Reliability Evaluation of Factors of Millennial Perception towards Digital Payments

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ABSTRACT: Post-demonetization, digital payments in transactions became substantial; nonetheless, these services are still relatively new to Indian customers and are still in their infancy. Investigating the variables that influence customers' intentions to utilise digital payment services in India, particularly among millennials, is necessary to promote the development of computer enabled devices as an alternative payment method. Present study is to do a pilot study on millennial perception towards Mobile Banking/Digital wallets/UPI. The study makes use of Cronbach's Alpha to see if the data is internally consistent. Millennials will make up 35% of the global workforce just this year. The results based on Cronbach's Alpha show that the data is internally consistent after dropping each variable for challenges faced and customer satisfaction.

KEYWORDS: Reliability analysis, pilot survey, digital transactions, banking

INTRODUCTION

In India, mobile banking began in 2002, with transactions conducted via SMS at the time. Almost every banking transaction can now be completed on a computer, laptop, or smartphone. Everything can be done online, from checking account balances to paying credit card bills, utility bills, and transferring funds (Mittal, 2020b). Mobile banking evolved from online banking to provide even greater convenience and accessibility. In 2018, nearly all banks will provide financial transaction mobile phone apps. These apps eliminate the need for a computer or laptop to transfer funds, and as technology advances, bank visits will become obsolete (Gupta et. al., 2022; Mehta et. al., 2022; Mittal, 2020). Banking transactions can be completed as usual once a customer has downloaded the mobile banking app to their smartphone.

The most important demographic and economic forces in our time are millennials and Generation Z. Millennials will make up 35% of the global workforce just this year. Their total revenue will top $4 trillion within ten years. We're talking about a global population of 1.8 billion technologically savvy individuals who will have more disposable income than any previous generation (Mandal et. al., 2022). They are a group of people who spend more than 35 hours per week online, which is 50% higher than the average amount of time spent online by all other groups put together. There will be a tectonic upheaval in the fundamental character of finance when a force this large connects with the world economy, which is historically led by boomers and Gen X. One of today's most significant demographic and economic forces is the millennial generation. They have more purchasing power than ever before, and the banking sector has advanced by using technology and streamlining the procedure for customers (Ashokan & Menon, 2016; Harchekar, 2018). Technology has completely changed the financial sector, and everything is now digital and personalised, which is probably the only way to go in the future (Mittal, 2020a). By making

banking simple, approachable, and transparent, it has effectively targeted the millennial generation and laid the groundwork for the growth of the nation's economy.

Today, mobile technologies are being used more and more, but India is surprising in how little it uses digital payment systems. For Indian customers, digital payment systems are still in their infancy and are relatively new. By examining the critical variables influencing customers' propensity to utilise digital payment services, this study aims to provide light on the growth of digital payment services in India (OECD, 2019). To gain a competitive edge, digital payment services are crucial for businesses engaged in electronic and mobile commerce. Numerous studies have examined digital payment services from both the technical and user acceptability aspects in various nations. The variables influencing Indian customers' inclination to adopt digital payment systems have only been partially understood by previous studies. Little is being done to close the knowledge gap about the critical elements influencing Indian customers' intention to use digital payment services, which motivates the implementation of digital payment to meet its expectations.

LITERATURE REVIEW

The evolution of payment methods began with barter and moved on to money, checks, and credit before focusing on mobile payments in the age of electronic and mobile commerce (Garg, 2014). According to Smart Card Alliance, depending on the sort of technology used to enable them, mobile payments can be either contactless or remote (Horticulture 2011; Lipton et. al., 2016) . Remote mobile payments are made using a mobile device without interacting with the physical point of sale (POS) system of the merchant. Examples of such transactions include conducting electronic commerce over a mobile internet connection, transferring money using a mobile application, and downloading pay-per-download news articles (Kumar & Pavithra, 2017). It is dependent on technologies like mobile applications, secure mobile browsers, and short messaging service (SMS).

Proximity mobile payments is a phenomenon paid for a products or services at the point-of-sale (POS) using smartphones by the customers. It is considered to happen in interactive mode (physical) between the merchant's terminal and the customer device like mobile phones. It may be used in both face-to-face interactions between customers and retailers and unattended points of sale like vending machines (Ting et. al., 2019).

Arora et. al., (2019) in a study observed a considerable difference in overall mean agreement on employment satisfaction among the various populations. Yadav et. al. (2019) indicated that the customer satisfaction is positively associated with e-wallet solutions and adversely related to e-wallet challenges. Lochab, A. (2018) show a significant difference in average agreement on customer satisfaction in mobile banking

among the various edifications. Graduates are also more in agreement on the threat of infrastructure than postgraduates. Graduates could be used to educate the general public on mobile banking. Mobile banking should also be covered in graduate-level courses.

Arora and Yadav (2018) in a research study show a significant variance in the causes of customer satisfaction among different age groups. Generation Y is more concerned with the procedures that must be taken in order for digital wallets to function properly. Key distinctions between age groups include insecure payment systems, difficulties using them, and limited working aid. The current study advises that security measures be introduced to enhance the use of E-wallets. Arora (2018) The data reveals two clusters: the first, which includes 144 persons, is classed as dissatisfied with the use of digital wallets. They fear that paying using a digital wallet is dangerous. It's also difficult for them to operate. The second group of 210 working professionals is classified as satisfied consumers because they think digital wallets are a good idea. Each cluster was divided into four categories: difficult factors, customer satisfaction, and risk factors. Singh & Arora (2014) examines a data collected from primary survey analysis. The result findings show a significant difference between the responses of the married and unmarried about their perception to improvise security risk solutions, performance/service quality risk solutions, technological risk solutions, and financial risk solutions in mobile banking is influenced by their age. When it comes to boosting mobile banking, unmarried respondents prioritise security risk solutions, performance/service quality risk solutions, technological risk solutions, and financial risk solutions above married respondents. Age has a significant impact on agreement on rising security risk solutions, according to the data. Between single and married respondents, the average agreement on upgrading security risk solutions, performance/service quality risk solutions, technological risk solutions, and financial risk solutions in mobile banking vary significantly. Women who are entrepreneurs should be charged a cheaper processing fee and need a provision of financial aids and subsidies products and services to boost their business. Other benefits like lower interest rates, loans would empower them and improvise their economic conditions. It is also suggested to provide on frequent basis distinctive upliftment projects for the housewives from the bank. The needed support from the banks can play a significant role in women's empowerment.

Previous research demonstrate the influence of respondents' behavioural intentions toward adopting mobile banking in various Indian cities (Tamil & Balaji, 2019). Primary information about mobile banking uptake was gathered from clients of commercial and public sector banks using a standardised questionnaire. The outcome demonstrates that consumers' behaviour intentions toward adopting mobile banking in the research region are highly influenced by performance

expectation, effort expectancy, hedonic incentive, trust, and loyalty. Sinha et. al. (2019) made an effort to investigate the variables influencing the perspective of Indian e-wallet users toward both public and private mobile wallet providers. To gather primary data from 433 respondents in the form of structured questionnaires, the researchers used a survey method and a hypothetical study design. The IBM SPSS statistical analysis programme was used to perform the Independent Sample t test. According to the findings, public sector e-wallet providers are perceived less favourably than competitors from the private sector. Public sector and private sector e-wallet providers in India have significantly different perceptions of issues, customer service, and personal danger.

RESEARCH METHODOLOGY

The present research is descriptive in nature. We have used primary data collected using a structured questionnaire administered on google form. The primary objective to check the consistency of the indicators using reliability analysis. Target population includes Millennials from different parts of Delhi-NCR in the age group of 23-35.

We have used non-probability snow-ball technique to collect responses of the questionnaire. In total we received 140 responses (42% female and 58% male respondents). The statements in the questionnaire were recorded on five-point likert scale.

DATA ANALYSIS

Table 1: Scale Reliability Statistics for Challenges faced by Millennial in using UPI

	Cronbach's α
scale	0.879

In a pilot study, the reliability test is the main tool considered for analysis. If Cronbach's α> .7, data is considered internally consistent. Table 1 shows Cronbach's α=.879, so data is fit for further analysis.

Table 2: Item Reliability Statistics for Challenges faced by Millennial in using UPI

if item dropped	
	Cronbach's α
1. Risk in transaction	0.841
2. Difficulty in transaction	0.865
3. No support staff	0.840
4. Unreliable	0.849
5. Interferences/restriction in choice	0.867

Item Reliability Statistics for Challenges faced by Millennial in using UPI shows that if Unsafe mode of payments is dropped then Cronbach's α=.841, so data is still fit and has internal consistency. If Difficult to Use is dropped then Cronbach's α=.865, so data is still fit and has internal consistency. Similarly, if Inadequate Working Assistance is dropped then Cronbach's α=.840, so data is still fit and has internal consistency. Likewise, if Not Reliable is dropped then Cronbach's α=.849, so

data is still fit and has internal consistency. Also if Restricted Choice is dropped then Cronbach's α=.867, so data is still fit and has internal consistency. If Cronbach's α> .7, data is considered internally consistent. So all statements if dropped individually, then also internal consistency is maintained.

Table 3: Scale Reliability Statistics for Customer satisfaction by Millennial in UPI

	Cronbach's α
Scale	0.776

In a pilot study, the reliability test is the main tool considered for analysis. If Cronbach's α> .7, data is considered internally consistent. Table 3 shows Cronbach's α=.879, so data is fit for further analysis.

Table 4: Item Reliability Statistics for Customer satisfaction by Millennial in UPI

if item dropped	
	Cronbach's α
1. Managing funds efficiently	0.761
2. Perceived ease of use	0.773
3. Brand value	0.787
4. Economic condition	0.734
5. Reduced waiting time for digital payments through wallet	0.735
6. Rapidness	0.734
7. Service comfort	0.751
8. Valuable	0.733

Item Reliability Statistics Customer satisfaction by Millennial in using UPI shows that if Unsafe mode of payments is dropped then Cronbach's α=.761, so data is still fit and has internal consistency. If Ease to Use is dropped then Cronbach's α=.773, so data is still fit and has internal consistency. Similarly, if Status Symbol is dropped then Cronbach's α=.787, so data is still fit and has internal consistency. Likewise, if Economical is dropped then Cronbach's α=.734, so data is still fit and has internal consistency. Also if waiting time for a transaction involving use of wallet is dropped then Cronbach's α=.735, so data is still fit and has internal consistency. If Quickness is dropped then Cronbach's α=.734, so data is still fit and has internal consistency. In the same way if Service Efficiency is dropped then Cronbach's α=.751, so data is still fit and has internal consistency. If Valuable is dropped then Cronbach's α=.733, so data is still fit and have internal consistency If Cronbach's α> .7, data is considered internally consistent. So all statements if dropped individually, then also internal consistency is maintained.

Table 5: Scale Reliability Statistics for boosting satisfaction level by Millennial in using UPI

	Cronbach's α
Scale	0.771

In a pilot study, the reliability test is the main tool considered for analysis. If Cronbach's α> .7, data is

considered internally consistent. Table 5 shows Cronbach's α=.879, so data is fit for further analysis.

Table 6: Item Reliability Statistics for boosting satisfaction level by Millennial in using UPI

if item dropped	
	Cronbach's α
1. Application of Security tools	0.736
2. Benchmarks for Service vendors	0.712
3. Deployment of Skilled Workers	0.737
4. High Speed of transactions	0.749
5. Compensation in case of frauds and cybercrimes by hackers	0.708

Item Reliability Statistics for boosting satisfaction level by Millennial in using UPI shows that if Implementation of Security is dropped then Cronbach's α=.734, so data is still fit and has internal consistency. If Performance Benchmark for Service Providers is dropped then Cronbach's α=.712, so data is still fit and has internal consistency. Similarly, if Skilled Wallet Staff is dropped then Cronbach's α=.737, so data is still fit and has internal consistency. Likewise, if High Speed of Processing the Transaction is dropped then Cronbach's α=.749, so data is still fit and has internal consistency. Also if Compensation to customers for monetary loss by Hackers is dropped then Cronbach's α=.708, so data is still fit and has internal consistency. If Cronbach's α> .7, data is considered internally consistent. So all statements if dropped individually, then also internal consistency is maintained.

CONCLUSION

Mobile Banking in today's time has gained immense popularity especially among the millennials. This study is a pilot study to check the fitness of data based on Challenges faced by Millennial in using UPI, Customer satisfaction by Millennial in UPI and boosting Satisfaction Level of Millennials in using UPI. The results based on Cronbach's Alpha show that the data is internally consistent after dropping each variable for challenges faced and customer satisfaction.

However, compared to Generation X and Baby Boomers, Millennials are seen to have good knowledge of products on ecommerce but have less financial awareness on banking. Millennials and other generations tend to invest in complicated financial items like stocks and bonds as perceived financial literacy increases. Financial literacy may be increased through straightforward training to advance financial understanding. By offering individualised guidance through goal-setting and monitoring, financial coaching may also be a successful strategy for boosting financial literacy and awareness.

Due to time and money restrictions, this study's pilot survey analysis was restricted to a sample size of 140. The major technique of data collection for the current study was an online survey. Therefore, the constraints of an online survey will also apply to this empirical investigation. Since it is not possible to generalise the results to the entire state or nation, the main study only included digital payment transactions carried out in the Delhi NCR region. To choose respondents, the nonprobability snow-ball sampling method was used. Therefore, the present study is similarly subject to the limits of non-probability sampling. Therefore, the perspective before and after a lockdown may differ from the results of the current study. The current study may also be expanded to other cities, states, and countries to further understand the attitudes of Indian customers concerning digital payments.

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