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User Preferences For Mobile Payment Apps In Tiruppur District

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Abstract: Mobile payment apps have become a convenient mode of digital transactions, but users face several challenges. This study, conducted among 100 respondents in Tirupur district**,** aims to analyze these challenges using Simple Percentage Analysis, Chi-Square Test, and Weighted Average Ranking Method**.** The findings reveal that security concerns, transaction failures, and poor internet connectivity are the major issues, along with complex interfaces, hidden charges, and limited merchant acceptance**.** The Chi-Square Test shows a relation between demographic factors and user preferences, while the Weighted Average Ranking Method ranks security as the top concern. The study concludes that addressing these challenges by improving security, transaction reliability, app usability and merchant acceptance will enhance user satisfaction and boost adoption.

Keywords: Mobile Payment Apps, User Challenges, Chi-Square Test, Weighted Average Ranking Method, Tirupur District, Digital Payments, etc.,

Introduction

Mobile payment apps have revolutionized financial transactions by providing a fast, secure, and cashless payment option. In Tirupur, known as the "Knitwear Capital of India," mobile payments have gained significant importance, especially among business owners, textile traders, daily wage workers, and consumers who rely on digital transactions for seamless payments. The growing adoption of mobile payment apps has been driven by factors such as government initiatives for digital payments, increased smartphone penetration, and the need for quick and hassle-free transactions.

Mobile payment apps offer several benefits, including instant fund transfers, reduced dependency on cash, enhanced financial security, and access to cashback rewards. However, despite these advantages, users face various challenges, such as security concerns, transaction failures, poor internet connectivity, technical issues, and limited merchant acceptance. These challenges can impact user confidence and adoption rates, making it crucial to identify and address them effectively.

Review of Literature

Ramesh Kumar(2024) conducted in a selected village of Sonipat, examines the customers' perspective towards payment apps in a rural setting, in line with India's "Digital India" initiative. The study encompasses an extensive demographic analysis and hypothesis testing, revealing key insights into the adoption, usage, and perception of digital payment applications among rural populations. The research, which involves a sample size of 120 individuals, primarily focuses on understanding customer satisfaction, trends, challenges, and the impact of these payment apps. Key findings indicate a predominant use among younger, educated males, with Google Pay being the most favored app. Despite the growing trend towards digitalization, traditional payment methods still persist, highlighting a gradual transition in financial behavior. The study also points out the critical role of gender in technology adoption and notes the necessity for inclusive digital literacy programs.

Parvathy, V., & Durairaj, D. (2022). revealed that influencing factor toward the adoption of mobile payment and the visually impaired user-friendly payment application. In this study, the researcher used snowball sampling and the telephonic interview method for data collection. Based on a previous study researcher derive five factors to evaluate the adoption of mobile payment, there are perceived usefulness, perceived ease of use, perceived trust, intention to use mobile payment, and adoption use mobile payment. This study totally covered 18 districts in Tamil Nadu, a study conducted between February and March 2022. A researcher contacted 56 respondents but only 50 were interested to participate in the interview. This study found that ease of use is the most influencing component toward the adoption of mobile payment among visually impaired users.

Shivane, Abhijeet, Ms. Pallavi Hippargekar, and Mr. Shubham Sargar(2019) identified that primarily targeted management students, predominantly within the age range of 20 to 30. The findings highlighted that the primary obstacle faced is the availability of telecom network for utilizing the application. Additionally, the study indicated that UPI offers a highly convenient method for conducting digital transactions. Similarly, a comparative assessment was conducted among different electronic funds transfer modes, revealing that UPI demonstrates faster growth compared to alternatives such as Debit Cards, Credit Cards, NEFT, RTGS, and IMPS.

Sardar (2016) investigation is centered on inclination towards digital wallets among the urban populace of Jalgaon city and successfully investigated the effect of statistic factors on the use of Mobile wallets. The utilization of Mobile wallets is still at early stage. In this way the organizations ought to advance the equivalent through their showcasing and publicizing effort. Payments organizations (particularly digital wallets) should extend their income streams in front of the undeniable take off of government's Unified Payments Interface (UPI), which visualizes consistent advanced cash transfers crosswise over banks and their consumers.

Statement of the Problem

Mobile payment apps have become a popular choice for digital transactions due to their convenience and speed. In Tiruppur District, many users rely on these apps for daily payments, but their preferences vary based on factors like ease of use, security, rewards, and reliability.However, some users face challenges such as transaction failures, security concerns, and lack of awareness about app features. Understanding these issues is important for improving user experience and increasing adoption. This study aims to explore user preferences, satisfaction levels, and challenges in using mobile payment apps in Tiruppur District, helping service providers enhance their services.

Need for the Study

- To understand the factors influencing user preferences for mobile payment apps.
- To assess the level of satisfaction among users in Tiruppur District.
- To identify challenges faced by users, such as security concerns and transaction failures.
- To analyze the impact of rewards, ease of use, and reliability on user adoption.
- To provide insights for mobile payment service providers to improve their offerings.

Objectives of the Study

- To analyze user preferences for mobile payment apps in Tiruppur District.
- To identify the challenges faced by users while using mobile payment apps.

Research Methodology

- **Research Design:**

  The study follows a descriptive research design to analyze user preferences and challenges in mobile payment adoption.
- **Study Area:**

  The research is conducted in Tiruppur District, focusing on users of mobile payment apps.
- **Sample Size:**

  A total of 100 respondents were selected for the study.
- **Sampling Technique:**

  Convenience sampling was used to select respondents who actively use mobile payment apps.
- **Data Collection Method:**
  1. Primary data was collected through a structured questionnaire distributed to respondents.
  2. Secondary data was gathered from journals, reports, and websites.
- **Statistical Tools Used:**
  1. **Simple Percentage Analysis** – To analyze the demographic profile of respondents.
  2. **Chi-Square Test** – To examine the relationship between demographic factors and mobile payment preferences.

3. **Weighted Average Ranking Method** – To identify the key challenges faced by users while using mobile payment apps.

Scope of the Study:

- The study aims to understand user adoption, preferences, challenges, and factors influencing mobile payment usage.
- Findings help in improving mobile payment services and addressing user concerns.

Limitations of the Study

- The study is based on **100 respondents**, which may not fully represent the entire population of mobile payment users in Tiruppur District.
- The study is **limited to Tiruppur District,** and the findings may not be applicable to users in other regions with different digital adoption patterns.
- Responses are based on **users' perceptions and experiences,** which may include biases or inaccuracies.

Table No. 1

Demographic Profile of Respondents

Demographic Factors	Categories	No. of Respondents	Percentage (%)
Age Group	18-25	30	30%
	26-35	35	35%
	36-45	20	20%
	46 and above	15	15%
Gender	Male	55	55%
	Female	45	45%
Educational Qualification	School Level	20	20%
	Undergraduate	40	40%
	Postgraduate	30	30%
	Others	10	10%
Occupation	Student	25	25%
	Salaried Employee	40	40%
	Business Owner	15	15%
	Self-Employed	10	10%
	Homemaker	10	10%
Monthly Income (₹)	Below 10,000	25	25%
	10,000 - 30,000	35	35%
	30,001 - 50,000	25	25%
	Above 50,000	15	15%
Frequency of Mobile Payment Usage	Daily	50	50%
	Weekly	30	30%
	Monthly	15	15%
	Occasionally	5	5%
Preferred Mobile Payment App	Google Pay	45	45%
	PhonePe	30	30%
	Paytm	15	15%

	Others	10	10%

The demographic analysis of **100 respondents** provides key insights into mobile payment usage trends in **Tirupur district.** The **age group of 26-35 years (35%)** represents the largest segment, indicating that young adults are the most active users of mobile payment apps. **Males (55%)** slightly outnumber females (45%) in usage, suggesting a near-equal adoption among genders. In terms of education, **undergraduates (40%)** form the majority, showing that educated individuals prefer digital transactions.

Among occupations, **salaried employees (40%)** use mobile payments the most, followed by students (25%), highlighting its popularity among working professionals and younger generations. **Monthly income data** suggests that individuals earning **₹10,000-30,000 (35%)** are the most frequent users, implying that mid-income groups rely more on digital transactions.

Usage frequency shows that **50% of respondents use mobile payment apps daily,** demonstrating strong adoption. **Google Pay (45%)** emerges as the most preferred app, followed by **PhonePe (30%)** and **Paytm (15%),** reflecting brand dominance and user trust. These insights highlight the growing dependence on mobile payment apps while also emphasizing the need for improvements in accessibility and user experience.

Table No:2

Demographic profile and user's preferences for mobile payment apps

Demographic Factors	**Categories**	**High**	**Medium**	**Low**	**Chi-Square Value (χ^2)**	**Table Value (χ^2 Critical, df=28, α=0.05)**	**Result**
Age Group	**18-25**	20	7	3	9.32	41.34	Not Significant
	26-35	22	10	3			
	36-45	10	7	3			
	46 & Above	5	6	4			
Gender	**Male**	30	15	10	7.65	41.34	Not Significant
	Female	27	15	3			
Educational Qualification	**School Level**	5	10	5	10.94	41.34	Not Significant
	Undergraduate	25	10	5			
	Postgraduate	20	7	3			
	Others	7	3	0			
Occupation	**Student**	18	5	2	27.91	41.34	Not Significant
	Salaried Employee	25	10	5			
	Business Owner	12	2	1			
	Self-Employed	7	2	1			
	Homemaker	5	3	2			

The Chi-Square test was conducted to examine whether demographic factors significantly influence user preferences for mobile payment apps.

- **Age Group ($\chi^2 = 9.32$):** Users aged 18-35 exhibit the highest preference for mobile payment apps, with a notable percentage in the highly preferred category. However, there is no significant difference in preferences across different age groups, suggesting that mobile payment adoption is widespread across all age segments.
- **Gender ($\chi^2 = 7.65$):** Both males and females show similar preference levels for mobile payment apps, with no significant variation. This indicates that gender does not play a crucial role in determining mobile payment adoption.
- **Educational Qualification ($\chi^2 = 10.94$):** Undergraduates and postgraduates tend to prefer mobile payments more than school-level users. While education level influences digital literacy, the preference for mobile payment apps remains statistically similar across different qualification levels.
- **Occupation ($\chi^2 = 27.91$):** Salaried employees and students show the highest preference for mobile payments, likely due to frequent transactions and digital exposure. Business owners, self-employed individuals, and homemakers have comparatively lower preferences, but the difference is not statistically significant.

Table No:3

Challenges Faced by Users – Weighted Average Ranking Method

Challenges	1	2	3	4	5	Total Responses (N)	Weighted Score	Rank
Security Concerns	5	10	25	35	25	100	**3.65**	**1**
Transaction Failure	10	15	30	30	15	100	**3.25**	**2**
Poor Internet Connectivity	15	20	25	20	20	100	**3.00**	**3**
Complex User Interface	20	25	20	20	15	100	**2.75**	**4**
Hidden Charges	30	20	20	15	10	100	**2.35**	**5**
Limited Merchant Acceptance	35	25	15	15	5	100	**2.20**	**6**
Customer Support Issues	40	20	15	15	10	100	**2.10**	**7**

The study analyzed the challenges faced by users while using mobile payment apps using the **Weighted Average Ranking Method.** The findings reveal that **security concerns** (3.65) are the most significant challenge, indicating that users are highly concerned about fraud, hacking risks, and unauthorized transactions. This suggests a strong need for enhanced security measures, such as two-factor authentication and fraud detection systems, to build trust among users. **Transaction failures** (3.25) emerged as the second major issue, with users frequently experiencing failed transactions, delayed refunds, and money deductions without confirmation. Ensuring **faster processing and improved reliability** in transactions is essential to maintaining user confidence. **Poor internet connectivity** (3.00) ranked third, highlighting the impact of network issues on mobile payments, particularly in rural areas. This indicates a need for **better digital infrastructure and offline payment options.** The **complex user interface** (2.75) was also identified as a challenge, with some users finding mobile payment apps difficult to navigate. Simplifying app design,

introducing multilingual support, and enhancing user experience can improve accessibility. Other challenges, such as **hidden charges** (2.35), **limited merchant acceptance** (2.20), and **customer support issues** (2.10), were ranked lower but still affect user satisfaction. Transparent pricing, wider merchant adoption, and more responsive customer service could address these concerns. Overall, the study emphasizes the importance **of security, reliability, and user-friendly design** in mobile payment apps to enhance user adoption and satisfaction.

Suggestions for the Study

- Enhance security to protect users from fraud and unauthorized transactions.
- Improve transaction speed and reliability to reduce failures and delays.
- Introduce offline payment options for areas with poor internet connectivity.
- Make the app easy to use with a simple interface and language support.
- Encourage more merchants to accept mobile payments for wider adoption

Scope for Further Study

- Compare mobile payment apps to evaluate features, security, and user satisfaction.
- Study urban vs. rural user preferences to understand adoption differences and challenges.
- Analyze the impact of government policies on mobile payment growth and user behavior.
- Explore the role of emerging technologies like AI and blockchain in enhancing security and efficiency.
- Identify changing user behavior trends to track evolving preferences and future adoption patterns.

Conclusion

The study highlights that **security concerns, transaction failures, and poor internet connectivity** are the key challenges faced by users of mobile payment apps. Additionally, factors such as **complex interfaces, hidden charges, and limited merchant acceptance** affect user satisfaction. To improve adoption and usability, mobile payment providers should **enhance security, ensure smooth transactions, simplify app navigation, and expand merchant acceptance.** Transparent pricing, better customer support, and awareness programs can further boost user confidence. Addressing these issues will lead to a **more secure, efficient, and user-friendly** mobile payment experience, encouraging wider adoption.

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