

**THEME: INDIA VISION @100: VISION 40 TRILLION -DOLLAR ECONOMY A STUDY  
ON EXPLORING PROBLEMS AND CHALLENGES FACED BY M- WALLET USERS IN  
SEMI URBAN REGION.**

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**Introduction:**

"A mobile wallet is a virtual wallet that stores payment card information on a mobile device." India has entered the digital world, and smartphones are a way of life. The increase in technology and Smartphone devices has increased socialization, entertainment, internet access, and payment tools. The demonetization in India (Kaur, 2017) and Covid times increased the use of m-wallet in the country. It has made peoples' pockets lighter and easily accessible. There are various m- wallet providers such as, Paytm, Google pay, Airtel money, Phonepe, Jio money, pay, Mobiwick, Amazon pay, etc.

The three types of m- wallets are: Closed m- wallet is designed for making full or partial payments for the services provided by the issuer. It cannot be used to make payments to any third party or withdraw money. E.g., Amazon pay, Ola cabs, etc. Semi-closed m-wallet allows users to easily transact at merchants and locations listed in a limited coverage area. This type of wallet does not permit withdrawal of cash, e.g., Paytm, Google Pay, Airtel money, etc. Open m-wallets, in general, are issued by banks for purchasing goods and services and transferring and withdrawing funds. E.g., Master cards, Visa Cards, Paypal, etc.

Although m-wallet has changed the traditional ways of banking and life of people have become cashless and more manageable, the users still face several issues. While there is a surge in users, the problems faced are particularly notable: poor internet connectivity, slow server response, delayed payments, non-payments, and, at times, double payments. Added to this, it has been noted that people's lives have become more open to scams and lack of privacy, overspending, failure to acknowledge their needs, and dissatisfaction. Where access was a trip to the bank or the ATM, now, it is in your hands and can be used by anyone. An unsatisfactory situation happens wherein a person needs to buy a pair of shoes. If he visits a store, he practically views quality, texture, size, fitting, etc., to choose his need. But he needs more time and urgency to purchase; he opts for online purchases. He studies the product as described and books his choice, which, when received, is not as displayed. He is disheartened and feels cheated.

Through this study, one can note that m-wallet has indeed always made life easy and at a click available; it has also made it vulnerable to data theft, online frauds, scams, breach of privacy, unwanted purchases, insecurity even in the house, etc. it can be said that it still needs to be made foolproof, safe and secure for the users which can lead to a powerful impact for a cashless India.

M-wallets have significant threats attached to them. E.g., in cyber security, if a person's Smartphone is stolen and the device has no proper security settings like a password, the thief will have easy access to the money and other information of the user. There are certain risks involving software viruses that disable apps. A person with a problem spending more than earning is also likely to spend more using m-wallets. Our country may have gone digital, but there are places where m-wallets are of no use, and hard cash is required; if a person isn't carrying cash, an embarrassing situation arises for the buyer. Moreover, there are still no good internet services in rural areas where these m-wallets become useless, and smartphones being electronic devices, might drain their battery and be of no use to its user.



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### Literature Review

1. Alam, M.M., Awawdeh, A., & Muhamad, A. I. (2021). The authors have studied that mobile wallets have yet to achieve their purpose in business process development. The various strengths, e.g., security and ease of access, weaknesses like poor infrastructure and invasion of privacy, opportunities for go customer service and promotion, and threats to regular inquiries of the client's upgradation, were minutely examined. The challenges and prospects in Malaysia were discussed.
2. Sarika, P. & Vasanth, S. (2019). The authors have analyzed the advancement and initiatives of the government in the development of mobile payments. They have also reviewed the current effects of mobile wallets on cashless transactions and usage. Demonetization process and its tremendous impact on cashless transactions. The attempt to create a policy to make internet security solid and safe against cyber fraud is crucial. 210 mobile users were surveyed to comprehend mobile wallet
3. Singh, N., Srivastava, S., & Sinha, N. (2017). The authors have examined user satisfaction and options with a mobile wallet. The consumer is very aware of modern technological innovations that are rapidly growing. This has revolutionized the approach to the usage of mobile wallets. One very critical factor is 'Hedonism,' which is hardly discussed. The variables that have the most influence are trust, social norms, attitude, and security.
4. Donda, R., Sagar, A., & Nalla, R. (2022). The study analyzed the issues and inhibitions of mobile wallet payments. The multiple glaring problems connected to mobile wallets were pointed out, like poor internet connection, issues with payments, and weak servers. Around 300 mobile wallet users as respondents were evaluated. It was concluded that users may have increased, but problems like low internet connection and server issues are still to be ruled out.
5. Krupa, M.E., & Shekina, D. (2022): The authors pointed out those cashless payments have become a popular trend in almost every field and have experienced massive growth of users after demonetization and covid-19 among college students. The authors also analyzed a few advantages like convenience to customers, access to other cards, new rewards, etc., and disadvantages like not being fully available worldwide, not eliminating security risks, reckless spending, etc. The study also attempted to analyze and find out how digital wallet transactions caused a change in the behavior of consumers and the problems faced while using a digital wallet. The study showed that all payments were made on one application and were easily accessible. The growth of users of smartphones and the internet facilitated the adoption of digital payments.

### Objectives

1. To explore problem and challenges faced by M- wallet users
2. To analyze significant problem and challenges faced by M-wallet users

### Hypothesis

Ho: The problem faced by m – wallet users are not significant (mean score  $\leq 3$ ) H1: Ho: The problem faced by m – wallet users are significant (mean score  $> 3$ )

### Material and methods

The current research is based on exploratory research design. The current study adopts qualitative research technique and inductive approach. Telephonic interview of 35 M–wallet users were taken and the audio was converted into transcript. The software used for current study is NVIVO 12 and the technique used is text mining (word cloud, summary table.). Further descriptive research design is used to examine significant problems faced by the m-wallet users. Data was collected from 110 m wallet users using judgmental sampling. (As per Faul et al minimum required sample to run one sample t-test one tailed=45)

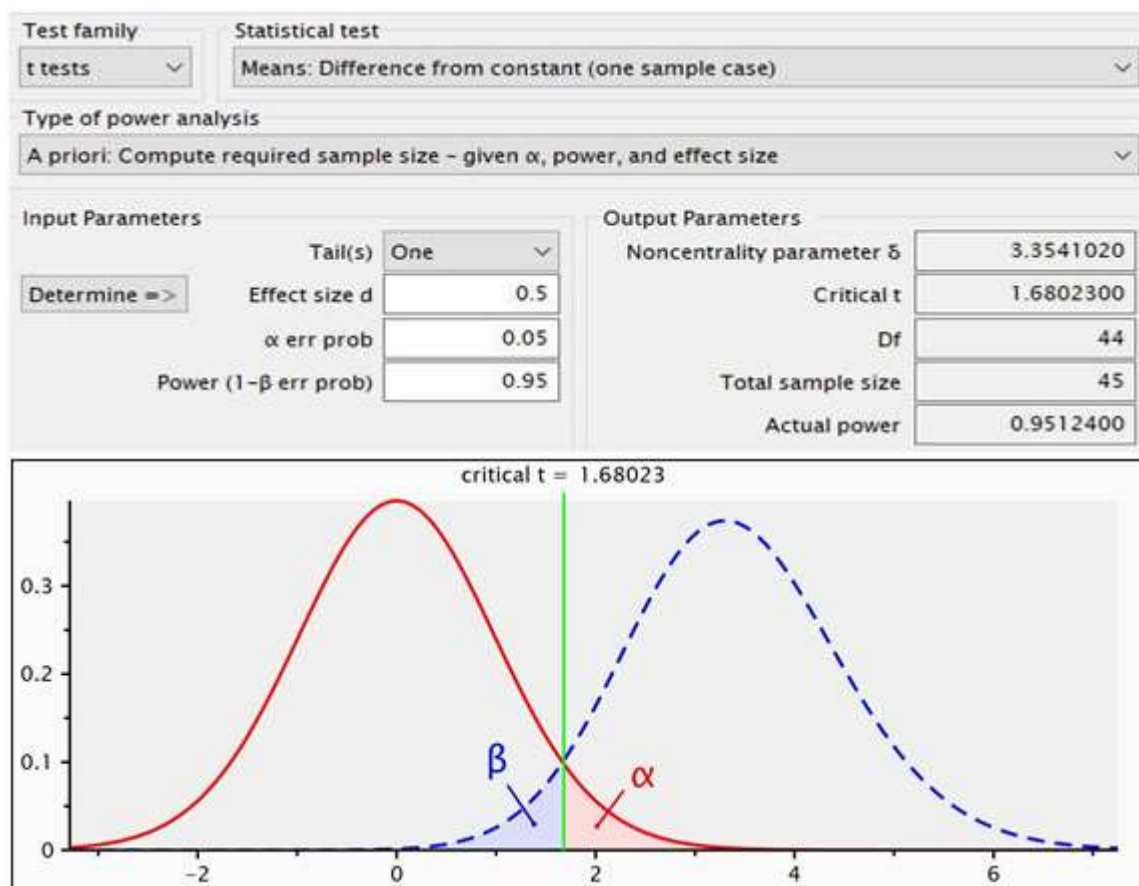


Table No: 1 Summary table

WORD	LENGTH	COUNT	WEIGHTED PERCENTAGE (%)
Smart phone dependency	10	30	12.10
Server issues	6	29	11.69
International transaction	13	28	11.29
Double deduction	15	27	10.89
Language barrier	15	26	10.48
Transaction failure	18	25	10.08
Good quality internet	12	23	9.27
Difficult to use	9	22	8.87
Transaction Fees	4	20	8.06
Security concern	8	18	7.26

From the above summary table no: 1 it is seen that major and minor problem faced by the M- wallet users. Major problem faced by the M-wallet users are Smart phone dependency with 30 count and 12.10 weighted percentage , Server issues (problem of website or application) with 29 count and 11.69 weighted percentage , international tranaction (restriction of international transaction) with 28 count and 11.29 weighted percentage , double deduction (amount deducted 2 times in a single transacton) with 27 count and 10.89 weighted percentage , language barrier (Non – availability of multiple languages) with 26 count with 10.48 weighted percentage , transaction failure with 25 count and 10.08 weighted percentage , good quality internet (4G or 5G) with 23 count and 9.27

weighted percentage , difficult to use (application is complex to use) with 22 count and 8.87 weighted percentage , transaction fees (handling charges) with 20 count and 8.06 weighted percentage and security concern (Fraud and hacking) with 18 count and 7.26 weighted percentage.

Figure No: 1 Word Cloud



Table No: 2 one sample t test

Items	t – statistics	P – value	Ha: mean score of problems faced by the M-wallet users > 3
Smart phone dependency	13.55	0.000	Significant problem
Server issues	12.01	0.000	Significant problem
International transaction	- 12.94	1	Insignificant problem
Double deduction	-13.20	1	Insignificant problem
Language barrier	13.36	0.000	Significant problem
Transaction failure	12.48	0.000	Significant problem
Requirement of Good quality internet	-12.10	1	Insignificant problem
Difficult to use	-12.26	1	Insignificant problem
Transaction Fees	12.34	0.000	Significant problem
Security concern	-13.13	1	Insignificant problem

Parametric one sample t – test (one tailed) is applied to examine significant problem extracted though the exploratory research. It is seen that p – value < 0.05 and t statistics > 1.96 for smart phone dependency, server issue, Language barrier, transaction failure, transaction fees indicating significant problems faced by the M – wallet users.

### Conclusion

The significant challenges faced by the users of m-wallets are smart phone dependency, server issue, Language barrier, transaction failure, transaction fees. To tackle server issues, the M- Wallet

Organization needs to look around the problems; the company shall upgrade or change the old server with the new one. The company can design the application to contain regional and local languages so that people find it easy and user-friendly Using M-Wallet. For Issues of Transaction failure, the company needs to ensure safe messaging on transaction failure and transparency about the payment status and clearance about the issue. The M- Wallet Applications must not deduct any payment on transactions; this will ensure customer loyalty.

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