

E-wallet usage after demonetization: A quantitative study from working women perspectives

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Abstract

Following India's demonetization in 2016, there has been a significant increase in the use of digital payment systems, including e-wallets. The purpose of this research is to better understand the use of e-wallets among working women in the post-demonetization era. A survey and interviews with working women from various industries were conducted as part of the study's mixed-methods approach. The findings show that e-wallets have become an essential part of working women's financial lives, providing them with a convenient and secure mode of payment. They value the convenience, speed, and cashless transactions provided by e-wallets. The study does, however, highlight some of the challenges that working women face when using e-wallets, such as technical issues, limited acceptance, and security concerns. Overall, the study suggests that e-wallets have become an important financial management tool for working women. To ensure that women continue to benefit from the benefits of digital payment systems, policymakers, and financial service providers must address the challenges they face when using e-wallets.

Keywords: E-wallet, Digital, Working-women, Demonetization, Digital, Internet

Introduction:

India's demonetization campaign in November 2016 aimed to reduce black money and transition to a cashless economy. The change had a significant impact on the use of electronic payment methods such as e-wallets, which experienced an unexpected surge in popularity. E-wallets have transformed the way transactions are conducted in India and have been a game

changer in the digital payment landscape. This paper investigates the impact of e-wallet usage on working women before and after demonetization.

Prior to demonetization, e-wallets were a new concept that was not widely used in India. According to a Reserve Bank of India report, only “5% of the Indian population used digital payment methods, including e-wallets, in 2015”. Moreover, Women who were not part of the formal banking sector were frequently excluded from the benefits of digital transactions prior to demonetization. From buying groceries to paying utility bills, they had to rely on cash transactions for the majority of their daily needs. Even for those with bank accounts, transferring money electronically was frequently difficult and time-consuming. However, post demonetization, “the number of e-wallet users in India increased dramatically, and the value of e-wallet transactions reached a record high of Rs. 53,200 crores in March 2017”. **Reserve Bank of India (2016)**

Following demonetization, e-wallets, which are digital payment systems that allow users to store money electronically and make payments without the use of physical currency, emerged as a popular alternative to cash transactions. This was especially true for working women, who had to navigate a complicated financial system that wasn't always available to them.

Working women, in particular, have benefited from the acceptance of e-wallets as a form of payment. E-wallets provide convenience, security, and simplicity of use, making them an ideal payment method for working women with demanding schedules and little time to manage their finances. Working women can use e-wallets to conduct transactions at any time and from any location, eliminating the need to carry cash or visit a bank.

Another report from the National Payments Corporation of India (NPCI) emphasizes the growing popularity of e-wallets among Indian working women. According to the report, “e-wallets have become a preferred payment method for working women who want to avoid carrying cash and standing in long lines at banks and ATMs”. Working women, according to the report, are more likely to use e-wallets for online transactions such as shopping, paying bills, and booking tickets. **National Payments Corporation of India (2017)**

To summarize, e-wallets have had a significant impact on the payment landscape in India, particularly from the perspective of working women. E-wallets provide convenience, security,

and ease of use, making them an ideal payment method for busy working women who want to keep track of their finances. Following demonetization, e-wallets' popularity skyrocketed, and this trend is expected to continue, with more and more working women opting for this payment method.

Literature Review

“E-Wallets”:

“E-wallets are digital payment instruments that allow people to store and transfer money electronically”. Because of their ease of use and convenience, they have grown in popularity in recent years. According to **RBI (2016)** study, “e-wallets were the second most preferred payment method in urban areas, trailing only debit cards. E-wallets provide several advantages, including quick and secure transactions, ease of use, and the availability of discounts and cashback offers”. They are simple to use, safe, and convenient. Furthermore, as people struggled to make cash transactions after demonetization, the use of e-wallets increased. “Reserve Bank of India” (2016) stated that the number of e-wallet transactions increased from 17.5 million in October to 38.8 million in November. Moreover, “**the National Payment Corporation of India**” (2017) stated that the number of e-wallet transactions increased by 400% after demonetization.

“Demonetization”

In November 2016, the Indian government decided to demonetize high-value currency notes, which had a significant impact on the country's payment ecosystem. The abrupt withdrawal of 86% of the currency in circulation caused a cash shortage, resulting in long lines at banks and ATMs. This resulted in an increase in the use of electronic payment methods like e-wallets.

According to a study conducted by **Sharma and Bhatia (2016)**, digital payment adoption in India was already on the rise prior to demonetization, with the availability of smartphones and low-cost internet fueling the popularity of e-wallets. However, following the demonetization, e-wallets saw a massive surge in popularity as people struggled to access cash. Working women, who are more likely to be tech-savvy and to own smartphones, were among the first to use e-wallets.

“Working Women and E-Wallets

Working women make up a sizable portion of the Indian population, and their use of e-wallets is of particular interest to researchers. According to a study conducted by the (IAMAI) **“Internet and Mobile Association of India” (2016)**, 70% of women who use e-wallets are working professionals. Women preferred e-wallets because of their ease of use, availability of cashback offers, and ability to track expenses, according to the study.

Another study conducted by **Visa (2016)**, discovered that women were more likely than men to use mobile wallets. Women preferred mobile wallets for their convenience, safety, and ability to make payments without carrying cash, according to the study.

According to a study conducted by the **(IIM) Indian Institute of Management (2016)** women were more likely to use e-wallets for shopping and online transactions. The study also discovered that women preferred e-wallets because of their ability to conduct secure and quick transactions, as well as the availability of discounts and cashback offers.

Gupta and Malhotra (2017) investigated e-wallet usage among Indian consumers following demonetization and discovered that convenience was the primary motivator for e-wallet adoption. Working women, who frequently have to juggle multiple responsibilities, discovered e-wallets to be a convenient way to pay for goods and services without carrying cash or credit cards. Working women were also found to be more likely to use e-wallets for online shopping and bill payments, according to the study.

Another study, conducted by **Singh and Grewal (2017)**, discovered that trust was a critical factor in the adoption of e-wallets. Working women who had negative experiences with traditional banking and financial institutions were more likely to trust e-wallets backed by reputable companies like Paytm, Mobikwik, and Freecharge. According to the study, working women preferred e-wallets with multiple payment options, such as credit cards and net banking.

Chopra and Venkataraman (2017) investigated the factors influencing the use of e-wallets among working women and discovered that security was a major concern. Working women were more likely than men to use e-wallets with strong security features like two-factor

authentication, encryption, and biometric authentication. Working women were also more likely to use e-wallets that offered rewards and discounts, according to the study.

Khan and Khan (2017) investigated e-wallet usage among working women in Pakistan and discovered that education and income were important determinants of e-wallet adoption. Working women with a higher level of education and income were more likely to use e-wallets. The study also discovered that working women preferred e-wallets that were simple to use and convenient.

Working women in India has long been a key demographic for e-wallet providers. They are frequently preoccupied and do not have time to visit banks or ATMs for cash transactions. They are also more likely to be technologically savvy and comfortable with digital payments. According to **Nirmalya Biswas et al. (2016)**, women are more likely than men to use e-wallets. Women, according to the study, preferred e-wallets that offered discounts and cashback rewards.

However, working women's adoption of e-wallets is not without challenges. One major issue is a lack of understanding and trust in digital payments. Many women are unfamiliar with e-wallets and are wary of their security. **Sudhanshu Joshi et al. (2017)** discovered that only 34% of women were aware of e-wallets prior to demonetization. Another study, conducted by **Arvind Gupta et al. (2017)**, discovered that many women preferred to use cash over e-wallets because they felt it was more secure. Another barrier is the scarcity of e-wallets in rural areas. Rural working women frequently lack access to digital infrastructure and are less likely to own smartphones. This makes the adoption of e-wallets difficult. According to **M. Balakrishnan and K. Nithya (2017)**, only 17% of rural women owned a smartphone, limiting their access to e-wallets.

Objective: To study E-wallet usage after demonetization

Methodology: This study is descriptive in nature in which the data were obtained from the 175 respondents working women from various industries and experience levels. The major business area covered in the study were Banking and Financial Services, IT and ITEs, Retail Management, Transportation, Tour and Travel. The respondents were required to have an E-wallet account and to have used it after after demonetization. A checklist question was used to

analyse and interpret the data. In a checklist question respondents choose “Yes” or “No” for all the questions.

Data Analysis and Interpretations:**Table 1 E-wallet usage after demonetization**

SL No.	E-wallet usage after demonetization	Yes	% Yes	No	% No	Total
1	India's demonetization had a significant impact on the use of e-wallets.	151	86.29	24	13.71	175
2	The use of e-wallets increased as working women struggled to make cash transactions after demonetization.	163	93.14	12	6.86	175
3	E-wallet usage in India has continued to grow in the years since demonetization.	165	94.29	10	5.71	175
4	Trust was a critical factor in the adoption of e-wallets.	145	82.86	30	17.14	175
5	E-wallets allow working women to store money electronically.	157	89.71	18	10.29	175
6	Working women with higher level of education and income were more likely to use e-wallets.	132	75.43	43	24.57	175
7	E-wallets provides convenience, security, and simplicity of use.	153	87.43	22	12.57	175
8	In rural areas the adoption of e-wallets was not difficult.	129	73.71	46	26.29	175

Table1 shows the E-wallet usage after demonetization. It was found that around 94.2% respondents accept that E-wallet usage in India has continued to grow in the years since demonetization, the use of e-wallets increased as working women struggled to make cash transactions after demonetization (93.1%), e-wallets allow working women to store money electronically (89.7%),e-wallets provides convenience, security, and simplicity of use (87.4%),

India's demonetization had a significant impact on the use of e-wallets (86.2%), trust was a critical factor in the adoption of e-wallets (82.8%), working women with higher level of education and income were more likely to use e-wallets (75.4%) and in rural areas the adoption of e-wallets was not difficult (73.7%).

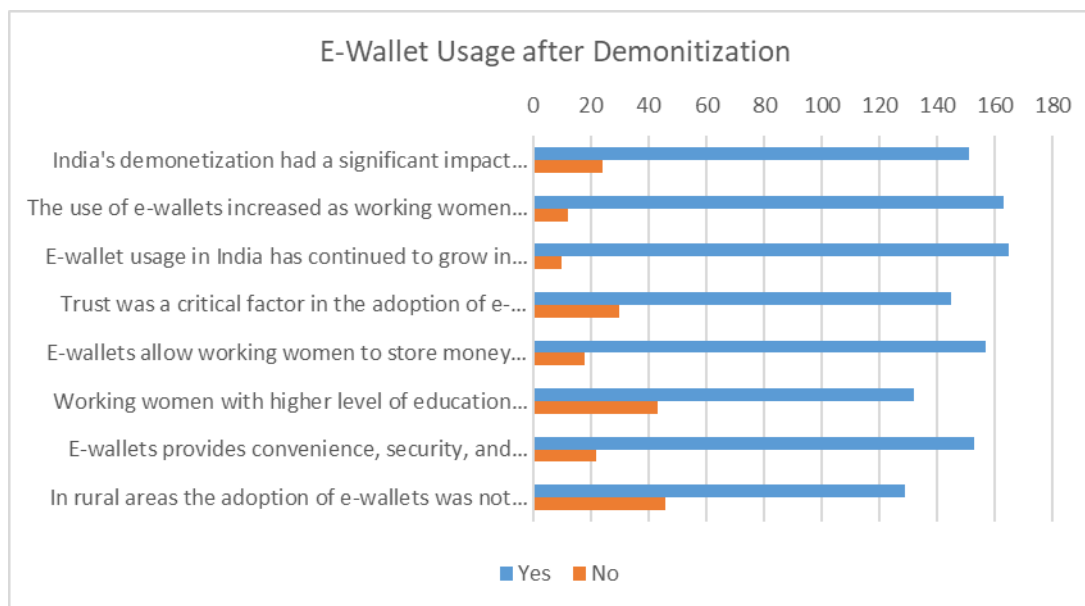


Figure 1 E-Wallets Usage after Demonitization

Conclusion

Demonetization, which took effect in India in November 2016, had a significant impact on e-wallet usage. Working women were among those most impacted by the change, as they were forced to navigate the new digital payment landscape. Post-demonetization, e-wallets gained popularity as people sought alternative ways to conduct cashless transactions. Working women, in particular, found e-wallets to be a convenient and secure way to pay for a variety of expenses, including utility bills, groceries, and online purchases. One of the most significant advantages of e-wallets for working women is that they eliminate the need to carry cash, which is both dangerous and inconvenient. E-wallets also provide a variety of features, such as instant fund transfers, simple bill payments, and cashback offers, making them an appealing option for those looking to simplify their financial transactions. However, e-wallet adoption was not without its difficulties. Many working women encountered issues with internet connectivity, a lack of knowledge, and technical difficulties when using e-wallets. Furthermore, concerns

about the security and privacy of personal information and financial data continue to be a major issue. Overall, while e-wallets have become an indispensable tool for working women in the post-demonetization era, more awareness, education, and infrastructure development are still required to ensure that their use is safe, efficient, and accessible to all.

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