

**Research Project Report
On**

"Consumer Preference towards Mobile Wallets"

**To partly fulfill the requirement to
grant the degree of**

Bachelors of Commerce.

**Under the direction of
Dr. Arvind Sinha**

Submitted by:

Ashish Parmar

17GSFC101009

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Ashish Parmar
17GSFC101009
B.COM (H)

Declaration

I along these lines proclaim that this research report entitled "Consumer preference towards mobile wallets" presented by me is an honest to goodness work done by me for the total fulfillment of the essential of Bachelors of Commerce (Hons) and has not been submitted before either to Galgotias University or some other institute/body for the satisfaction of the prerequisites of some other course of study.

I furthermore articulate that no area of this composition in whole or somewhat is lifted and joined on this report from any earlier/other work done by me or others. A few references have been taken from books, web and other learning sources, which are properly referenced in the bibliography segment.

Certificate

This is to certify that the project report “Consumer preference towards Mobile Wallets” has been prepared by Ashish Parmar under my supervision and guidance. The project report is submitted towards the partial fulfillment of 3 year, Full time B.Com(Hons).

**Signature of the Faculty
(Dr. Arvind Sinha)**

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Abstract

As the Smartphone appropriation rate increments, smart phone users give more consideration to mobile payments. There are a few choices for mobile payments however there is no command strategy.

With an estimated 240 million mobile device users in India, enhanced web connectivity and reduced hardware prices, smart phones are becoming the critical tools that mold our everyday lives by altering the way consumers browse, purchase and pay for goods and firms. Living in the age of mobile phone growth and RBI 's strong operational status, electronic installments have indeed gone up stimulating the economy into less capital and a clear state. Digital computerized payments have grown rapidly since currency devaluation.

What's more, mobile wallets have contributed tremendously by taking the portable payments directly in the hands of end clients. Noteworthy interests as cashback and developments, similar to a single tick installments, pay whenever anyplace have helped shippers and clients to receive portable wallets to spare expenses when contrasted with other computerized payment strategies.

Introduction

M-Wallet is a technological system that enables fetching advanced card data from a computerized structure onto a cell phone. In order to make purchases, individuals can pay with their tablet, smartwatch, or cell phone. Regularly, an M-wallet is an installment administration using which people and organizations can consign and get payment using cell phone. This is a sort of online business mode which is planned to be utilized by cell phones attributable to simple access and comfort. It is otherwise called versatile money.

Essentially, a mobile wallet permits a person to make or get installments just as pay by utilizing a cell phone. Normally, M-wallet is given through some payment models. This incorporates:

- An individual can receive/sends payments through their portable specialist co-op.
- SMS-based exchanges: This includes starting exchanges by sending a SMS short code. The installment can be charged/credited from the arranged financial balance, portable assistance or Credit card.
- Portable web installments: empower clients to get/send installments through a versatile application.
- Near-field communications (NFC) – For this, an exceptional equipment in the cell phone and a portable application relate with an installment preparing terminal.

Under three decades back, sending or getting cash utilizing a cell phone appeared to be odd. Today, the utilization of a cell phone for cash move isn't just acknowledged yet ending up being the standard among general public. Some exceptionally effective versatile wallets in India incorporate Paytm, Amazon Pay, Phone Pe and Google Pay.

People can stack a specific measure of cash from financial balance, Cards and so on in their m-wallets and utilize the cash to purchase products and get offers.

History of mobile wallets

The verifiable scenery of M-Wallets begins in 2008, when an application store was launched by Apple Inc. The opening allowed pretty much everybody the chance to build up an application that held payment information.

It additionally prompted a period going on until around 2011 when the business was "available to anyone," as vulnerability ruled about how the early mobile wallets would impart installments information. Be that as it may, the inquiries didn't end there. "The to and fro in the business was about what a versatile wallet was, what number of wallets did you need, what number of wallets would there be, and would they all be on your phone simultaneously"

During that time, the installments business was inclining toward putting away exchange information in cell phones while the remainder of the world was eagerly grasping storage in the cloud.

The primary working exhibition of how the technology could revolutionize payments came in May of 2011 with the launch of the Google Wallet. Google had adjusted accomplices who thought the cell phone ought to contain the information. It was heavily influenced by the remote transporter, and the wallet was an application on the phone that Google created. Bank cooperation was constrained.

Apple Pay was propelled in October of 2014 with 220,126 dealer areas in the United States, and it currently guarantees 2.3 million for an expansion by a factor of 10. And keeping in mind that shippers have been increasing versatile ability, shoppers have been supplanting maturing cell phones with new models that can make portable installments. The Apple product offering has become versatile fit, and Android is moving toward that point.

PayPal made a wallet for major online business center, eBay. While PayPal tried to broaden the commitment's interest outside of eBay for a significant extended period of time, taking care of portion information with an online provider to enable purchases outside of eBay from the start didn't jump on. Amazon 1-Click rose in 2006, expanding current guidelines with respect to UX and broadening shipper and customer vision of the propelled wallet's abilities. Starting now and into the foreseeable future, other mechanized and flexible wallets have created, and there is as of now a wide scope of approaches to manage on the web and compact region portions, all falling under the general depiction of "cutting edge wallet."

History of Mobile wallets in India.

India's first e-wallet was Wallet365.com, propelled in 2006 by media firm Times Group in partnership with YES Bank. From that point forward, various banks and non-banking budgetary assistance firms have entered the business. This incorporates retailers, for example, Internet business monsters like Amazon and tech giants like Google.

A portion of these, for example, Google Pay and Paytm, proceeded to corner a considerable portion of the market.

They were helped by rising cell phone entrance in the country, which has driven Indians to progressively receive internet banking in the course of the last three-four years. The intense money crunch activated by the November 2016 note boycott likewise came as a significant sponsor shot.

Demonetization in November 2016 has generally been the last urgent move of the bones for bombing economies fighting hyperinflation or devastating open obligation. The administration intended to utilize demonetization as a proactive apparatus to advance computerized installments, cultivate budgetary incorporation and promote transparency.

It has given a huge jolt to M-Wallet suppliers in Indian market. For instance, Paytm multiplied its clients in a year, expanding from 138 million in September 2016 to 280 million in November 2017. 520 million clients by 2021 is the following objective.

Beginning from 1st Mar 2018, every versatile wallet in India required to be KYC compliant, which incorporates linkage of Aadhaar Number, know your client (KYC) process.

Aadhaar has additionally assumed a basic job in supporting the advancement of the m-wallet ecosystem in India.

Classification Of M-Wallets

There are 3 major categories Indian M-Wallet market can be divided into, in light of who works the wallet, motivation behind the wallet and exchange limit.

- **Open wallets** — Open wallets are generally adaptable, permitting clients to purchase administrations and items by pulling back money using UPI systems. These kind of wallets can just prevail with the help of bank accounts and need to take authorization from Reserve Bank Of India before propelling. Most extreme sum to deposit in this wallet is restricted to Rs.100,000. Organizations like BHIM Axis Pay and YONO by SBI are instances of open wallets in India.
- **Semi-shut Wallets** — Semi-shut wallets don't permit clients to pull back money yet permits use at chosen traders to purchase items and administrations. Few of them additionally permits exchange to another M-Wallet. Based on guidelines of RBI, most extreme sum to deposit in this wallet is restricted to Rs.10,000 every month and it can't be more than 100,000 during whole year. Every single wallet should be KYC consistent. Instances of semi-shut wallet are PhonePe and Paytm.
- **Shut Wallets** — Shut wallets permit clients to purchase benefits only from the organizations which have issued the wallet. A fixed sum is constantly bolted with the dealer. Most extreme sum to deposit in this wallet is restricted to Rs 10,000. Instance of shut wallet is 'Ola Money'.

In India, numerous individuals are utilizing mobile wallets for different exchanges nowadays. They can be assembled into:

- **Trend-setters:** These are the arrangement of individuals who are utilizing m-wallets since its initiation. This class of individuals for the most part falls under the 18–30 age gathering. They are either the educated school graduates or innovation aficionados, living in metro urban communities, and are constantly eager for attempting new things that hit the market. These varieties structure just 2.5% of the market yet impact a bigger area of client fragment to utilize the item. They complete their everyday exchange through different portable wallet administrations. Be that as it may, they don't discuss the items outside their groups of friends and they are prepared to proceed onward rapidly on anything which is more disruptive than the current products.
- **Early Users:** These are set of individuals who are utilizing mobile wallets after trend-setters. These individuals lie in the 19–34 age group. They by and large contain 13.6% of the all out clients. Subsequent to utilizing the advanced in-

stallment administrations, in light of their experience, they proselytize the administrations all over. Youthful working experts, understudies, business visionaries, and innovation benevolent people, who know about the advantages of computerized administrations, falls under this class. They began utilizing the portable wallet benefits once organizations like Google Pay, PhonePe and Freecharge started to be famous in news, notices, media etc.

- **First Majority:** These are the arrangement of individuals who as a rule, hang tight for early adopters and pioneers criticism, do a ton of research, and read different specialized discussions before choosing to utilize the item. This classification of individuals involves 33.8% of the all out clients, which is a significant critical bit of the client base. They fall under the 27–45 age group. Despite the fact that parcel of individuals in this class began utilizing the portable wallets benefits yet there are as yet huge number of individuals who are yet to utilize the administration. Educationalists, Trainers, Traditional independently employed people and so on falls under this classification.
- **Late Majority:** These arrangement of clients are reluctant to receive new item or administrations until demonstrated input of item achievement are accessible. They includes 34% of the absolute clients and can essentially affect new item's prosperity. Versatile wallets specialist organizations are yet to contact these clients. These clients are generally incredulous about receiving another assistance, until that turns into a requirement for them.
- **Reluctants:** These are set of individuals who abstains from utilizing embracing new innovation in spite of the innovation turning into a triumph. A portion of these individuals despite everything utilizes the great Nokia handsets and still purchase recharge card to revive their phone numbers. Mobile wallets administrations are far away from them, and before they feel the need of these administrations, the administrations may not exists any longer in the market. Ideally, these arrangement of individuals includes just 16% of the absolute clients.

Objectives of using Mobile Wallet Services:

Acting as an alternative to conventional wallet, these are the objectives of M-wallets:

- Broadband Top ups and Recharge: Rather than heading off to a shop all together compensation for recharges. Mobile wallets empowers Telecom companies to permit mobile wallet clients to rapidly & proficiently recharge cell phones whenever, anyplace.
- Money transfer directly to bank account: M-Wallets enables the clients the adaptability and accommodation of dealing with their money by means of cell phones by incorporating their ledger with M-wallet. It is helpful and a made sure about other option, which permits the buyers to deftly move their money from financial balance to M-wallet and the other way around without visiting their bank.
- Merchant payments and Online shopping: M-Wallets permits the clients to pay for a wide range of merchandise and ventures in a simple manner through m-wallet. The installment stage gives a constant approval and empowers secure versatile business and payment acknowledgment for both on the web as well as in the stores.
- Transportation booking: Transportation facilities give the clients, individual portability and opportunity for clients of different social statuses.
- Utility bills payment: It enables the family unit or organizations to pay for electricity, phone and so forth on a solitary snap.

Merits of Mobile Wallet Services:

- Anyone's conventional wallet can be grabbed, lost or stolen, yet M-wallet can't be, however there is an opportunity of somebody taking one's smart phone.
- In the event that the receipt is of Rs 279 or Rs 398, one won't need to go around requesting change. It permits paying on a solitary tap.
- Users do not need not enter their card credentials and i-passwords inevitably, they can connect their Credit cards, debit cards and ledgers and pay quickly with no issue to input the subtleties every time.
- Whenever a person makes a payment through a check card or Master card, one is revealing their private bank information on the trader's site or foundation, it can prompt undesirable security issues however by utilizing M-wallet, one can limit the presentation of secret information.
- Colossal rewards in the forms of cash-backs & discounts.

Non-merits of Mobile Wallet Services:

- Having a smart phone and quick web association is a prerequisite to utilize such services.
- Other than availability, security is a significant issue.

Literature Review

- VN Shastry and Niharika P (2014), led an investigation on "A Novel Interoperable Mobile Wallet Model with Capability based access control system", this assessment makes a huge duty towards the headway of a portable wallet that can work across various stages. As security is the noteworthy worry with respect to finance related information, the examination keeps an eye on the security issues by giving access control model that advances toward interoperable wallet.
- Aditti Bansal, Shweta Kumar, Vijay Verma, Atif-ul-Rahman(2014), presented an investigation on "Paytm", it learned about its achievements, specific engineering of Paytm, working and innovations of paytm which remember an examination for gracefully chain the board, web advances of paytm ,online device of paytm and furthermore depicted about e-payment framework.
- Tgoc Soan (2014), conducted a study on "Consumer adoption in Mobile wallet (A study of consumers in Finland)", this examination was embraced to comprehend about the customer reception status of mobile wallet with explore zone constrained in Finland. It likewise inspects the market circumstance of versatile customers toward portable wallet. The examination expresses that the selection of M-wallet among customers in Finland is just toward the starting stage and the achievement of M-wallets relies upon the advertising systems of M-wallet organizations just as the monetary strategy creators in Finland.
- Jhanhvi Chakraborty, Prajaakta Arolker, Neetika Ray, Ashok Anurag, Saumel D'souza (2012), made a study on "M-wallet: An SMS based payment system", This paper portrays about supplanting the present payment arrangements like Visa, check cards and money with a basic short Messaging administrations (SMS) in light of arrangement that would chip away at all cell phones regardless of the system transporter and the maker. Exchanges can likewise occur between customers that have bought in to the administration and traders independent of their membership. The examination infers that it is more secure, quicker and arrange autonomous method of payment.

Need Of this Study:

As M-wallet is flooding on a record of creating on the web installment exchanges in INDIA, this investigation attempts to give a comprehension about M-wallets installment passage organizations. The examination helps in understanding the association tendency of the customers concerning M-wallets. It urges to know the kind of administrations used by the customers, which are given by the M-wallet installment gateway organizations providers.

This study likewise plans to discover the components affecting the view of the buyers towards M-wallets.

Objectives of this study:

- Contemplating the M-Wallet payment gateway administrations.
- Discovering the individuals' mindfulness and inclination towards M-wallet providers.
- Considering the administrations given by M-wallet suppliers and administrations devoured by M-Wallet clients.
- Examining the impact of demographic shift towards “M-Wallets”.

Research Methodology

In this investigation, a blend of both Primary and Secondary information has been utilized. Fundamental data is gathered utilizing survey technique, which has been made utilizing Google Forms and conveyed among web.

- **SAMPLE DESIGN-** The strategy for non-random sampling has been utilized to gather the information from the respondent.
- **DATA INTERPRETATION AND ANALYSIS:** The data was interpreted and analyzed using Google drive and Apple iWork Numbers.
- **SAMPLE SIZE-** The sample size is **61** respondents.

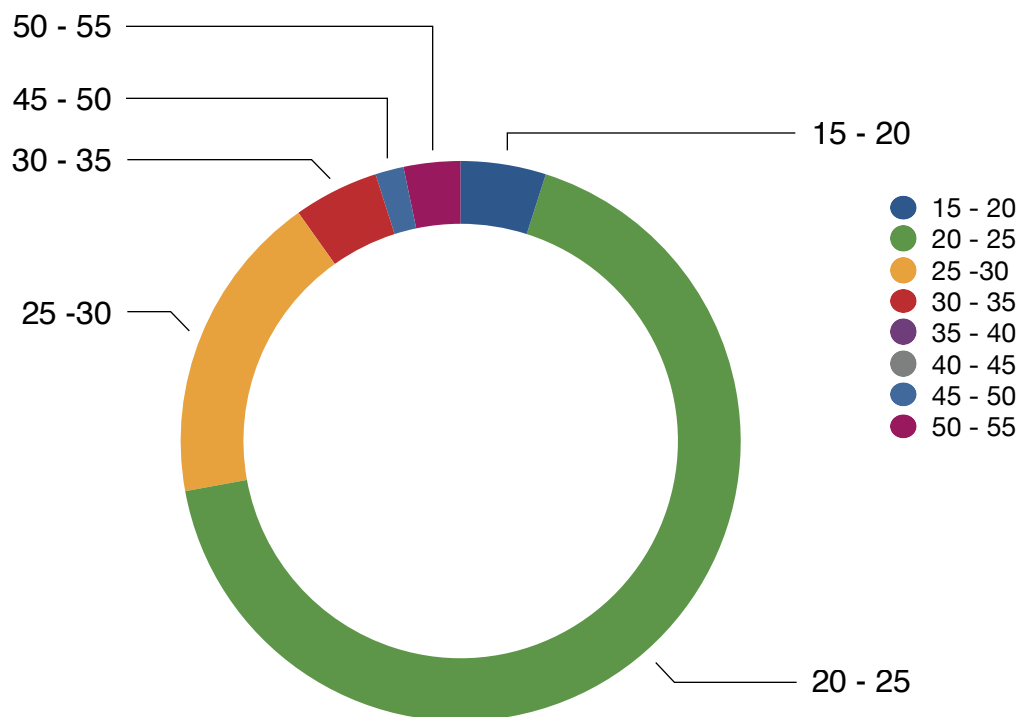
Restrictions of the study:

- Test size utilized for the investigation is little.
- The restrictions of the non random sampling technique are pertinent to this investigation.
- Users discernments changes now and again with the progression in technology.
- The study only concentrates on consumer's preference towards M-wallet & not the merchant's preference towards M-wallet as it assumes a significant job in conveying the business activities.

Data Interpretation

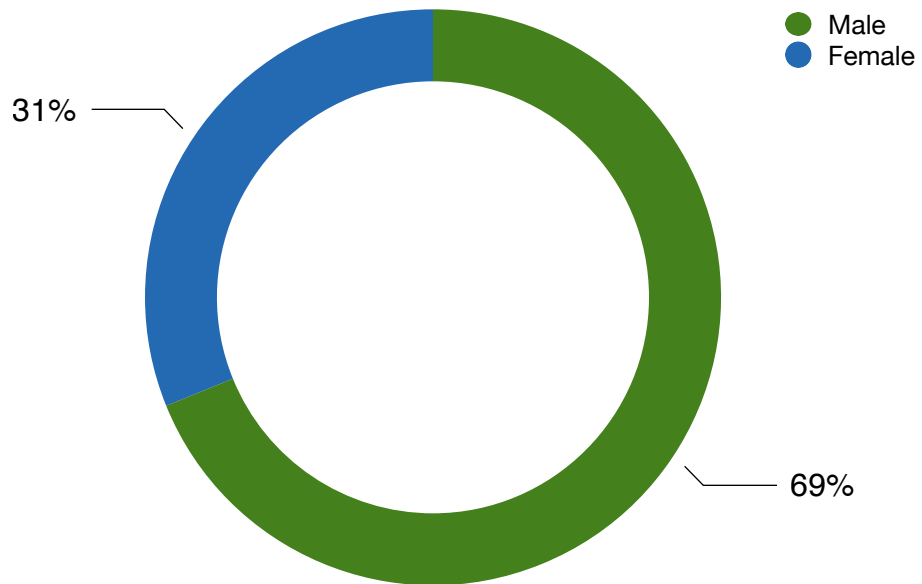
Age group of respondents:

15 - 20	3
20 - 25	41
25 - 30	11
30 - 35	3
35 - 40	0
40 - 45	0
45 - 50	1
50 - 55	2



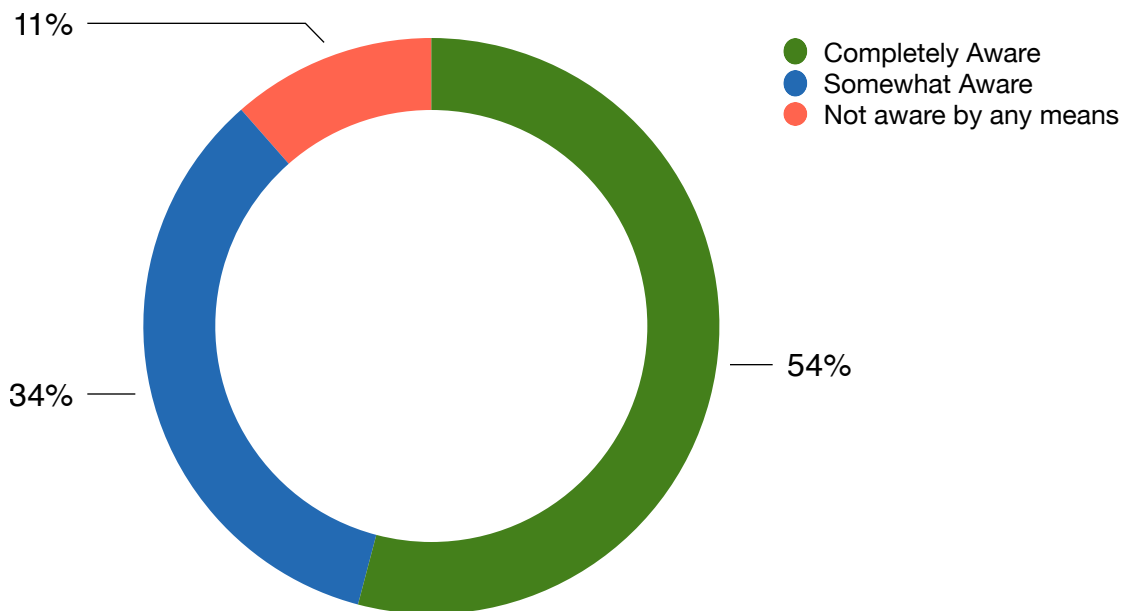
Gender of respondents:

Male	42
Female	19



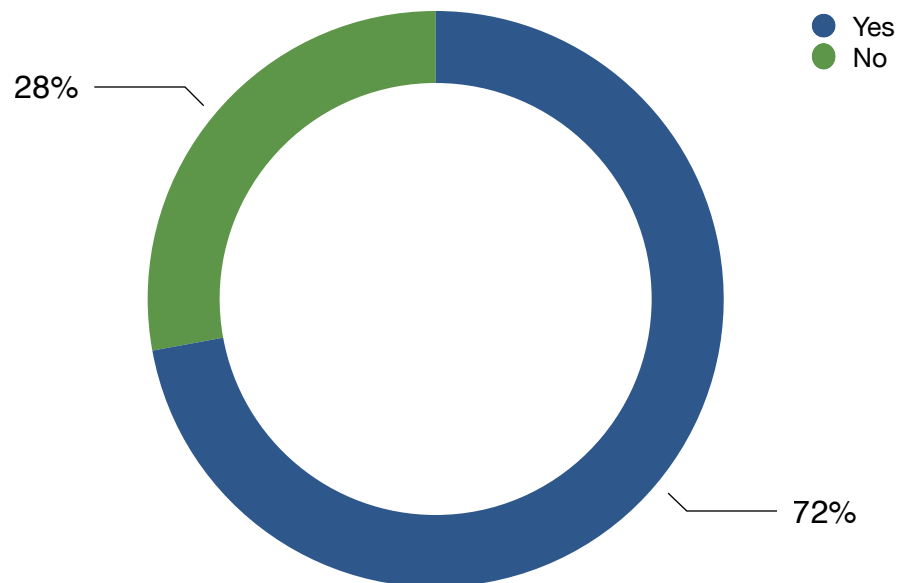
Ques 1. Are you aware with respect to the usability of Mobile wallets?

Completely Aware	33
Somewhat Aware	21
Not aware by any means	7



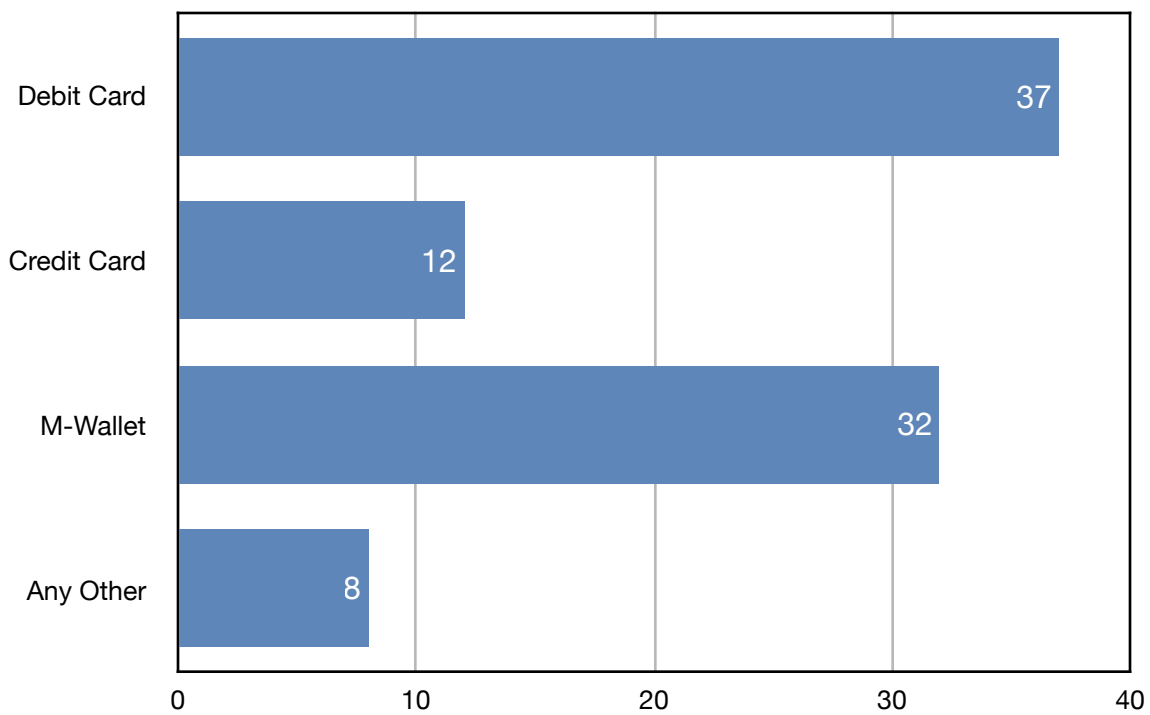
Ques 2. Do you make payments through M wallets?

Yes	44
No	17



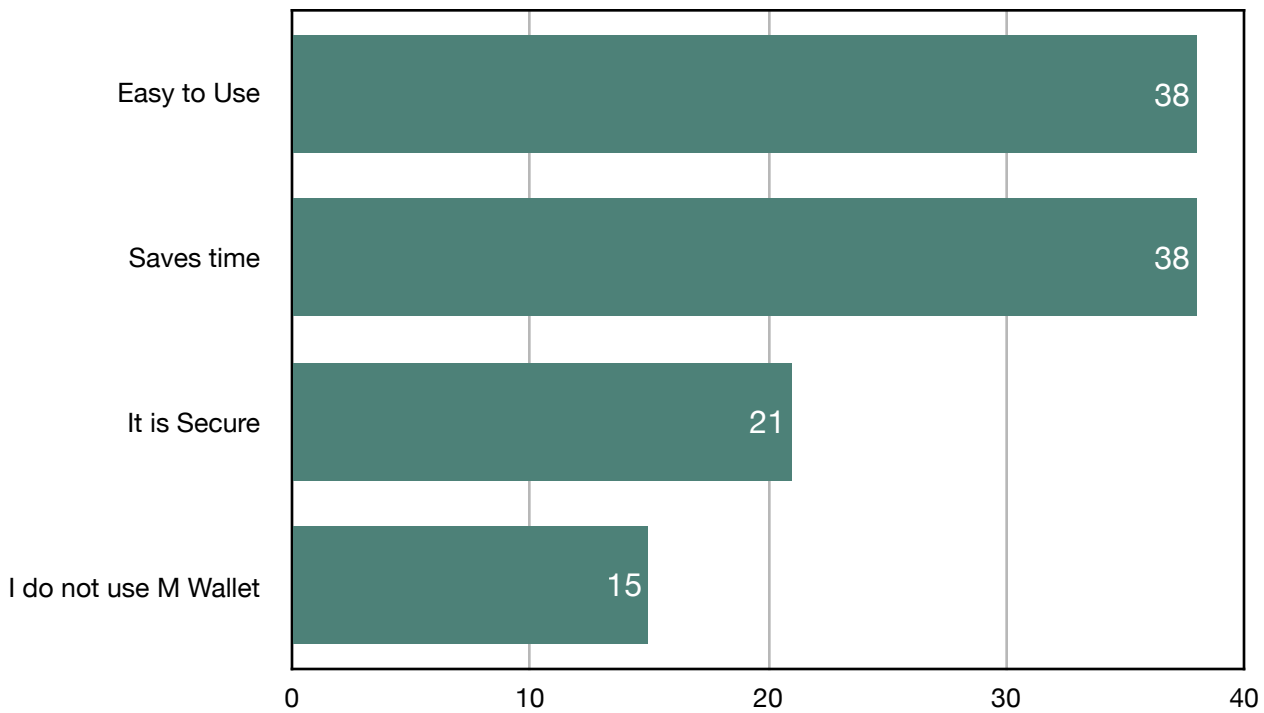
Ques 3. What is your inclination towards method of payment while making cash less payments?

Debit Card	37
Credit Card	12
M-Wallet	32
Any Other	8



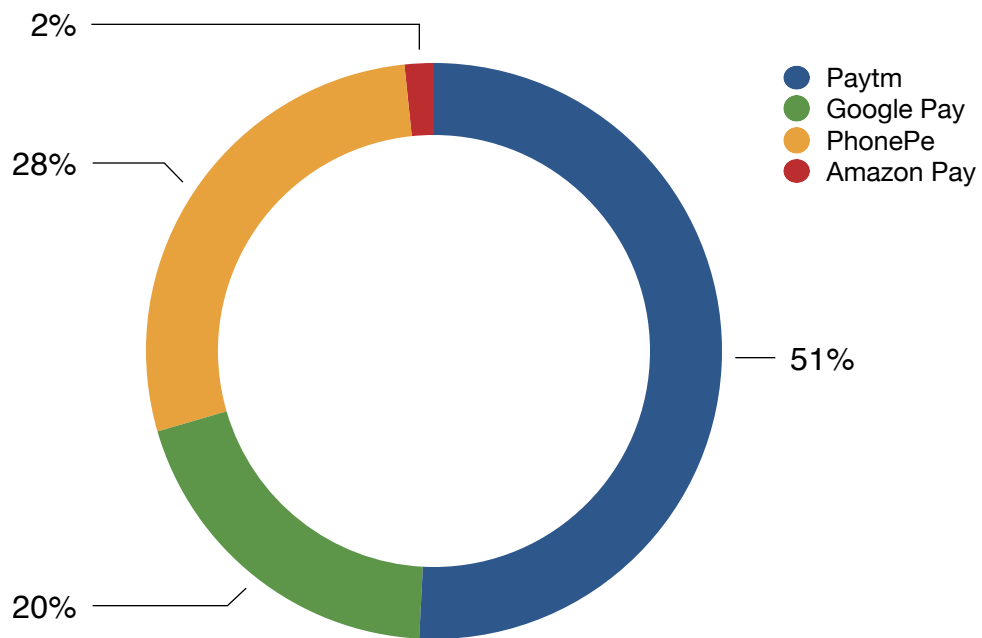
Ques 4. For what reason do you use M-Wallet?

Easy to Use	38
Saves time	38
It is secure	21
I do not use M Wallet	15



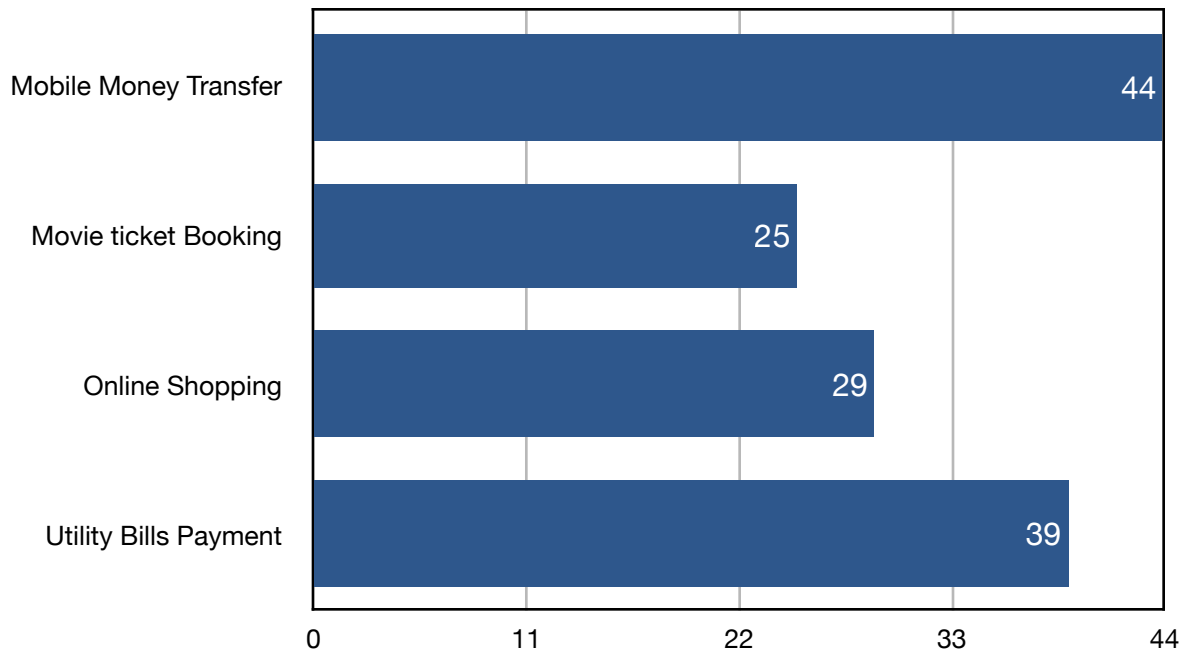
Ques 5. Which M-Wallet do you lean toward more often than not?

Paytm	31
Google Pay	12
PhonePe	17
Amazon Pay	1



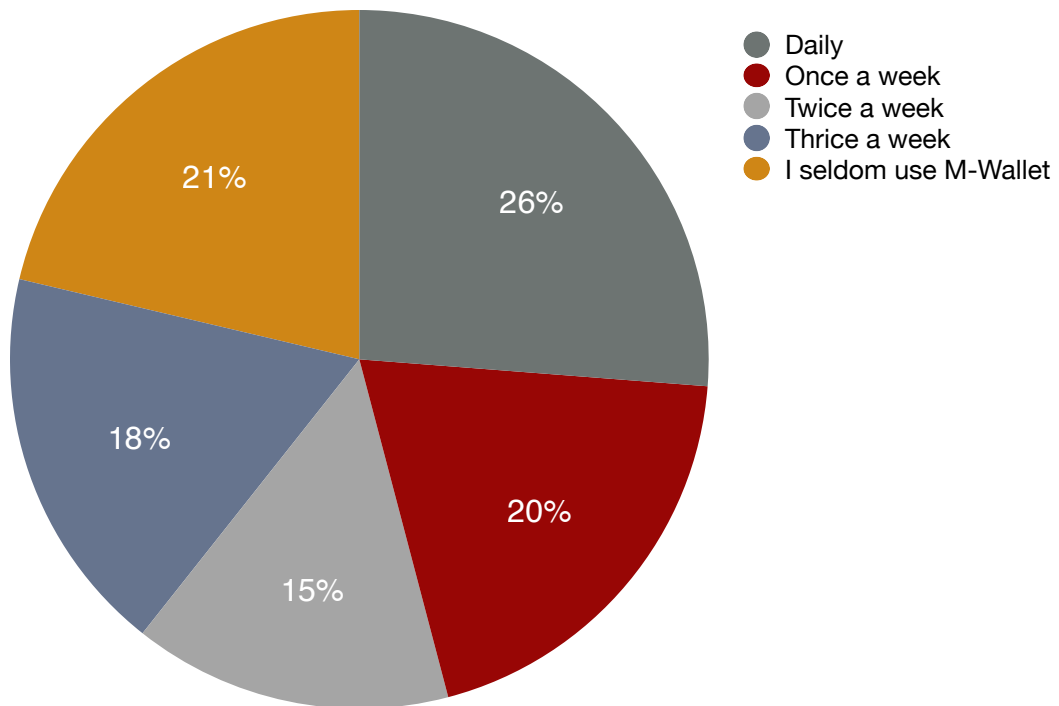
Ques 6. For what purpose do you use M-Wallet?

Mobile Money Transfer	44
Movie ticket Booking	25
Online Shopping	29
Utility Bills Payment	39



Ques 7. How often do you use M-Wallets?

Daily	16
Once a week	12
Twice a week	9
Thrice a week	11
I seldom use M-Wallet	13



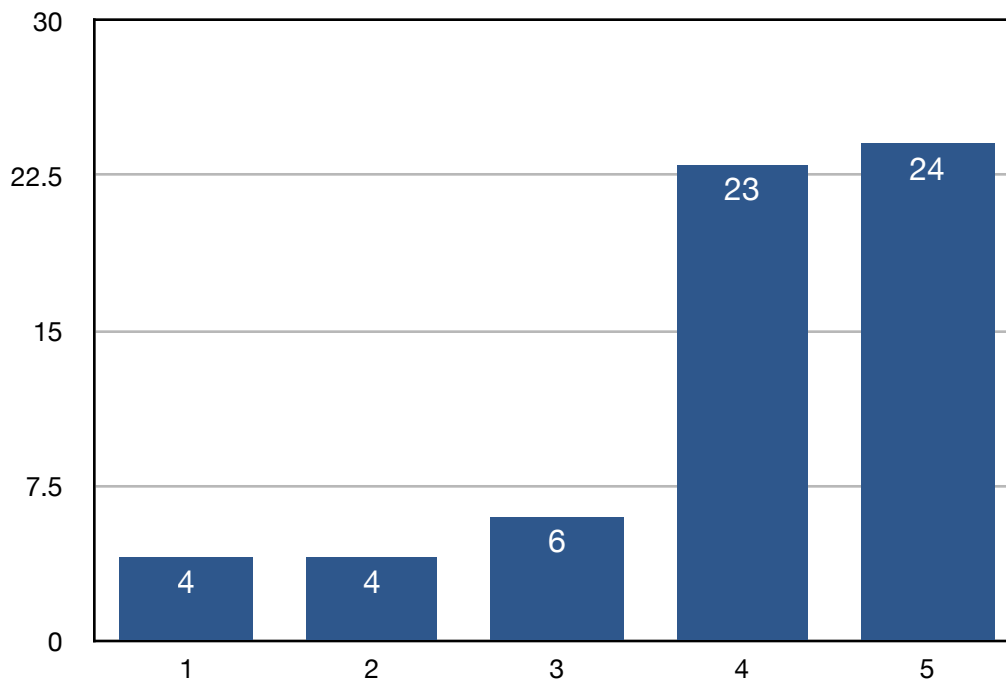
Ques 8. Were you using M-Wallets before demonetization?

Yes	34
No	27



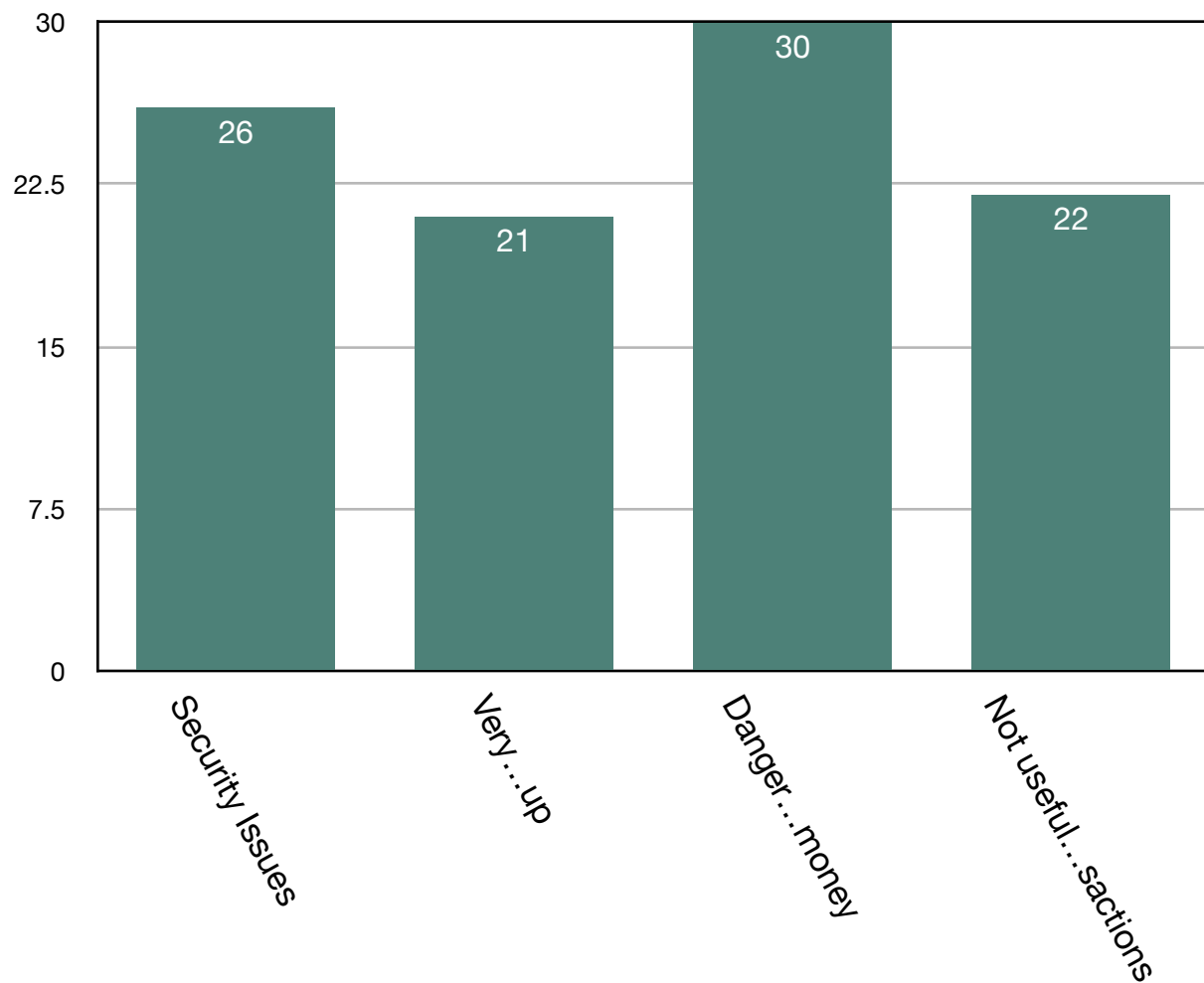
Ques 9. What is your satisfaction level with the usage of M-wallets?

Ratings	Rates
1	4
2	4
3	6
4	23
5	24



Ques 10. What problems do you face while using M-wallets?

Security issues	26
Very time consuming to set up	21
Danger of losing wallet money	30
Not useful while making international transactions	22



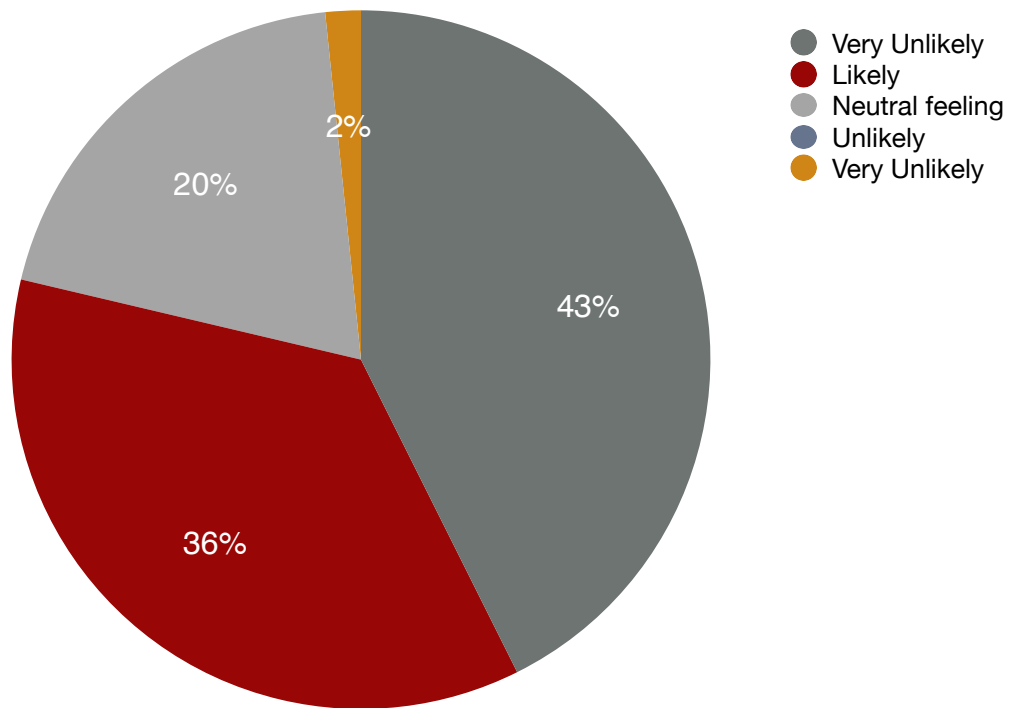
Ques 11. Have you decreased your frequency of making customary payments with M-wallets in use?

Yes	38
No	23



Ques 12. Would you want to keep utilizing M-wallet(s)?

Very Likely	26
Likely	22
Neutral Feeling	12
Unlikely	0
Very Unlikely	1



Findings

- A large portion of the M-Wallet users lean toward using Paytm for different utilities accompanied by others service providers. Funds security, need and administrations utilized act as the variables that impact the inclinations of the users.
- Large share of the users have diminished their physical payments with M-wallets in use. A dominant fraction of the users use mobile wallet much of the time.
- Many users are satisfied with utilizing the services provided by them, while a few of the users are exceptionally satisfied with the services. Lion's share of the users did not face any impediment while making use of M-wallet and serious obstacle looked by a few of the users is arrange server problem.
- Larger part of the respondents incline toward utilizing Paytm for top-ups, bills payment, public transportation, beverages and film tickets who fall into age group of 17-35 and 35-55.
- Few of the responders don't make transactions through M-wallets, the main explanation being security issues.
- The ability to utilize the administrations is exceptionally high if the issues are tended to.

Recommendations

- The destiny of versatile installments in India depends, as it were, upon the payment bank grant which is to be given by Reserve Bank Of India with the objective that the service providers can be entrusted by the customers.
- Contrasting with the propensity of service use, familiarity with the M-wallet suppliers is growing, thus the reasons behind not using M-wallet can be found.
- In any case, privacy concerns have all the assignments of being a major factor stopping mobile wallet acceptance for transactions. The mobile wallet providers need to tackle the customers' protection and safety grievances in this manner.
- Mobile wallet companies should work alongside "Telcos" to network the device faster and quicker.

Conclusion

The research was conducted to examine the willingness and eagerness of the consumer to engage in the use of a smartphone to replace the material of their conventional wallets. The study specifically investigated the conscientiousness, usage, probability of using advanced cells to finish the exchanges related to the financial. With extended penetration of web connectivity and powerful smart phones, the volume of M-wallet users has multiplied. M-wallet amongst shoppers is becoming progressively edgier. M-wallet is becoming prevalence among the juvenile sections, e.g., learners and delegates, according to the study's findings. The research also examined which consumers prefer M-wallet gateway facilities. The study was able to see that paytm drives among many other wallet distributors. The respondents are affected by different clustered variables at the point where a customer makes an online transaction via M-wallet. The primary elements that influence were recognized as time occupancy, protection, centered selflessness / reward, and markdown deals, and so on. Payment through M-wallets can be a remarkable advantageous for customers in terms of convenience, putting aside money and time. Several of the main challenges is privacy issues, which can be exposed to the customers on the edge of their classified info. The M-wallet distributors ought to acknowledge and reach or even exceed confidence expectations for the customers in this way. It implies propensity to think about security and safety as well as shielding the consolation tool if the device is misplaced or taken away. Most of the study concentrated on Security, Need, Time and service delivery that impacted buyers' acknowledgement of M-wallets, the study found a key connection between the analysis and the above-mentioned qualities.

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