

CUSTOMER PERCEPTION TOWARDS DIGITAL TRANSACTION

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ABSTRACT

This study explores the aspects that impact customers' perspectives and actions about digital transactions, specifically in this dynamic economy. The research draws from a comprehensive literature review to synthesize important aspects pertaining to user experience, trust, perceived risk, convenience, socio-demographic factors, innovative drives, regulatory environment, cultural effects, and future trends. The results show that ease and efficiency are the most important factors in driving adoption, even while people still worry about the security of digital transactions and the perceived risks associated with them. Trust also appears as an important component, and it is significantly influenced by user experience and the reputation of service providers. Consumer sentiments are already complicated, and socio-demographic factors like age, income, and digital literacy further complicate matters. A number of factors come into play, including cultural norms, legislative frameworks, emerging technologies, and social shifts towards cashless economies. Legislators and practitioners alike can benefit from the study's findings on how to increase trust, decrease risks, and promote widespread usage of digital transactions. User experience, ease, security, trust, demography, innovation, regulatory environment, cultural effects, and future trends are some of the words and ideas used to define various parts of the digital transaction.

Keywords:-Digital, Transaction, Customer, Perception

INTRODUCTION

The declaration of demonetization by Prime Minister Narendra Modi on 08 November 2016 was one such disturbance, and as the saying goes, every upheaval brings chances. The digital wallet businesses snatched the chances presented by demonetization and ran with them to increase their market share in India's digital transactions. As an alternative to cash, demonetization has given Indian consumers a chance to embrace digital payment methods.

There will be less need for actual currency in the future thanks to digital transactions, which will lead to a cashless transaction economy. Digital transactions are used to settle payments instead of cash. Electronic money transfers are the norm in today's market. In order to understand what consumers anticipate from online purchases, the researcher is interested in this topic. In the long run, it helps digital wallet providers enhance digital transactions, which in turn boosts client loyalty and brings in new ones. A customer's impression, awareness, or consciousness about a firm or its offerings is referred to as customer perception in marketing, according to

the Business Dictionary. Many different avenues, including advertisements, reviews, PR, social media, and personal encounters, can influence how customers see a brand.

- **Electronic Transaction**—An electronic transaction is defined as "a seamless system involving one or more participants, where transactions are effected without the need for cash," as stated in the Business Dictionary. Several entities, including major financial institutions and several economic sectors, work together to complete a digital transaction.

FOUNDATIONS

This study aims to gain a better understanding of how customers perceive digital transactions. Consumers have a generally positive attitude towards mobile payment applications, according to the numerous research that have investigated this topic in the past. The use of digital wallets as a payment mechanism is influenced by aspects like how easy they are to use, how expressive they are, and how much faith people have in them.

The Idea of Online Deal

The use of mobile phones and online banking has grown substantially in recent years in India. When money changes hands digitally, it's called a digital transaction. The parties involved in a digital transaction employ electronic means to transfer funds from one another. Electronic payment is another name for it.

How Does One Define a Data Transfer?

When two or more parties can complete a transaction without physically exchanging currency, we say that the transaction is digital. To keep up with the ever-rising expectations of tech-savvy consumers, digital transactions necessitate a dynamic approach in which financial technology (fintech) firms work in tandem with other economic sectors.

- A digital transaction is one in which no physical currency is exchanged. • several stakeholders, including major financial institutions and several economic sectors, work together to complete a digital transaction.

Some examples include making in-store purchases with a debit card, making in-app purchases, and paying for things

Online .As people transition from a cash-based to a digital economy, these types of transactions are more common and essential than ever before.

Making Sense of Electronic Purchases

The demand for efficient solutions to streamline end-user procedures and transactions is growing in response to the increasingly complicated needs of investors and consumers of financial services. Given the increase in the usage of automated services, it is inevitable that financial institutions will have to expand their digital services and offers.

Companies in the financial sector that want to stay in business in the face of rising consumer demand for cheaper alternatives to conventional banking services must use technological solutions. In order to revolutionize the financial sector, fintech companies have been at the forefront of digitizing the end-client's transactional ecosystem.

Online banking is just one part of the virtual process that a digital bank represents. Digital banking, being an end-to-end platform, must include not only the front end that customers view, but also the back end that bankers access through their servers and administrative control panels, as well as the middleware that interfaces between these components. At its core, a digital bank should be able to provide any conceivable banking operation across every possible service platform. All the same features as a main office, branch, internet service, bank card, ATM, and point-of-sale machine should be available.

Because it incorporates middleware solutions, digital banking goes beyond being merely an internet or mobile platform. Middleware connects several programs and systems together, such as databases and operating systems. To be fully qualified as a digital bank, the middle and back end must also incorporate departments like marketing, product development, and risk management from the financial sector. To maintain safety and conform to rules set by the government, banks and other financial organizations must use cutting-edge technology.

Now it's the bank's job to meet customer requests by facilitating transactions that link buyers and sellers through channels chosen by the buyer. Customer Relationship Management (CRM) software can help cultivate this dynamic, which in turn shapes the foundation of customer pleasure. Since CRM allows banks to engage with their clients directly, it is essential that digital banking systems incorporate CRM.

Customers want services that are consistent from beginning to finish and that prioritize their convenience and satisfaction. With the market's cross-platform front ends, consumers can make purchases regardless of whether they're using a desktop computer, a smart TV, or a mobile device. Banks must maintain their emphasis on developing digital technology that offers efficiency, scalability, and agility if they are to satisfy customer needs.

LITERATURE REVIEW

The ease and speed of online shopping has been the subject of multiple studies. Customers really appreciate being able to shop whenever it is most convenient for them. Digital payment options are becoming increasingly popular due to their convenience.

Security issues have kept it from gaining widespread use, despite how convenient it is. The security of customers' financial data and the possibility of falling prey to fraud and identity theft are major concerns. Improving security measures and gaining clients' confidence are common research topics.

Consumers evaluate the potential dangers of online purchases in the same way they do security risks. Numerous factors can impact how consumers perceive risk. Some of these factors include the technological complexities, the haziness of the consequences of transactions, and the likelihood of technical failures.

The digital payment system's impression by customers is heavily influenced by their trust in the service provider. The best way to encourage adoption is to build trust via honest dialogue, dependable service, and positive experiences.

Customers' perceptions of digital payment systems are greatly affected by user experience (UX) and interface design. Common research foci include the interface's usability, the transparency of the payment procedure, and the ease of navigation. Customers are more satisfied and loyal when they have a simple time navigating your site.

Age, income, education level, and geographic region are some of the socio-demographic variables that impact consumers' views on online purchases. Older or less well-off individuals may be wary or reluctant to accept digital payments, in contrast to younger or more tech-savvy individuals.

The impact of novel concepts and technological developments on customer sentiment is another area that has received academic attention. Recent developments in biometric identification, contactless payment alternatives, and alternative payment mechanisms may affect consumer opinion and the pace of digital transaction adoption.

The public's view of online purchasing can change as a result of new rules and policies. New studies are focusing on consumer rights legislation, data protection standards, financial monitoring, and the reliability of digital payment systems.

Opinions are shaped by a combination of cultural standards, social conditions, and recommendations from friends and family. Social conventions about payment systems, cultural perspectives on cashless society, and the impact of social networks on adoption rates are all potential areas for research.

Several studies have examined the potential benefits and drawbacks of digital transactions in the future. Some examples of such variables include the rise of block chain technology and cryptocurrency, the influence of artificial intelligence on the banking sector, and the changing tastes of so-called "digital native" generations.

Customers' attitudes and behaviors towards online purchases are complex and influenced by many different aspects. A general outline of the relevant literature is provided by these themes.

OBJECTIVE

In order to gauge the level of contentment felt by consumers about online purchases.

Looking for information regarding the factors influencing the use of online payment systems.

Determine the most typical customer complaint by investigating the digital transaction service.

The objective is to learn about the features that customers desire in digital transactions.

To provide strategies for retaining and improving digital transactions in order to increase customer loyalty and attract new ones

Find out how well-versed the intended users are in using different kinds of online payment systems.

Think about accessibility, speed, ease, and security when you weigh the pros and cons of online shopping based on evaluations written by actual customers.

Customers' income, degree of education, and age are some of the demographic parameters that impact their adoption and utilisation of digital transaction channels.

□

See how your customers use various digital payment alternatives, such as online banking, mobile banking, digital wallets, and peer-to-peer platforms, to determine which one they prefer.

Research Methodology -

Study Framework

This research is descriptive research with proper combination of primary and secondary research. Some information has been ready-made through internet, magazine, newspaper articles etc.

Conclusions have been drawn using survey method.

GOOGLE form.

Research Approach

Following sampling is designed to execute the survey

50 samples

The Design of the Sample

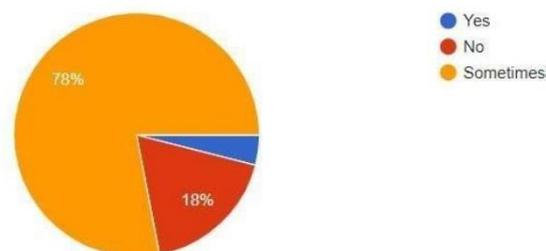
Customer age bracket of 18-50 and above years

Types of Questionnaire

Structured questionnaire in e-format collected through

Do you face any issue during digital transaction?

50 responses



FINDINGS

- 4% out of 50 respondents sometime facing issue during digital transaction
- 18% out of 50 respondents don't facing issue during digital transactions.
- 78% out of 50 respondents facing the issue during digital transactions.

Do you feel secured while making Digital Payments?

50 responses

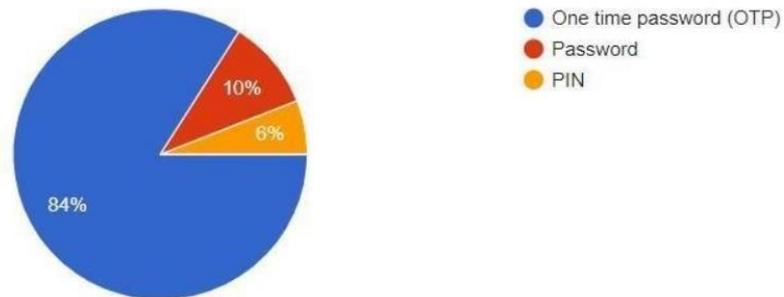


FINDINGS

- 90% out of 50 respondents feel secure while making digital payments.
- 10% out of 50 respondents don't feel secured.

What types of medium of securities would you prefer?

50 responses



FINDINGS

- 84% out of 50 respondents prefer OTP medium of securities .
- 10% out of 50 respondents prefer Password
- 6% out of 50 respondents prefer PIN.

CONCLUSION

The purpose of the study was to investigate consumers' knowledge, attitudes, and intentions regarding the possibility of replacing the contents of traditional wallets with those stored on their smartphones. To be more precise, the study probed participants' knowledge, engagement, and propensity to use smartphones to finalize monetary transactions. The number of people using digital payment methods has grown in tandem with the proliferation of smartphones and internet access. More and more people are opting to pay via digital methods. The survey found that young adults (those between the ages of 18 and 24) are the most likely to use digital payment methods. In addition, the study looked at the top digital payment gateway providers that customers prefer. According to the research, among the various wallet services, Google Pay is at the top. Respondents are impacted by a wide range of circumstances while using M-wallets to make online payments. According to the research, the most important factors are things like time, ease, security, loyalty/reward points, and coupons. The ease, effort, and money saved by using digital payment methods can be substantial for consumers. Security concerns are a major roadblock since they make consumers nervous about the potential disclosure of sensitive information. This means that digital payment providers need to know what their customers anticipate from them in terms of trust and then deliver. This entails protecting the backup mechanism in the event that the phone is stolen or misplaced, in addition to resolving privacy and security concerns. The study noticed a strong correlation between the perception and the aforementioned criteria, which include security, necessity, time, and service satisfaction, all of which impact the consumer's attitude towards digital payments. As more and more Indians adopt digital lifestyles, they are more comfortable with and eager to use digital payment methods, which is driving growth in the digital payment industry in the country.

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