Determining Factors Influencing Behavioural Intention for Usage of Digital Remittances – A Conceptual Model

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ABSTRACT:

Purpose: This paper strives to investigate the influential role of digital remittances and the acceptance of digital payments by consumers by determining the influencing factors of adopting digital modes that are specific to the environment of digital payment and envisaged for imminent research on this growing trend.

Design / Methodology / Focus: This paper is based on facts gathered from a review of literature by researchers that recommends being a substantiate for determining the theoretical model that contrives amongst consumers regarding the idea of the digital uses among contemporary consumers.

Findings: The findings of this paper cast radiance on factors influencing behavioral intentions influencing acceptance practices ensuing from the logic of consumers in acceptance of digital payment methods.

Functional implications: The paper resolves digital consumer behavior and analyzes the justification regarding digital intents. Marketing specialists can devise strategies for consumer approval of digital payment methods as a strategy to improve consumers’ behavior relating to digital shopping practices.

Originality/value: This paper is intended to deliberate upon the consumer adoption trends in digital payment methods. To understand deeply acceptance and the digital arrangement, this paper investigates behavioral intentions behind digital acceptance patterns.

Keywords:
Behavioural Intention, Contactless Remittances, Consumer Adoption, TAM, UTAUT.

INTRODUCTION:

High-tech fruition is an incessant procedure and over the years it has been advancing speedily. The technological evolution has bestowed for an effectual payment mode, bereft of cash, which is prevalently conceded as digital payment. Digital payments are scrutinized as online transactions on the internet system. Digital payment has also reformed retailing by requiring consumers to buy assorted products from all over the world like Paytm, Freecharge, Google-pay, etc. As technology is fostering, the strategies used for transacting electronically are rapidly increasing especially after demonetization. Complete adoption of digital payment in developed economies is showing its effect in developing economies as well. The digital companies availed this opportunity and benefitted to grow tremendously their market share of the overall industry. Digitalized moves utilizing different applications have brought behavioral change among Indian consumers. Digital payment is a type of commercial
transaction commerce pact to include making payment electronically for procurement of products and services through various digital modes like Paytm, Freecharge, Google pay, etc. Digitization and technology are speedily emerging out to be the supervening element of the earth planet.

The surge in technology, prompt and trouble-free payment methods, and network coverage have contributed to the growth of the digital payment market. Some of the popular digital payment methods are smartcards, credit/debit cards, Google pay, Apple Pay, etc. Digital payment has reformed retailing by making consumers procuring different products from all over the world. In the last decade, India has perceived enormous growth in the usage of mobile phones in the digital India era. Digital Consumer transactions concocted at the point of sale (POS) for services and products either through internet/mobile banking employing a smartphone are called digital payment. Digital India acts as a stimulus that stimulates exponential advancement in the digital payment sector. The customer view of digital payment has a crucial and constructive consequence on the acceptance of the diverse modes of digital payment. At the same time, a revolutionary typical novel trend that has a technologically innovative edge to populate with it and perseveres wherever one is by taking up abundant particularities in consumers’ move towards life.

The networking is not about technology it is all about how human uses technology, their creativity, and knowledge to create social development Tapscott, D. (1996) . since the launch of the internet and social media users, there is an online population that ultimately today increases the worth of the digital economy of a country. The last decade has observed diverse advancements in the usage of the net and smartphone in India Gada (2017). This growing usage of the net, mobile usage, and government endeavors such as digital India is yet another operator promoting an exponential promotion in the use of digital payments, which are operating as a facilitator that promotes exponential advancement in the usage of such innovative cashless modes. On one hand, when the business world is becoming more socially responsible, the consumers are also changing their attitudes as they shift from buying conventional products to ecofriendly/green products (Ghosh, 2010). The paper attempts to resolve digital consumer behavior and examines the rationalization of the digital intentions of consumers. This paper addresses to ponder upon the consumer adoption trends in digital payment methods. To comprehend acceptance and the digital arrangement, this paper inspects behavioral intentions following digital acceptance patterns. Figure 1 below shows the value of Global Digital Payment Transactions:

![Value of Global Digital Payment Transactions](Source: Statista)
LITERATURE REVIEW:
In current years, several studies have underlined the advantages of tapping digital modes instruments. However, cash is still being largely used by consumers in most developing countries. Consumers are riveted to shift to digital payment modes because of their easy usage, user pleasantness, and savings. (Kalakota and Whinston, 1996; Burdett, 1999; Schwartz, 2001, Sumanjeet, 2009). The “Digital India” is the Government’s dreadnought schedule with visualization to change into a digitally vested nation. “Faceless, Paperless, Cashless” are the purposes of Digital India. (Dr.M. Kavitha, Dr.K. Sampath Kumar-2018). Sujith T S, Julie C D (2017) intended to recognize the problems and challenges of e-payment modes and propose explanations to progress the e-payment mode. E-payment mode affords several prospects and incentives. Preeti Garg and Manvi Panchal (2016) deliberated the understandings of individuals on the overview of a cashless nation like India and established an indication of a cashless Indian society is a phase-in right path. It benefits the evolution and advancement of Indian society.Digital India delivers the strengthened motivation for drive and development for this creativity and would endorse comprehensive evolution that enconces e-services(Aditya Sharma & et al 2015).
Brito and Hartley (1995) initiated that customers favor acquiring credit cards for the reason of their affluence and expediency and added that when consumers practice credit cards as a manner of funding. Handelsman and Munson (1989) mentioned that changing over conducts from cash to plastic money amongst culturally assorted merchandizing clientele displays that sales made digitally institute a significant income basis for traders. Predominantly looked-for is a healthier minimizing of the propensity to make cash payments and the inducement essential to instigate switching. Subhani (2011) stressed an acquaintance of the plastic money and its influence on the selection for the usage of cash and proposes that the fondness for the usage of the card have a constructive association with the acceptance of digital usage. Manivannan P (2013) explained that usage of a card is the degree of a credit card luxury status and the requirement. The card and the e-payments are expended by people of higher-income groups.

Torbet and Marshall (1995), assessed the probable usage of behavioral practices in contradiction to card fraud in the merchandising setting. The biometric technologies have the latent capacity to lessen card fraud and numerous difficulties need to be focussed before they can be expended in retail settings, like appreciation functioning, usage speed, useableness, purchaser recognition, expedient rate are well-thought-out besides commerce specifications for biometric gadgets. Rakesh H M & Ramya T J (2014) investigated the influences that affect internet banking acceptance.

Ovat (2012) examines the strategy objects and its profits and challenges and recommended that policy should intermittently be studied to point out grey zones; stressing on concentrated consciousness movement. Madasu (2015) has assessed and reported the advancement completed by the RBI in affecting the ‘Cashless’ economy. The data relating to the different regions like Emerging Asia, CEMEA, Mature Asia Pacific, and North America have been analyzed. From period 2004-05 to 2014-15 data, he revealed many interesting facts such as India does not find a place in the top 16 Non-Cash Markets whereas China has moved into the top Non-Cash Markets, the usage of debit cards at ATMs has considerably increased in comparison with credit cards.Venkatesh (2000) articulated perceived enjoyment as the degree to which the movement using a definite arrangement is perceived to be agreeable in its peculiar privilege, apart from any performance significances consequential from arrangement usage. Technology Acceptance Model (TAM), Unified Theory of Acceptance Use of Technology (UTAUT) endeavor to elucidate the extent of approval of the usage of data expertise. These theories evaluate whether the handler is likely to consent to take up novel technologies and the handler’s capability to prepare with them. The Technology Acceptance Model assistances decision takers to evaluate the triumph of outlining technology, and inspire operators to accede to the systems. Figure 2 shows the Cashless Payment In Different Countries.
OBJECTIVES OF THE STUDY:

a) To explore the issues of digital payment systems through an extensive review of extant literature.
b) To identify the patterns, connections, and directions of the digital payment system.
c) To understand the concepts that are most dominantly associated with digital payment, by developing a conceptual model.
d) To provide a strong foundation for future research endeavors in this arena.

METHODOLOGY:

This study seeks to analyze the literature review and to frame the conceptual model to analyze digital payments. For this, an extensive review of the literature was carried out, which involved scanning a wide range of relevant electronic journal databases, academic papers, and books to review the works of various researchers.

MODEL DEVELOPMENT:

Conceptual Model
This model was cultivated by studying models in the ambit of technology acceptance. This model is based upon TAM & UTAUT and expanded it with concepts. The purported research framework comprises as depicted in Figure 3 below:
Perceived Usefulness:
Perceived Usefulness is the extent to which a user has faith in exploiting a specific system that drives enhancement in his or her operation (Davis, 1989). Preceding researchers stressed that perceived usefulness is important in defining behavior intention to accept technology and in determining the defiance of an operator to technology (Akturan & Tezcan, 2012). In a study perceived usefulness was located to be the strongest straight effect amongst all determinants on the intent for the usage of m-commerce (Arumugam, et.al 2009).

Perceived Ease of Use:
Davis (1989) describes the Perceived ease of use as the extent to which an individual by expending a specific structure will be effortless. This discernment develops defiance to the arrangement and this defiance progresses intention to use and the reason for the intention definite organization convention. Though the majority of individuals are acquainted with exploiting smartphones, they may be novel to phone diligence. Characteristics like the execution of an economic transaction by phone diligence might be a problematic chore for a novel operator. If an arrangement is unpretentious and unproblematic, it will have a magnificent influence on the accession of the arrangement (Moore & Benbasat, 1991). Any technology that is possible to be cultured and accomplished effortlessly will content a person which upsurges the intent for the usage of the system (Childers, et.al 2001). It is an important factor in a user’s intent to shopping spree online. While consumers discover it to be comfortable to relate with e-commercial websites, to explore merchandise info, and to adopt digital modes, they will contemplate electronic expenditure more usefully (Wen, et.al 2011).

Unified Theory on Acceptance and Use of Technology (UTAUT) Model
The Unified Theory on acceptance and Use of Technology tenacities to elucidate handler intents to the usage of an information system and convention performance. As per the theory, there are vital concepts that govern usage performance which comprises performance expectancy, effort expectancy, social influence, and facilitating conditions.
Social Influence:
Social influence is defined as the extent to which a user distinguishes that significant trust he or she ought to practice the novel system. It replicates the consequence of ecological influences like beliefs of a handler’s acquaintances, relations, and seniors on behavior (Venkatesh et al. 2003). Individuals usage of phone amenities in a known societal framework in which they perceive erstwhile events and they essentially familiarize themselves to further communications (Nysveen, et al. 2005). Numerous findings combined social influence into their study models and instituted pragmatic sustenance (Agarwal 2008). Social influence was initiated to be an important feature swaying phone technology acceptance in many studies (Hew, et al. 2015). Social influence was initiated to be an important aspect of envisaging behavioral intents to accept digital modes resolutions in India (Madan & Yadav, 2016). When the social influence is constructive it may boost the handler to accept digital payment amenities. This study is based on TAM and UTAUT model, added concepts are combined which are well-matched to the framework of the technology which is being considered. Trust and security were initiated to be substantial influences in the intent to usage of e-government amenities (Alharbi et al. 2017) and mobile wallets (Seetharaman, et al. 2017).

Trust:
Trust can be well-defined as the inclination to be trustworthy to a facility contributor envisaging a positive consequence about the service giver’s future behavior (Zhou, 2013). By using mobile phones, the customers made obtainable additional individual and monetary info, which could generate apprehension in their observances concerning the level of security. The prior researches have established that trust is a significant determinant in acceptance and perpetuation of usage (Alalwan, et al. 2018) and also demonstrated that trust has a positive effect on perceived usefulness and that trust influenced technology usage intention straightly and meanderingly by perceived usefulness.

Perceived Security:
Perceived security is described as the extent to which a customer trusts that expending a specific mobile payment process will be safe (Shin, 2009). When accompanying a monetary transaction, it is significant to sense security to diminish apprehensions despite the fact of formulating payments online. To endorse mobile payments, service providers necessitate to remove these apprehensions and generate a milieu more favorable to customer poise (Rakhi & Mala, 2014).
The absence of security is the recurrent motive for declining usage of mobile payment among the hurdles to mobile payment adoption. The security risk is a feature contributive to the opposed and sluggish evolution rate of user receiving of digital mode. The absence of safety and trust to be perceived as barriers to acceptance of the digital mode. Info safekeeping apprehensions create purchasers cynically and is a chief barricade to e-commerce acceptance and steer to acceptance of digital payments.

Additional New Constructs are as follows:

Demonetization:
Demonetization is the action of denudation an exchange component of its standing as a lawful proposition. It happens whenever there is a modification of countrywide currency, and the existing procedure of currency is hauled from movement and withdrawn, and substituted with novel notes or coins. The chief motives for which countries choose demonetization is to battle inflation, corruption, and to dampen cash hooked on society.

Promotional Offers:
Promotional offers denote the endeavor of proposing a lesser price for the time being in direction of augmenting the competence of product sales determinations to cost-conscious consumers. Many corporations will advocate publicity propositions as a sales inducement when primarily initiation of an exact merchandise line to probable consumers. Cash benefits propositions, discounts, and associations with traders are some of the behaviors by which customers are enticed towards digital wallets. Most of the digital wallet companies in India make available operators with incentives that can be availed by the users. This together with the growing merchant tie-ups supports them to develop their customer base.
Behavioral Intention to Use:
There are determinants to promote the espousal of technology (Kumar, et.al 2012). Clients with a sophisticated intent to espouse a novel technology will promote adopters and will commend the know-how to others (Miltgen et.al 2013). Societal networks stand numerous encounters and proposition opportunities to companies, as it can be used as an intermediate to prompt their thoughts and involvements around mobile payment facilities, goods, and knowledge (Zhang, et.al 2015). The consequence of perceived security, performance expectancy, effort expectancy, and social influence are regarded as important in the elucidation of the behavioral intention of the customer to endorse mobile payment technology to many customers more (Oliveira, et.al 2016).

CONCLUSION:

Theories of adoption can be usefully applied in lashing digitization in developing marketplaces. But not all theories are pertinent and appropriate in the developing markets, this study came across theories like TAM, UTAUT to be very relevant. The study established that Indian firms are functioning in the upcoming communication online existence. It leads to the resolute amendment of technology (Harris et al, 2003). Technology has undisputably accomplished lives to be much easier and complications free. It performs both transactional and informational functions (Teo and Pian, 2004). Digital payment has condensed the lengthy queues. Financial institutions would have downscaled and office used for additional advantageous endeavors (Birch and Young, 1997). It has expurgated remoteness, space, and time circumventing numerous annoyances. Unquestionably, it has specified superior liberty to individuals, trades, etc lacking impediments. We should clasp and adopt digital payment to progress the existing customers of individuals and enlarge the high rapidity info net as it has an extensive user base.

MANAGERIAL IMPLICATIONS:

The business houses need to comprehend to improvise and augment digital services and need to be more resourceful during this age of widespread internet and mobile usage by providing a variety of digital modes of payment services that are safe and secure from the user’s point of view to motivate users towards adopting digital modes of payment.

RECOMMENDATIONS FOR FUTURE:

For the digital payment system to be sustainable in the Indian economy, the digital payment modes should be adopted by the users for making various payments. There is a necessity for awareness creation in form of enlightenment and educating people to arouse their interest through organized training, talk shows, seminars/workshops, etc. so that users know the digital payment system – channels, features, and their benefits. The government should properly regulate the digital system by making laws and policies that will guide its operations. With its adoption, the consumers will get help to reduce the stress associated with the traditional payment method. Being ICT acquiescent will expose consumers to many things, create new ideas, and broaden horizons on several electronic transactions with much ease. Organizations need to provide more sustenance to the usage of skilled and dynamic people to generate satisfactory customer services and intensify customer consummation and augment the manageability of the digital payment system. More and more facilities for digital payment should be created to inspire home-based cashless payment practices among customers.

LIMITATIONS OF THE STUDY:

This paper is grounded on only theoretical conceptual aspects of digital payment services. A set of qualitative/quantitative studies may be combined to exhaustively research upcoming and novel concepts.

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