

# CORE DETERMINANTS INFLUENCING INTENTION OF DIGITAL GENERATION TO USE DIGITAL PAYMENT: A QUALITATIVE STUDY

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## ABSTRACT :

### Purpose:

The purpose of this study is to explore the factors that may affect consumer acceptability of digital payments by analyzing the impacting factors of enticing digital modes.

### Design / Methodology / Focus:

This study is designed to act as a foundation to determine whether consumers are aware of contemporary digital usages by applying qualitative study.

### Implications of the study :

The study examines factors influencing remittance settlement intentions by leveraging digital payment modes.

### Functional implications:

The study strives to comprehend digital consumer behavior and analyzes the reasoning regarding the acceptance of digital modes.

### Social implications:

Digital mode providers and users must be aware of the intentions responsible for the possibilities consumers are embracing with digital remittances.

### Findings:

The findings in this study shed light on factors influencing consumers' intentions for accepting digital payment practices. The study also includes a qualitative analysis of digital remittances of consumer shopping behavior.

### Originality/value:

The purpose of this study is to examine the consumer's acceptance of digital payment modes. This study analyzes intentions following digital acceptance patterns to recognize factors responsible for digital access.

**Keywords:** Consumer Intention, Consumer Adoption, Digital Transmittals, Thematic Analysis.

## 1. INTRODUCTION :

The consumer wants convenience, usefulness, and advantages over the prevailing modes of payment to determine whether to adopt or reject traditional cash-based methods of payment or go for the mobile wallet as a payment method. Consumer behavior is exemplary, so it is crucial to boost the adoption of digital payments in developing countries like India, especially since this is a new phenomenon. The recent decade has witnessed significant developments in the use of the internet and cellphones in India. An exponential increase in the use of digital payments is further fueled by the increased use of the internet, mobile devices, and government-supported initiatives such as India's digital government, which acts as a catalyst in promoting the use of novel cashless payments. The digital payment industry has glanced at innovation, development, and revolution at a steady pace. Digital payments are transactions that take place digitally or online and do not involve the physical exchange of money. Digital channels of communication have helped to streamline trade and make it easier for consumers to gain access to a wide range of products from around the world. As concerns, it relates the usage, as per the objective of the present research regarding the influence of the electronic milieu on the intention of the digital consumer, using a direct interview was considered suitable as it was considered appropriate to have to retrieve information relating to the intention of consumers which the participants disclosed for carrying out this study, like, focus group. This study intended to determine the extent of acceptance of digital modes of payment trends in India. Qualitative analysis was employed to methodically recognize, analyze, integrate, and decipher data received from digital users.

## 2. LITERATURE REVIEW :

In the prevailing era, particular studies have highlighted the rewards of the endorsement of digital modes and expediency in reconnoitering digital payments smoothed payments through card payment devices. **Schreier and Prügl (2008)** discovered that customers with a high degree of understanding of an invention tend to be ahead of the market trend and expect high advantages from innovation and that they would adopt new commercial items faster and more intensively than regular users. According to **Marcketti and Shelley (2009)**, customers' product knowledge has a considerable positive effect on their perceived ease of use. According to **Awamieh and Fernandes (2005)**, perceived usefulness is the belief that the new service will provide greater benefits than existing services to those who want to utilize it. Compatibility is the mix of inventive, potential, and available values; it is also the integration of new technologies that operate effectively to improve job performance **Lee, McGoldrick, Keeling, & Doherty (2003)**. As per **Ding et al., (2004)**, compatibility is a factor connected to mobile payment service innovation, compatibility of mobile services with user needs and lifestyle, and the ability to test out a new service; it enhances customer awareness of use when using the service. **Kim and Malhotra (2005)** attempted to investigate the impact of habit on technology use by controlling for familiarity with the target technology. **Ajzen and Fishbein (2005)** have emphasized that previous experience feedback influences numerous beliefs and, as a result, future behavioral performance. Habit, in this context, is a perceptual construct that reflects the outcomes of previous experiences. A large number of studies have looked at digital payment from both a technical and a user acceptance standpoint **Abrazhevich (2004); Aw et al., (2011); Bohle et al., (2000); Chavosh et al., (2011)** along with these investigations, many critical elements impacting digital-payment perception are offered. According to **Hataiseree (2008)**, cash and cheques remain popular payment methods because customers are not convinced of the benefits of utilizing digital modes of payment.

## 3. OBJECTIVES OF THE STUDY:

The purpose of this study is the recognition of the digital consumer's behavior intention set within the electronic environment. The manifestation digital consumer correlates to the prudent consumer whose intention is to switch to digital modes for making payment for goods, amenities, and ideas In this process, digital service providers apply the internet to inform consumers to make payments through the digital payment methods. With this assumption, the objectives of this study are the following:

- i) To ascertain the intention of consumers for the usage of digital modes for making online payments.
- ii) To identify the factors which influence the intention of consumers to use digital modes of payment by application of qualitative study.

## 4. METHODOLOGY OF THE STUDY:

The range of acceptance of digital mode of payments in India is at its initial stage, this study attempts to resolve the magnitude of its acceptance among consumers, the consummate methodology is qualitative **K. Hammarberg, M. Kirkman, S. de Lacey(2016), David Silverman, (2016)** . As the study objective entailed perceptions about consumers' insights of digital products; a qualitative study was carried out for gathering and investigate the data **Morgan( 1988)**. In the area of qualitative research, several methods can be employed to study the consumer's intention to switch to digital modes. In the qualitative studies, the sample is chosen by the researcher at random as such studies are not expected to stipulate assumptions rather furnish the depictions, beliefs, and views **MN Marshall (1996), M Cleary, J Horsfall, M Hayter, (2014)**.

In this study, the sample consisted of consumers' whether adopters or nonadopters of digital modes of payment which are the foundation of the Indian economy. As the respondents spoke, the interviewer noted the details, and wherever a specific proclamation was skipped or required more explanations, it was then investigated more for a description **Mason J. London, Routledge: (1994), Turner, D. W., III. (2010)**. To perform an interview with participants a mall located in South Delhi was chosen. Criterion sampling was applied as it enabled choosing participants who were digital consumers. The potential participants were approached and questioned a preliminary question to detect whether they dealt with digital products or not. Only those who were using digital products were selected for further analysis. The personal details from forty-six participants were noted to further the participants for further being invited to the same Mall. Only thirty- six participants spared time and turned up. The participants were interviewed for an in-depth analysis of the adoption practices of digital payments. The focus groups aided in identifying the elaboration of concepts relating to the adoption of digital payments **Morgan, (1988)**. The participants comprised thirty-six digital consumers who exhibited a range of digital adoption arrangements, participants were engaged in focus groups and took part in individual interviews. Six focus groups comprised, six members each in six groups with representation by both genders. The sessions were based upon a discussion benchmark, expanded with themes recognized as pertinent from the literature review. Interviews were also conducted in the same mall and each interview lasted for about thirty minutes to one hour. During the interview, the conversation was noted down while participants answered the questions. The interviews and focus groups were recorded as per the objectives of the study as there was a semantical dispersion of evolving themes. The conversation was transcribed into an electronic version to make certain uniformity. Post transcription, exhaustive, organized, and unbiased analysis was conducted. Numerous times the transcripts were read through and concurrently of details are given by the participants were made. This led to arriving at collective themes and loops amid participants to be recorded and further examined, giving a thorough understanding of the description of the acceptance of digital payments. For making certain uniformity and consistency, a section of the transcript was examined. The transcripts were brought into NVivo 2.0, which assisted in understanding to recognizing themes **Guthrie (2007)**. Thematic analysis was used to

understand the results of the interviews in an iterative approach, with MS Word and Excel as data structuring tools. This procedure helped to highlight a few exciting attributes of the involvement and advantages of digital payments. Also, this study impelled analytical style as in Table I:

**Table I. Interview of Participants - Description :**

Participants (Number)	Description
Teens (6)	Adolescents( Age Between 14-16 Years).
Students (6)	Students (Age In Early ' the 20s).
Professionals (6)	Professionals (Age Between 20-30 Years Old ).
Adults (6)	Adults (Age Between 20-30 Years Old).
Parents (6)	Parents (Age Between 30-39 Years Old).
Middle-Aged (6)	Participants (Age Between 50-59 Years Old).

After the interview and focus group transcription was carried out and examined instantaneously employing a six-phase thematic analysis process as purported by **Braun and Clarke (2006)** and which was also lately used by Gupta, Ganguli, and **Ponnam (2015)**. The interviews were audio-recorded in entirety and transcribed verbatim of data. To comprehend participants' insights into the significant operative behaviors and traits of intensity and acclimatizing coaches, an inductive thematic study was employed. Employing a six-phase process recommended by **Braun and Clarke (2006)**, the transcripts were scrutinized by the breakdown of text into trivial units. During the procedure of the study, the six-step thematic analysis procedure – **Braun & Clarke (2006)** was applied.

**5. DATA ANALYSIS:**

- **Apprising with Transcribing data-** analysis, and re-analysis; observing preliminary codes.
- **Creating preliminary codes-** Coding thought-provoking traits of the data methodically amidst data-set, gathering data pertinent to each code.
- **Investigating for the themes** - Collecting codes into probable themes, the congregation of whole data pertinent to every probable theme.
- **Elaborately studying the themes** – Inspecting if the themes come off in comparison to the coded excerpts and the whole data-set; produce thematic 'map'.
- **Describing and identifying themes** - scrutiny to enhance the data of every theme; creation of well-defined names for every theme.
- **Creating a Final report** - a chance for scrutiny and choosing suitable abstracts; debate of the investigation; narrate reversely to research literature and finally create a report. These steps are shown in **Table II** below:

**Table II: SIX-STEP THEMATIC ANALYSIS PROCEDURE:**

Phase	Description of the process
1	Familiarising yourself with your data Transcribing data (if necessary), reading and rereading the data, noting down initial ideas
2	Generating initial codes Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code
3	Searching for themes Collating codes into potential themes, gathering all data relevant to each potential theme
4	Reviewing themes Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic 'map' of the analysis
5	Defining and naming themes Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme
6	Producing the report The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis

Source: **Braun and Clarke (2006)**

The themes from the transcriptions of the depth interviews were grouped and labeled to form the main factors.

The influencing factors identified are listed below:

## **6. Factors Influencing Consumer's Intention For Switching To Digital Modes:**

### **I. Personal Innovativeness :**

Innovativeness is well-defined as the "willingness of an individual to try out any new information technology" **Midgley & Dowling,( 1978)**. It means the degree to which a customer approves an innovation in comparison to others as per the diffusion of innovations theory **Rogers, (2003)**. Innovative persons are further prone to try innovative know-hows and are determined to attempt the products and services above their non-innovative corresponding individual. Personal innovativeness signifies the disposition of a consumer to attempt novel goods. Persons with superior personal innovativeness are further inquiring, more receptive to striving innovative ideas. Modes of digital payment, an innovative technology, be capable of precisely being deemed in its early lifecycle stages by way of an amenity product. It is innate to think of extremely innovative consumers to attempt and espouse this digital mode of payment technology following the diffusion of innovations theory. Moreover, substantially innovative consumers desire to try an additional thoughtful acquaintance of the digital payment system's characteristics and usage devoid of any problem. Accepting this perception, high-level personal innovativeness is projected to promote a favorable viewpoint concerning the usage intention of digital payments.

*"I was afraid to try out digital modes of payment as being complex but then I decided to give it a trial. I was overwhelmed by my ability to use this latest technology and I am proud of it today" (P 5).*

*"My friends tag me as a tech-savvy smart customer as if any of my friends faces any problem concerning digital payment usage they take help from me" (P1).*

### **II. Social Influence:**

The attitudes of the individuals are significant to a character comprising of the family unit, acquaintances, and testimonial assemblages that have influences on a person who intends to act positively. The subjective norms relate to the social influence idea in the framework of the present study. Customers come upon digital payments technology products, they may comprehend a definite ambiguity concerning the invention and the values of its usage. This ambiguity may be curtailed by accomplishing the feelings of others. In digital modes, this outcome is the mode by which persons' societal milieu notices digital modes. This notion can be described as an individual's awareness of the majority of individuals' significant deliberations to perform or not to perform the conduct in reason". The Pragmatic proof approving this supposition was originated on numerous new-fangled technology structures, facilities situations. Harmonized through the theoretic basics, pertinent reviews social influence imitates opinions regarding digital payment.

*"Individuals who are significant to me would realize expanding digital modes advantageous." ( P 13).*

*"My peer group who effect my conduct contemplate I should practice using digital modes "(P 25).*

*"I think that my friends whom I follow would inspire me to use a digital wallet."( P 27).*

### **III. Perceived Compatibility:**

Compatibility is described as employing a modernization professed as coherent to the prevailing morals, principles, skills, and wants of entities. It is measured as a significant component of technology approval models, and inconsistency of an individual's morals with modernization is recognized to hamper the espousal. It is anticipated that individuals' régimes influence their opinion concerning Digital modes. An individual favoring cash as his/her most important payment mode owing to everyday life or principles will have little compatibility with Digital modes. It is expectable for that individual to configure, an unfavorable opinion of structures. Compatibility is expected to impact the user's notions towards digital modes and user intents.

*"I recognize the value of expanding digital modes in a cafe/espresso bar/ as a substitute of alternate approaches of payment".(P17)*

*"Employing digital modes at a cafeteria/ teashop errands fine, I am fond to purchase products" ( P 36).*

*"Expending a digital mode is justifiably coordinated with all attributes of my outlay manners". (P3).*

### **IV. Intention to Use:**

Behavioral intention is the agent's independent likelihood that he or she desires to accomplish the behavior. This perception varies from the impression of intent as it is cognized. It is the degree to which an individual has articulated sensible strategies to realize or not to accomplish itemized imminent conduct. Behavioral expectancy is relational to the product of behavioral intention and subjective behavioral control. The concept of behavioral expectation construes the perception of behavioral intention as a pointer

as to how hard-hitting individuals are enthusiastic to attempt and how much of an attempt they are scheduling to exercise. The following are the statements related to this concept :

*"I am interested to carry on with the usage of digital modes very soon."* (P 25).

*"I am enthusiastic to tapping digital modes shortly to be more precisely."* (P27).

*"I anticipate to keep on employing digital modes at least as frequently in subsequent month as I have done beforehand."* (P 19).

*"I plan to continue with the usage of digital modes when the chance results from"* (P 6).

## **V. Mental Attitude:**

Consumer mental attitude to digital procuring is described as the degree to which a consumer achieves an encouraging approximation of making digital payment. **Bianchi et al.(2012)**. Digital expertise has furnished apparatus, arrangements, and custom which helps consumers to express and substitute the facts anywhere and anytime not concerning intermediaries. Digital facilities are effortlessly appropriate with the digital way of life; give procedures of digital payment for products in the situation of a lifetime. It is an enormous benefit of digital payment services to specifics consumers the aptitude to generate services everywhere they want and related to conventional payment approaches. The novel digital payment mode is helpful to consumers regardless of enchantment and place and has a massive appropriate in the existing day's digital and energetic means. It allows customers to deliberate the facilities via communication networks and the variability of digital devices with smartphones **Au & Kauffman, (2008)**. The quote about the attitude relating to digital mode is:

*"I like to do shopping on the websites with digital payment facility available in my mobile available at my fingertips even at odd hours in the comfort zone of my house "* (P 11).

*"It's a good idea to use digital payment"* (P 21).

*"I find using digital modes is very helpful."* (P 28).

*"I feel that using digital mode is promising."* (P 14).

*"I suggest that handling mobile wallets is an intelligent idea to do."* (P 24).

## **7. FINDINGS :**

The framework developed by analyzing relationships indicates that behavior intent integrates a significant outcome on the custom of digital mode for augmenting participants' insights into the significant operative behaviors a qualitative study was employed. The results furthermore reflect that consumers' awareness towards a technology chiefly is accountable for their comportment. Technology self-efficacy was fundamental in evolving the discernments of the respondents for digital modes. Consequently, it's indispensable to comprehend that in the times ahead, the speediness of dissemination is regimented on the advocates of trust, which are a technique and linguistic self-efficacy, which might shape the consumers dispassionately. The context points out that admission to digital mode maintains an essential part in boosting perception easy usage. Technology self-efficacy deals with a substantial role in generating and evolving the perception as it affects the outcome of assurance during the usage of digital mode. The persistent tradition of digital payment by the participants facilitated the end-users towards declining cash usage from the system. Future research can work on the critical of the constructs and, therefore, addressing the most critical constructs will help in forming an effective strategy or policy to enhance digital payment usage.

## **8. CONCLUSION:**

The majority of studies on digital modes were founded in developed countries. The philosophies applicable to the developed countries may not be pertinent to the developing marketplaces of developing countries like India due to the unusual fiscal and societal system. Studies appropriated for the evolving marketplaces need to comprehend the socio/cultural, fiscal, and ecological milieu adjacent to such marketplaces. The greatest digital companies functioning do not have vigorous e-commerce sites for the Indian marketplaces nevertheless such e-commerce websites subsist in the advanced countries. The aim is that capitalizing in such endeavors may not vintage the essential outcome as the amenities to endorse such outlay are inadequately endowed. Furthermost individuals are illiterates and do not read and write.

The statutory agencies should draft laws and set out policy trust for providing a favorable setting by funding the cost of the internet to enhance the support of digital modes. Outlays should be focused on a stable power resource. Companies should bestow an online chart segment that drives to deliver a prompt response to a query from customers. Numerous individuals discard digital modes as they are not upgraded and informed. Moreover, safety is to be catered for online transactions. Organizations to do in entirety conceivable to shield the curiosity of customers of digital modes and not to vend their data to other firms for advertising drives.

## 9. IMPLICATIONS FOR MANAGERS :

Any service provider that introduces it will likely enjoy the first-mover advantage in that industry. To drive the digitization of the Indian digital payment market, massive promotional campaigns that embrace not only the conventional advertising messages but also face-to-face interaction with the people, use of opinion leaders and local community development committee members to educate their people on the newly available means of transacting business. Also, to attract people, premiums and discounts can be offered to those who pay digitally. Compared to what is happening in developed countries in the digital payment sector, initially, it was slow but more people are embracing digital payments now. India's middle class is growing and they will embrace digital payment.

## 10. LIMITATIONS AND DIRECTION FOR FUTURE RESEARCH:

The data collected from a small group of thirty-six participants only might not come from the sample population representation. This study is limited only to the Delhi-NCR region of India. Also, few respondents cannot represent a vast population of above one hundred and thirty million population in India. It is recommended that quantitative research be supported to scrutinize these variables concerning the digital modes through samples drawn from other parts of India.

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