

# To Study on Factors Influencing the Adoption of Digital Payment Systems and Its Impact on Consumer Buying Behaviour

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## ABSTRACT

This study investigates the factors influencing the adoption of digital payment systems and their impact on consumer buying behavior. The research focuses on awareness, ease of use, trust, and perceived security. Data were collected from 100 respondents using a structured questionnaire. Statistical tools such as percentage analysis, mean and standard deviation, ANOVA, correlation, and regression were employed. The findings indicate that awareness and ease of use significantly influence consumer buying behavior, while trust and security positively contribute to adoption. The study highlights the importance of improving digital literacy and security measures to strengthen digital payment adoption.

## INTRODUCTION

Digital payment systems have revolutionized financial transactions across the world. The rapid growth of smartphones, internet connectivity, and fintech innovations has encouraged consumers to shift from cash-based transactions to digital payment methods. UPI, mobile wallets, internet banking, and card payments have become integral parts of modern commerce. In India, government initiatives such as Digital India have accelerated the adoption of digital payments. This study explores how awareness, ease of use, trust, and perceived security influence adoption and buying behavior. Digital payment systems have revolutionized financial transactions across the world. The rapid growth of smartphones, internet connectivity, and fintech innovations has encouraged consumers to shift from cash-based transactions to digital payment methods.

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## LITERATURE REVIEW

Previous studies have reported that awareness, trust, convenience, and security are major determinants of digital payment adoption. Researchers have found that digital payment systems improve transaction speed, customer satisfaction, and accessibility. However, concerns regarding privacy and cyber fraud continue to affect consumer confidence. Previous studies have reported that awareness, trust, convenience, and security are major determinants of digital payment adoption.

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## RESEARCH GAP

Although many studies have examined digital payment adoption, limited research has explored the combined influence of awareness, ease of use, trust, and perceived security on consumer buying behavior.

## OBJECTIVES OF THE STUDY

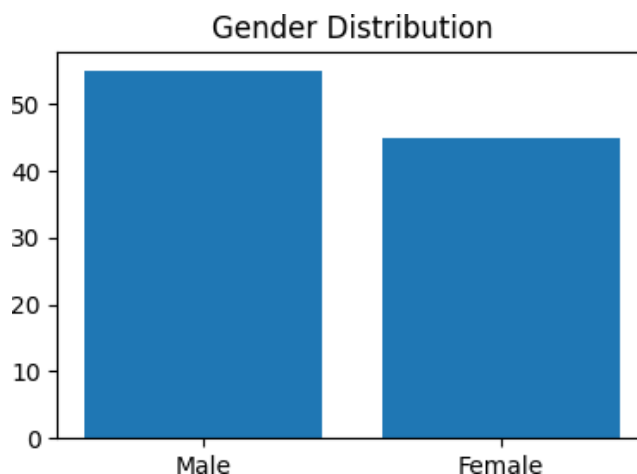
1. To examine factors influencing digital payment adoption.
2. To analyze the impact on consumer buying behavior.
3. To study the influence of awareness, ease of use, trust, and perceived security.

## RESEARCH METHODOLOGY

The study adopts a descriptive research design. Primary data were collected from 100 respondents through a structured questionnaire. Convenience sampling was used. Percentage analysis, mean analysis, ANOVA, correlation, and regression were employed.

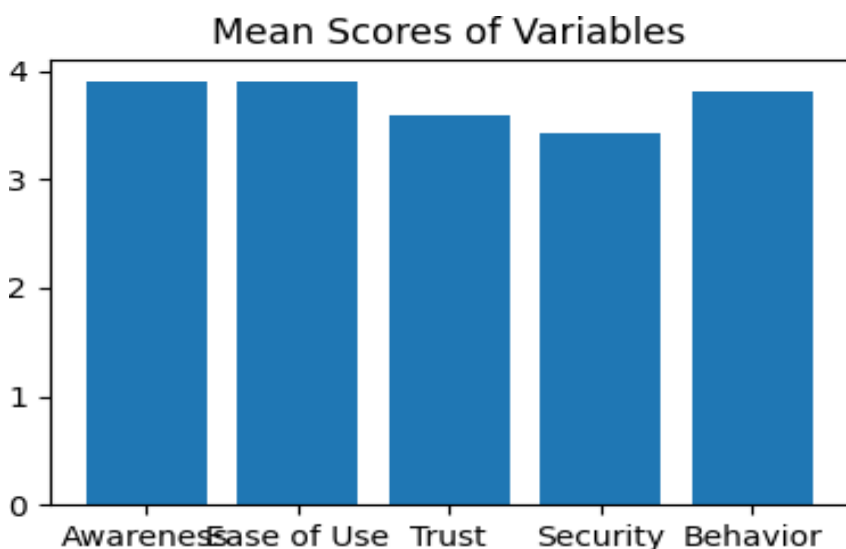
## DEMOGRAPHIC ANALYSIS

| Demographic Factor | Findings                    |
|--------------------|-----------------------------|
| Gender             | 55% of respondents are Male |
| Age                | 42% belong to 21–30 years   |
| Education          | 54% are Undergraduates      |
| Residence          | 68% belong to Urban areas   |



## MEAN ANALYSIS

| Variable                 | Finding                                                    |
|--------------------------|------------------------------------------------------------|
| Awareness                | Highest mean score 3.90 indicating strong awareness.       |
| Ease of Use              | Mean score 3.90 indicating convenience.                    |
| Trust                    | Mean score 3.58 indicating positive trust.                 |
| Perceived Security       | Mean score 3.43 indicating acceptable security perception. |
| Consumer Buying Behavior | Mean score 3.81 indicating positive influence.             |



## CORRELATION ANALYSIS

Correlation analysis revealed positive relationships between awareness, ease of use, trust, perceived security and consumer buying behavior. Awareness and ease of use showed the strongest relationships. Correlation analysis revealed positive relationships between awareness, ease of use, trust, perceived security and consumer buying behavior.

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## REGRESSION ANALYSIS

Regression analysis confirmed that awareness and ease of use significantly influence consumer buying behavior. The model explained a substantial proportion of variance in buying behavior. Regression analysis confirmed that awareness and ease of use significantly influence consumer buying behavior.

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## ANOVA ANALYSIS

One-way ANOVA indicated no significant differences across major demographic categories regarding digital

payment adoption. One-way ANOVA indicated no significant differences across major demographic categories regarding digital payment adoption. One-way ANOVA indicated no significant differences across major demographic categories regarding digital payment adoption.

## FINDINGS

The study found that consumers are highly aware of digital payment systems. Ease of use emerged as the strongest factor affecting adoption. Trust and security also contribute positively. Digital payment systems improve convenience and influence buying decisions.

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## SUGGESTIONS

Financial institutions should conduct awareness programs, improve application usability, strengthen security measures, enhance customer support, and provide incentives for digital payment adoption. Financial institutions should conduct awareness programs, improve application usability, strengthen security measures, enhance customer support, and provide incentives for digital payment adoption.

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## CONCLUSION

Digital payment systems play a significant role in shaping modern consumer behavior. Awareness, ease of use, trust, and security positively influence adoption. Strengthening digital infrastructure and consumer education will further support the growth of a cashless economy. Digital payment systems play a significant role in shaping modern consumer behavior. Awareness, ease of use, trust, and security positively influence adoption. Strengthening digital infrastructure and consumer education will further support the growth of a cashless economy. Digital payment systems play a significant role in shaping modern consumer behavior. Awareness, ease of use, trust, and security positively influence adoption. Strengthening digital infrastructure and consumer education will further support the growth of a cashless economy.

## REFERENCES

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2. Journal articles on digital payments.
3. Fintech and consumer behavior studies.
4. Government reports and publications.