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A STUDY ON DIGITAL PAYMENT USAGE AMONG THE STUDENT COMMUNITY IN TIRUCHIRAPPALLI CITY OF TAMIL NADU

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***Abstract:** Digital payment, also called as electronic payment, is the transfer of money from one payment account to another using a digital device such as a mobile phone or a computer. In an increasingly cashless society, digital payments are the new norm, and they take place every single day all around the world. There are multiple benefits that digital payments bring to the table. Transactions performed through digital payment systems are faster, easier, and more convenient than carrying cash in hand or performing the banking transactions by visiting the branch physically. This means that more and more people feel comfortable transferring funds via electronic mediums, buying products online and investing digitally. Digital payment plays better role not only among the working-class people but also among younger generation. The method of digital transaction is used majorly by the younger generation, specifically the student community as they have better knowledge and access to digital devices. Therefore, this study attempted to examine the usage pattern of digital payment methods among the student community in Tiruchirappalli city of Tamil Nadu. The study focused on the socio- economic conditions of the respondents in relation to their awareness, frequency, and purpose of using digital payment methods for transactions. For this purpose, the researchers have collected primary data and has used statistical tools like percentage, growth rate and crosstabulation to analyze the data. The study found that male respondents used digital transactions more frequently than female respondents and also those in higher income group used the digital transaction method more frequently than those in lower income group.*

Keywords: Digital Payments, Cashless Society, Younger Generation

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INTRODUCTION

The digital payment landscape has undergone a profound transformation in recent years, driven by the confluence of technological advancements, increasing internet penetration, and government initiatives promoting digital transactions. The proliferation of smartphones, improvements in digital infrastructure, and advancements in payment technologies have enabled the growth of digital payments, providing users with a convenient, fast, and secure way to conduct financial transactions. Another important reason is the pandemic. Major changes in payment behavior were reinforced, such as reducing the use of paper money, shifting from the physical market to e-commerce, and switching to faster payments anywhere at any place. This has led to the exploration or increased usage of innovative digital payments to ease the problems faced due to the pandemic. The pandemic has forced everyone to reduce the use of cash and turn to digital payment systems. It makes digital payments at any time through the Internet directly to manage the e-business environment. The global digital payment market is projected to reach \$14.973 trillion by 2027, growing at a CAGR of 20.4%. Therefore, this study proposes to examine the usage pattern of digital transactions among the student community in Tiruchirappalli city of Tamil Nadu state. The study focuses on the socio-economic conditions of the respondents in relation to their awareness, frequency, and purpose of using digital payment methods for transactions. The study also attempts to identify the issues faced by the student community while making digital transactions.

STATEMENT OF THE PROBLEM

As the internet and communication technologies are getting developed, commercial transaction is becoming more electronic. This change also brings new approaches to a new payment mechanism. Digital payments have revolutionized the way people spend their money. The usage of digital payment platforms among people is increasing rapidly in Tiruchirappalli city i.e., “Manchester of India”. Besides, the research studies have demonstrated that among the factors influencing consumer adoption of digital payment system, security and trust are the fundamental part of electronic transactions. Security in digital payment is a greater issue currently, thereby restricting the customers to trust the digital payment platforms as a payment device. Similarly, the lack of trust in digital payment platforms is a significant problem that can limit their adoption and usage.

OBJECTIVES OF THE STUDY

The following are the prime objectives of the study:

1. To analyze the digital payment usage among the student community in Tiruchirappalli city of Tamil Nadu.
2. To analyse the users usage behaviour of Digital payment platforms and the factors influencing the users to use the digital payment platforms in Tiruchirappalli city
3. To examine the perception of perceived security and perceived trust among digital payment users in Tiruchirappalli city .

RESEARCH METHODOLOGY

i) Research Design

The study aims to describe the factors influencing the adoption of digital payment platforms. Hence, the present study uses descriptive research design.

ii) Period of the study

Data collection for the study has taken place over a period of 8 months, from June 2024 to January 2025.

iii) Area of the study

Tiruchirappalli is a major city in Tamil Nadu with a growing economy, witnessing a rapid increase in digital payment adoption making it an ideal location to study digital payment adoption.

iv) Sampling size and sampling design

The Tiruchirappalli city 's population is approximately 16.01 lakhs. The population size is indefinite and hence, the sample size has been determined by applying the Cochran (1963:75) formula for an infinite population.

Sample Size

The sample size consists of **600 Students digital payment users in Tiruchirappalli city .**

REVIEW OF LITERATURE

1. **Aayushi (2025)** in his research on “The Growth of Digital Payment System (UPI) In India” explored the growth trajectory of UPI, analyzed its adoption patterns, and socio-economic impact on both urban and rural segments.
2. **Abdul Kadir N. Arsiwala (2025)** conducted a study on "The Impact of

Digital Payment Apps on Consumer Behaviour: A Study of North Maharashtra Region". The study examined the factors driving consumer adoption, such as trust, perceived usefulness, and ease of use, as well as the impact of digital payment apps on spending patterns.

DIFFERENT DIGITAL MODES OF PAYMENTS IN INDIA

1. Banking Cards
2. Unstructured Supplementary Service Data (USSD)
3. Point of Sale (PoS)
4. Mobile PoS
5. Aadhaar Enable Payment Service (AePS)
6. BHIM Aadhaar Pay
7. NET Banking
8. National Electronic Fund Transfer (NEFT)
9. Real Time Gross Settlement (RTGS)
10. Unified Payment Interface (UPI)

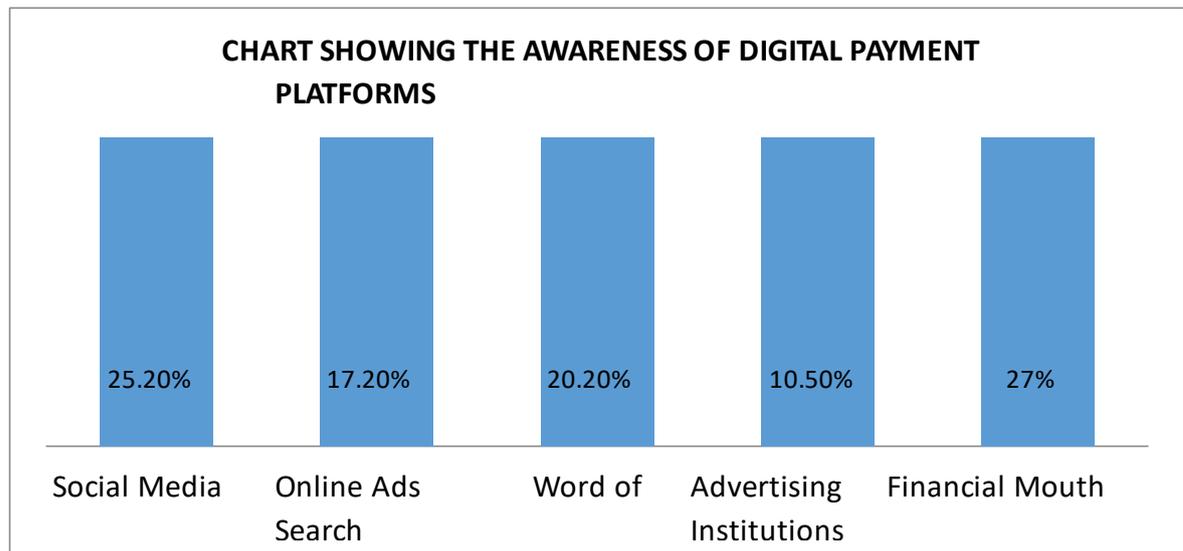
ANALYSIS AND INTERPRETATION

Awareness of Digital Payment Platforms

Users may hear about digital payment platforms through various channels, including word of mouth, social media, financial institutions, online advertising etc., These channels can raise awareness and drive adoption of digital payment platforms. The table shows the various channel used among respondents towards digital payment platforms.

Table: Awareness of Digital Payment Platforms

Channels	Frequency	Percent
Social Media Ads	151	25.2
Online Search	103	17.2
Word of Mouth	121	20.2
Advertising	63	10.5
Financial Institutions	162	27.0
Total	600	100.0



It is inferred from the table that, 27 per cent of the respondents are aware of digital payment platforms through financial institutions, 25.2 per cent of the respondents are aware through social media ads, 20.2 per cent of the respondents are aware through word of mouth, 17.2 per cent of the respondents are aware through online search and remaining 10.5 per cent of the respondents are aware through advertising. **Hence, it is concluded that most (27 per cent) of the respondents are aware of digital payment platforms through financial institutions.**

FINDINGS

- Most (47 per cent) of the respondents are in the age group of 26 to 41 years.
- Majority (52.8 per cent) of the respondents are male.
- Most (43.8 per cent) of the respondents are graduates.
- Most (33.8 per cent) of the salaried employees are contributing more, in making digital payments.

CONCLUSION

The study highlights the significance of digital payment platforms in today's economy, with a focus on user perceptions, usage, trust, and security concerns. The findings reveal that users prioritize ease of use, security, and trust when adopting digital payment platforms. Specifically, the study shows that UPI payment methods are highly preferred, and users are increasingly adopting digital payments due to their convenience and accessibility. The study also identifies areas for improvement, particularly in building trust and confidence among users. The findings indicate that security concerns are a major reason for users switching between digital payment platforms, emphasizing the need for

robust security measures. In a country like India, at the time where digital payments are gaining popularity among all sections of the society, this study was carried out. From the analysis of digital payment usage among the student community of Tiruchirappalli city, it was found that all the respondents used one or the other digital payment method for transaction purpose.

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