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Impact of Digital Payment System on Society an Empirical Study on Devadurga Taluk in India

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A B S T R A C T

This paper gives a top to bottom prologue to the concentrate on the effect of advanced installment frameworks in provincial regions, explicitly zeroing in on Devdurga Taluk. The foundation makes way for understanding the job of computerized installments in upgrading monetary openness and financial movement. The reasoning features the developing significance of computerized installments in crossing over monetary holes in rustic networks. The examination issue tends to the need to assess how these frameworks are embraced and used across various segment gatherings. This section additionally talks about the benefits, like comfort and expanded monetary incorporation, and weaknesses, similar to security concerns and innovative restrictions. It covers different sorts of computerized instalment frameworks, profiles important businesses and organizations, and incorporates a SWOT examination to give a comprehensive perspective on the area. Section 2 digs into the hypothetical foundation and audits existing writing, pinpointing holes that this study intends to address.

1. INTRODUCTION

Digital payment systems have revolutionized financial transactions, enabling fast, secure, and convenient electronic payments through mobile wallets, online banking, and apps like Google Pay, PayPal, and UPI. The adoption of these systems has surged globally, driven by technological advancements, increased internet access, and smartphone usage. Countries like China and India have seen rapid digital payment growth, particularly after India's 2016 demonetization, which pushed for cashless transactions.

In India, platforms like UPI and BHIM have transformed how people, even in rural areas, engage with financial services. However, challenges like limited infrastructure, low digital literacy, and socio-economic barriers still hinder adoption in areas like Devdurga Taluk. Digital payments are crucial for financial inclusion, offering underserved populations access to

banking services, enhancing transparency, and promoting economic growth.

2. LITRATURE REVIEW

This paper speaks about digital innovation, digital payment, digital era on tertiary sector. For the economic development it is thoroughly required [1]. All transactions are need to be completed to enhance the productive output of the organization. In order to do that, this is required much more [2]. capital appreciation cand depreciation has been done on digital payment system. It enables smooth functioning of the reliable work. This particular situation has been done from here and there and there and here [3]. Digital payment system has implemented successfully to reduce the burden of cash payment during emergency situation. It helps to reduce the paper work in an orderly manner [4]. The digital era has increased the vulnerability of many things to complete the power of that and circulation of money in the country [5].

3.1 Objectives

This study aims to understand the concept of digital payment systems and assess their adoption and usage levels among residents of Devdurga Taluk, examining how different demographic groups engage with these systems. It seeks to identify consumers' preferred digital payment platforms and the frequency with which they use them, alongside investigating the socio-economic factors that influence their adoption and usage. Through this, the study will provide insights into the varying determinants that drive or hinder digital payment usage within the community.

3. DATA ANALYSIS AND INTERPRETATION

Data for this research was collected through the village people which was able to understand the concept of digital payment system in urban areas because of to create the awareness about the digital payment system in India.

Table 1. Summary of responses.

Statement	SA	A	N	D	SD	Grand Total
I am aware of digital payment platforms such as UPI, mobile wallets, and online banking.	85	173	41	5	1	305
I prefer using digital payment systems over cash for my transactions.	161	128	16	0	0	305
I believe digital payments are more convenient than traditional methods (cash, card, etc.).	108	152	44	1	0	305
I use digital payment systems for bill payments (electricity, water, mobile recharge, etc.).	100	150	54	1	0	305
I use digital payment systems for shopping	98	144	57	6	0	305
I use digital payment systems to transfer money to friends or family.	90	142	67	6	0	305
I am concerned about the risk of fraud or data breaches when using digital payment systems.	101	159	39	2	4	305
I trust digital payment systems to keep my financial information secure.	83	156	59	7	0	305
I prefer to use digital payment systems that have additional security features like OTP (One-Time Password) and biometric authentication.	123	130	49	3	0	305
I believe my level of education influences my ability to adopt and use digital payment systems.	87	154	54	6	4	305
I think the ease of access to the internet and smartphones influences the adoption of digital payment systems.	105	130	63	6	1	305
I believe government policies (e.g., incentives for digital payments) encourage the use of digital payment systems.	102	136	62	5	0	305
I face technical issues (e.g., internet connectivity, app errors) when using digital payment systems.	93	136	65	8	3	305
I find the user interfaces of digital payment platforms complicated.	76	142	76	7	4	305
I am concerned about hidden charges or fees when using digital payment systems.	94	137	65	6	3	305
I believe government policies (e.g., incentives for digital payments) encourage the use of digital payment systems.	90	146	59	10	0	305
I believe digital payment systems are safer than carrying cash.	75	151	67	11	1	305
I use digital payment systems for food delivery and restaurant payments.	76	161	58	10	0	305
I am willing to explore new digital payment platforms as they become available.	86	172	43	4	0	305

The ANOVA results indicate that the regression model is statistically significant, with an F- value of 93.829 and a p-value of 0.000. This suggests that the predictors (GP, AT, SC, PU) collectively have a significant impact on the dependent variable (AU). The regression sum of squares is 168.952, and the mean square for regression is 42.238, demonstrating that the model explains a substantial portion of the variance in the dependent variable compared to the The coefficient analysis reveals that all predictors (PU, SC, AT, GP) significantly influence the dependent variable (AU). The standardized coefficients (Beta) indicate the strength of each predictor's impact, with PU (β = 0.458) and SC (β = 0.364) having the largest effects, followed by GP (β = 0.437) and AT (β = 0.150). Each predictor's p- value is 0.000, confirming their significance. The constant term is essentially zero and not statistically significant. These results underscore the substantial contributions of PU, SC, GP, and AT to the variation in AU.residual variance.

Table 2. Calculation of correlation.

Coefficients (Dependent Variable: AU)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.15E-16	0.038		0	1
	PU	0.458	0.038	0.458	11.9	0
	SC	0.364	0.038	0.364	9.448	0
	AT	0.15	0.038	0.15	3.898	0
	GP	0.437	0.038	0.437	11.368	0

4. FINDINGS

- Majority of respondents are young adults, reflecting the perspectives of a younger demographic.
- Overrepresentation of male respondents indicates potential gender bias, affecting the generalizability of findings.
- High proportion of employed respondents suggests a skewed representation towards individuals with stable employment, potentially excluding those in other employment statuses.
- Strong representation of individuals with Bachelor's and Master's degrees indicates a well-educated respondent base.
- Most respondents fall into lower to mid-range income brackets, with a notable drop in those earning between ₹10,001 and ₹20,000.
- Higher percentage of responses from semi-urban and rural areas compared to urban areas suggests greater relevance or interest in the topic within these regions.
- 84.6% of respondents either strongly agree or agree with the statement, indicating strong positive sentiment among the majority.
- Absence of disagreement among most respondents highlights strong consensus and overall satisfaction with the subject matter.
- Presence of neutral responses and a small percentage of dissenting views points to areas needing further clarity or improvement.
- While the majority shows strong approval, the neutral and minimal negative feedback suggests some reservations and areas of ambiguity.

5. SUGGESTIONS

To achieve a more balanced and representative sample in future surveys, we should implement strategies to increase participation from underrepresented groups, including non-binary and gender-diverse individuals. We should also target unemployed and self-employed individuals through outreach or incentives to ensure a comprehensive understanding. Tailoring communications to the needs and interests of highly educated individuals, and focusing on advanced topics or professional development, could enhance engagement. We need to address the economic conditions of those earning below ₹10,000 and explore ways to increase income levels in the ₹10,001 - ₹20,000 range to capture a more diverse economic perspective. Investigating the factors driving higher engagement in semi-urban and rural areas and employing targeted outreach to urban areas could lead to a more balanced representation. To clarify the reasons behind neutral responses, we should explore any uncertainties and understand the small percentage of disagreement to identify specific issues needing attention. Conducting

follow-up inquiries could uncover specific concerns contributing to neutral or dissenting views, allowing us to make targeted improvements to enhance overall satisfaction. Engaging with the neutral and disagreeing respondents through follow-up surveys or focus groups could help refine our approaches and increase overall acceptance.

6. CONCLUSION

The research on digital payment systems in Devdurga Taluk reveals several important conclusions. It confirms that residents generally view digital payments positively, indicating a growing acceptance of these technologies. The study shows that adoption and usage vary across different demographic groups, with young adults demonstrating higher engagement compared to other age groups. Preferred platforms and usage frequencies also differ among respondents, reflecting diverse needs and experiences. Socio-economic factors such as education, employment status, and income significantly influence digital payment adoption, with more educated and employed individuals using these systems more frequently. The research also identifies areas needing improvement, such as increasing participation from underrepresented groups like non- binary individuals and the unemployed, addressing economic disparities to better capture lower- income perspectives, and improving outreach in urban areas. Furthermore, understanding the reasons behind neutral and dissenting responses can provide insights into specific concerns and help refine strategies to enhance overall satisfaction. Overall, the study offers a comprehensive view of digital payment adoption in Devdurga Taluk and highlights the need for targeted strategies to address gapsand improve inclusivity.

Although a conclusion may review the main points of the paper, do not replicate the abstract as the conclusion. A conclusion might elaborate on the importance of the work or suggest applications and extensions.

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