adaptable in supporting the Cashless Economy
- H1: Services offered by Paytm are not adaptable in supporting the Cashless Economy
- H0: Paytm is a solution to the India Demonetization.
- H1: Paytm is not a solution to the India Demonetization.
- H0: People give importance to Paytm in their day to day life.
- H1: People don’t give importance to Paytm in their day to day life.
- H0: Paytm plays an important role in making India Digital.
- H1: Paytm does not play any role in making India Digital.

**Results & Discussions**

**Percentage Analysis**
Interpreting Q1, Q2, Q3 & Q4

- Majority of the people agree to the fact that Paytm is one of best technological innovation in 21st century
- Majority of the people agree that Paytm is an alternative to cash transactions and supports Cashless economy.
- Larger part of the general population concurs that Paytm helps customers and vendors in changing to versatile installments.

Interpreting Q5, Q6, Q7, Q8, Q9, Q10 & Q11
• Majority of the people give importance to Paytm in their day to day life.
• Majority of the people agree to the fact that Paytm offers a flexible service.
• Larger part of the general population concurs that Paytm helps customers and vendors in changing to versatile installations.
• Larger part of the general population concurs prefer Paytm mainly because of its services
• Larger part of the general population agree that Paytm gives importance to safety
• People agree to the fact that Paytm created a balance between cost and efficiency.
• Majority of the general population agree that Paytm supports Pay through mobile.
• Majority of the people disagree to the fact that Demonetization lessened growth of Paytm.
• Majority of the people agree that Paytm supports Make India Digital campaign

Interpreting Q12, Q13, Q14 & Q15
• Majority of the people agree that Paytm is one of the solution to the Indian Demonetization.

• Majority of the people agree that Paytm is way ahead when compared with its competitors.

• Majority of the people agrees that Paytm is one among the quickly developing organizations in the e-wallet space in India.
## Correlation Analysis

<table>
<thead>
<tr>
<th>Correlation of Q1 &amp; Q2</th>
<th>0.966</th>
<th>tc</th>
<th>6.8</th>
<th>Degree of freedom 35 and p = 0.05</th>
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<tbody>
<tr>
<td>Correlation of Q1 &amp; Q3</td>
<td>0.962</td>
<td>tc</td>
<td>3.11</td>
<td>Degree of freedom 11 and p = 0.01</td>
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<tr>
<td>Correlation of Q1 &amp; Q4</td>
<td>0.81240271</td>
<td>tc</td>
<td>4.48</td>
<td>Degree of freedom is 11 and p = 0.001</td>
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<td>Correlation of Q2 &amp; Q1</td>
<td>0.82898129</td>
<td>tc</td>
<td>4.78</td>
<td>Degree of freedom 5 and p = 0.001</td>
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<tr>
<td>Correlation of Q2 &amp; Q3</td>
<td>0.93445079</td>
<td>tc</td>
<td>5.89</td>
<td>Degree of freedom 6 and p = 0.001</td>
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<tr>
<td>Correlation of Q2 &amp; Q4</td>
<td>0.99591749</td>
<td>tc</td>
<td>3.11</td>
<td>Degree of freedom 11 and p = 0.001</td>
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<tr>
<td>Correlation Q3 &amp; Q1</td>
<td>0.95203983</td>
<td>tc</td>
<td>4.78</td>
<td>Degree of Freedom 5 and p =0.001</td>
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<tr>
<td>Correlation Q3 &amp; Q2</td>
<td>0.95203983</td>
<td>tc</td>
<td>5.52</td>
<td>Degree of Freedom 6 and p =0.001</td>
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<tr>
<td>Correlation Q3 &amp; Q4</td>
<td>0.95203983</td>
<td>tc</td>
<td>9.93</td>
<td>Degree of Freedom 2 and p =0.001</td>
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<tr>
<td>Correlation Q3 &amp; Q4</td>
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<td>tc</td>
<td>3.92</td>
<td>Degree of Freedom 18 and p =0.001</td>
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Chi-square Test:

<table>
<thead>
<tr>
<th>Range</th>
<th>Chi-square value</th>
<th>Degree of Freedom</th>
<th>P - value</th>
<th>P-value&lt;0.05 or P-value&gt;0.05</th>
<th>Hypothesis Validation</th>
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</thead>
<tbody>
<tr>
<td>Q1 to Q2</td>
<td>0.06</td>
<td>165</td>
<td>1</td>
<td>P-value&gt;0.05</td>
<td>H0 accepted</td>
</tr>
<tr>
<td>Q3 to Q4</td>
<td>0.289</td>
<td>22</td>
<td>1</td>
<td>P-value&gt;0.05</td>
<td>H0 accepted</td>
</tr>
<tr>
<td>Q5 to Q6</td>
<td>0.5165</td>
<td>160</td>
<td>1</td>
<td>P-value&gt;0.05</td>
<td>H0 accepted</td>
</tr>
<tr>
<td>Q12 to Q13</td>
<td>0.066</td>
<td>55</td>
<td>1</td>
<td>P-value&gt;0.05</td>
<td>H0 accepted</td>
</tr>
<tr>
<td>Q14 to Q15</td>
<td>1.237</td>
<td>6</td>
<td>1</td>
<td>P-value&gt;0.05</td>
<td>H0 accepted</td>
</tr>
</tbody>
</table>

H0: There is an acceptance level for Paytm as an alternative to the cash transactions among people.

H1: There is no acceptance level for Paytm as an alternative to the cash transactions among people.

The above Correlation Results and Scatter Diagram states that H0 is accepted.

H0: Services offered by Paytm are flexible in supporting the Cashless Economy
H1: Services offered by Paytm are not flexible Services in supporting the Cashless Economy.
The above Correlation Results and Scatter Diagram states that H0 is accepted.

H0: Paytm is a solution to the India Demonetization.
H1: Paytm is a solution to the India Demonetization

The above Correlation Results and Scatter Diagram states that H0 is accepted.

H0: People give importance to Paytm in their day to day life.
H1: People don’t give importance to Paytm in their day to day life.

The above Correlation Results and Scatter Diagram states that H0 is accepted.

H0: Paytm plays an important role in making India Digital.
H1: Paytm does not play any role in making India Digital.

Conclusion

Paytm is one among the best mechanical advancement in the present century and the administrations offered by Paytm helps in Time utilization and furthermore it is anything but difficult to utilize. What's more, for the up and coming business visionary's Paytm example of overcoming adversity would be extremely motivational and a lesson to learn before beginning another wander. Achievement of Paytm could be it was a plan of action presented in the wake of concentrate the current circumstance winning in our nation and that is the reason it went ahead to wind up outstanding amongst other arrangement after demonetization. Can get consideration in the general public as it centers around making mindfulness among individuals. Instructing individuals about its administrations. Fruitful treatment of Paytm by purchasers and shippers is the best case of its positive effect in the general public. Paytm is the best case of an organization which used online business advertise better.

Appendix

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paytm is one</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Best technological innovation in 21st century.</td>
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<tr>
<td>-----------------------------------------------</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Paytm is an alternative to cash transactions and supports Cashless economy.</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paytm helps consumers and vendors in switching to mobile payments.</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>People give more importance to money “Paytm gained importance in day to day life of people”</td>
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<td></td>
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<tr>
<td>Paytm offers a flexible service.</td>
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<tr>
<td>People prefer Paytm mainly because of its services.</td>
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<tr>
<td>Paytm offers a safe and a secure service.</td>
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</tbody>
</table>
Paytm created a balance between cost and efficiency in India.

Paytm is Pay through Mobile.

Nowadays Paytm usage has become frequent.

Paytm is way ahead of its competitors.

Paytm is a solution to the Indian Demonetization.

Paytm campaign supports “Make India Digital”.

Demonetization lessened growth of Paytm.

Paytm is one
among the quickly developing organizations in the e-wallet space in India

Bibliography & References

- Shwetu Kumar, Vijay Yadav, Atiqu-Ur-Rahman, Aditi Bansal (2014), “A study on Paytm” Guru Gobind Singh Indraprastha University, Delhi


