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USE OF PAYMENT OPTIONS BY WOMEN: WITH REFERENCE TO JALGAON CITY



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ABSTRACT

In old days, for every purchase, payment was done in cash. Hence there was no need to take decisions while paying at point of sale. Cash was the king in the market. Now those days are gone long back. In today's world, though cash is still king in the market, now a day consumer has lots of choices for making a payment at point of sale. This is due to growth in technology in the market. This leads to simplification in payment instruments & option for cash. He can decide to pay whether by cash, by cards or through mobile payments at point of sale. There are number of factors involved to take payment decisions. A researcher mainly focuses on women from the age

group ranges from 20 years & above. The respondents are considered on the basis of those having options other than cash with them to take payment decisions. The options like ATM cards, Debit cards, credit cards & Mobile payments. This paper is based on an overview of factors involved in payment decisions by women at retail point of sale. The study is based on a primary data collected from 100 women from working & non working group from Jalgaon city. The data is analyzed using various statistical tools & methods.

This study will significantly prove to be of great help to the policy makers in understanding the various factors involved in decision making by women so that they consider these factors accordingly while framing effective strategies.

KEYWORDS : *Consumer, Decision making, Payment Decisions, Point of sale (POS), Technology.*

I. INTRODUCTION :

"Everything must be assessed in money, for this enables men always to exchange their services, and so makes society possible" – Aristotle (384-322 B.C)

After privatization & globalization, numbers of innovative payment options at point of sale have been developed such as debit cards, credit cards, and Mobile payments. These are alternatives options for Cash, coins & cheques in the market. Consumers can easily access these kinds of services anytime, anywhere & at any convenient places. Due to advancement in technology, it is possible to get these facilities. In the rapidly growing shopping market, though cash is the king of market preferred by

all paying for goods & services, other payment options can also be easily helps to change the way of consumers mind set up for buying goods & services .In recent trends, these payment options are also freely acceptable & accessible globally in the market.

Today Women are more independent in their thinking and financially also. They are the decision makers in the family because they have gained the economic and emotional freedom. (Dr.Chithra James, Dec 2012). Today, it is the woman in a household who makes the decisions in the majority of purchases—not only in the home with food but also with services such as in banking & other sectors. She is a holistic thinker when making every purchase decision as well as payment decisions. She thinks about how to be benefitted while purchasing goods in case of loyalty rewards, discount offers, saving of time as well money & others.

Grocery shopping is one of the most an important part of daily life. Women are considered to be highly active consumer in the marketplace as they are the decision maker in the family. They frequently shops for groceries, clothes, shoes & services like hotel, restaurants, ticket bookings, at petrol pumps & many more. They are also more educated now & wealthiest group of consumer. Some of them are working also at good positions.

Michael Cohen & Marc Rysman (2013) in their study 'Payment choice with consumer panel data' explore the use of household level scanner data for learning about choices over payment instruments. They shows substantial single homing behavior within the choices of cash, cheque and cards & shows that there is only very limited switching of favorite payment choices over time. They explore about heterogeneity in payment choice is related to demographic variable such as income & education. The study also highlights the importance of expenditure size in determining payment choice. They shows that the coefficient on expenditure size changes little even when accounting for panel data features such as household heterogeneity & state dependence accounted for by household fixed effects & lagged dependent variables respectively.

II.OBJECTIVES

Following are the objectives of this study –

- 1)To study use of cash & other payment options at retail point of sale.
- 2)To study various reasons for considering cash at retail point of sale.
- 3)To study various factors involved in payment decisions by consumers.

III.RESEARCH METHODOLOGY

For this study, primary data is collected with the help of structured questionnaire. The questionnaire was distributed among respondents & filled it. Secondary data is collected from reference books, journals, magazines, published materials & internet sources. For the study purpose convenient sampling method is used. The sample size selected randomly. 100 respondents from working & non working groups are selected for study. Only women are selected for the study purpose. Respondents having payment options along with cash like debit card, credit card, mobile payment options are considered for the study purpose. This study mainly focus on women with age range of 20 years & above. The study is conducted in Jalgaon city. For the study purpose the areas like Jilha peth, Mahabal colony, Ganesh Colony, Ramanand nagar, Navi peth, Baliram peth, Bhavani peth, Fule market , Ring road, Jaikisan wadi was selected. From each area near about 10 respondents are selected to fill up the questionnaire. After collecting the required data, the next step is to analyze the data & make interpretation. Data is analyzed with the help of percentage method, weighted average score method & the bar graphs, histograms are used for graphical representation. With the help of this analysis, finally

conclusions & suggestions are prepared.

Present study is limited to only Jalgaon city. But there is a vast scope for the study geographically. This study is beneficial to various stakeholders' such as policy makers, banks, consumers as well merchants. The study is mainly focuses on the cash along with payment option study, reasons for making payment through cash & factors involved in payment decisions at retail point of sale.

IV.HYPOTHESIS

Ho: The preference of consumers differs while taking payment decisions.

H1: The preference of consumers does not differ while taking payment decisions.

V.FINDINGS & INTERPRETATIONS

TABLE - 1
Age group of Respondents

Age	Frequency	Percentage	Valid Percent	Cumulative percentage
20-30	18	18	18	18
30-40	51	51	51	69
40-50	13	13	13	82
50-60	12	12	12	94
60 above	06	06	06	100
Total	100	100	100	00

Majority of the respondents are in the age group 30-40 years (51%) & 20-30 years (18%). Both of this group alone contains 69% of the total respondents. Therefore it may be concluded that most of the purchaser is from 30-40 years of the age.

TABLE - 2
Education of Respondents

	Education	Frequency	Percentage	Valid Percent	Cumulative percentage
Valid	Graduate	57	57	57	57
	Post Graduate	34	34	34	91
	Others	09	09	09	100
Total		100	100	100	00

Majority of the respondents are from Graduate 57% & Post Graduate courses 34% whereas other respondents are 9%.

TABLE - 3
Status of the Respondents

	Gender	Frequency	Percentage	Valid Percent	Cumulative percentage
Valid	Working	22	22	22	22
	Non working	78	78	78	100
Total		100	100	100	00

The above table shows that 22% of the respondents are working & majority of the respondents 78% are not working & depend on their family. It shows that there are more dependent respondents on their family as compared to working respondents.

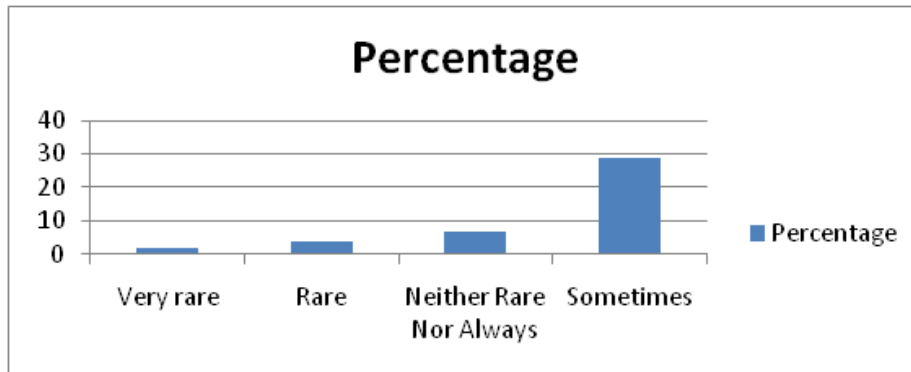
TABLE - 4
Income / Family Income (in Rs.) of Respondents

Income / Family Income	Frequency	Percentage	Valid Percent	Cumulative percentage
Below 15000	12	12	12	12
15000-30000	22	22	22	34
30000-45000	24	24	24	58
45000-60000	28	28	28	86
Above 60000	14	14	14	100
Total	100	100	100	00

Majority of the respondents 28% is having income or family income from Rs. 45000-60000 group followed by 24% for 30000-45000 groups.

TABLE - 5
Use of cash as a payment option

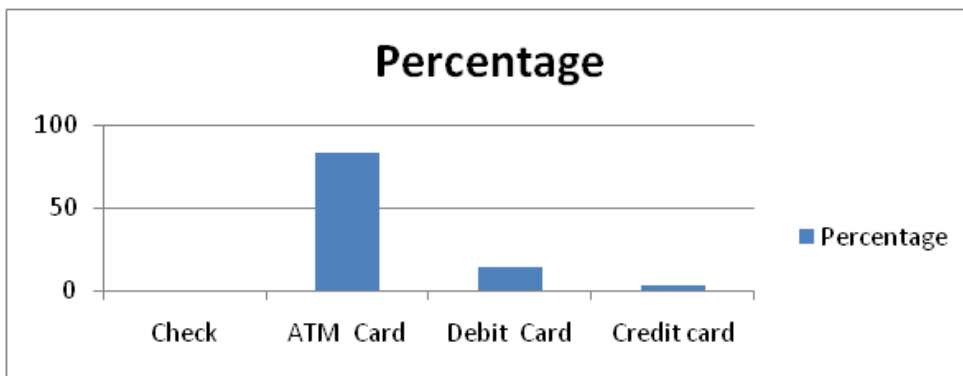
Use of Cash	Very rare	Rare	Neither Rare Nor Always	Sometimes	Always
Respondents	02	04	07	29	58
Percentage	02	04	07	29	58



From the above graph, it is inferred that majority of the respondents (87%) use cash regularly whereas 6% respondents use it on rarely basis.

TABLE - 6
Use of other payment options

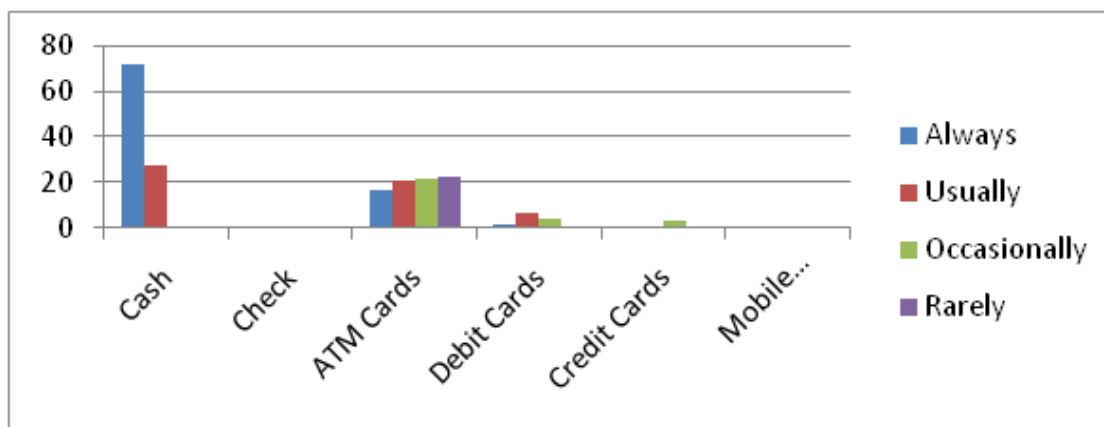
Payment options	Check	ATM Card	Debit Card	Credit card	Mobile payment
Respondents	00	83	14	03	00
Percentage	00	83	14	03	00



From the above graph, it is inferred that majority of the respondents 83% have ATM cards, 14% have debit cards with them & only 3 % of the respondents are having credit cards whereas there is no consideration of cheques & mobile payments while taking payment decision.

TABLE - 7
Preferences of payment options

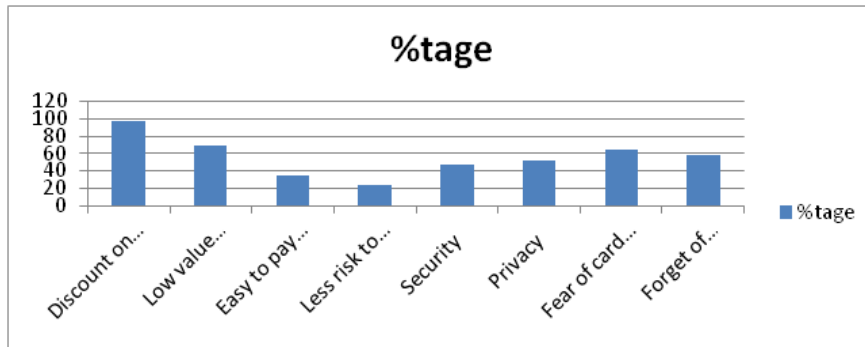
	Always	Usually	Occasionally	Rarely	Do not use as payment option
Cash	72	28	0	0	00
Cheque	00	00	00	00	100
ATM Cards	17	21	22	23	17
Debit Cards	02	07	04	01	86
Credit Cards	00	00	03	00	97
Mobile Payments	00	00	00	00	100



From the above graph it is inferred that 100% respondents use cash at regular basis, 38% considers ATM cards regularly while occasionally 22% & 23% considers rarely as a payment option. Debit card is considered by 9% respondents usually, 4% occasionally & 1% rarely as a payment option. Credit cards are considered 3% whereas checks & mobile payments don't considered by respondents as a payment options.

TABLE - 8
Reasons for cash payment

Reasons	Respondents	%tage
Discount on cash payment	96	96
Low value payments	68	68
Easy to pay in cash	34	34
Less risk to use cash	23	23
Security	47	47
Privacy	52	52
Fear of card cloned	64	64
Forget of card at home	58	58



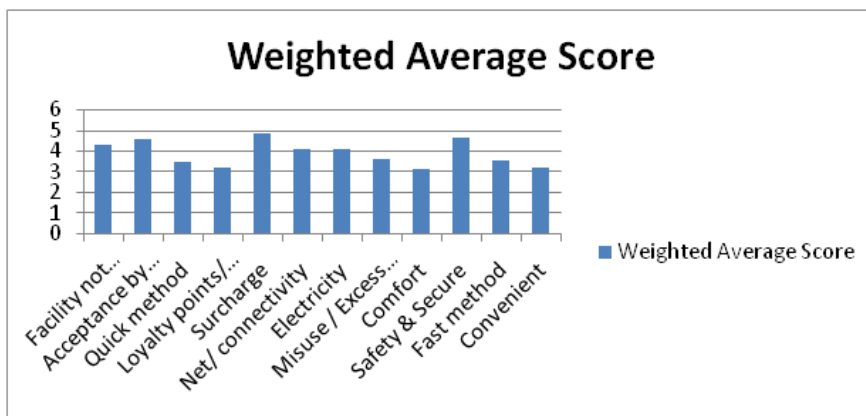
From the above graph, it is inferred that majority 96% of the respondents take payment decisions for discount on cash payment followed by low value payments (68%) Fear of card cloned (64%). As per 58% respondents, they many times forget their cards at home. So they have to pay with cash. Further Privacy (52%) & security (47%)also important for respondents to take payment decisions as cash. 23% respondents feels that there is less risk to use cash at retail point of sale.

TABLE - 9
Important factors involved in payment decisions
(1-Very Less Important & 5 - Very Important)

Factors in Paying Decisions	1	2	3	4	5
Facility not available	00	00	18	34	48
Acceptance by merchants	00	00	00	48	52
Quick method	09	13	22	34	22
Loyalty points/ Rewards	04	18	48	19	11
Surcharge	00	00	00	14	86
Net/ connectivity	00	00	24	42	34
Electricity	00	00	24	42	34
Misuse / Excess billing	00	14	37	28	21
Comfort	12	19	32	24	13
Safety & Secure	00	00	00	39	61
Fast	18	24	48	21	11
Convenient	11	14	37	24	14

Test applied for the hypothesis is Weighted Average Test and analysis is as follow

Factors	Weighted Average Score
Facility not available	4.30
Acceptance by merchants	4.52
Quick method	3.47
Loyalty points/ Rewards	3.15
Surcharge	4.86
Net/ connectivity	4.10
Electricity	4.10
Misuse / Excess billing	3.56
Comfort	3.07
Safety & Secure	4.61
Fast	3.49
Convenient	3.16



Interpretation:

As per the score mentioned in the above table the hypothesis is accepted for all the factors as the figure shows above the Zero Level.

Hence the stated hypothesis the preference of consumers differs while taking payment decisions is accepted.

VI.RECOMMENDATIONS

- 1)To strengthen the operating environment for payment at POS, the guidelines will help to formulate strategies.
- 2)Banks should arrange seminar, workshop and educational presentations during the year for the respondents on the subjects of payment products, money management & related topics. Also they can hand out some material related to this for respondents.
- 3)Product offerings with lucrative deals delighted with rewards, schemes, loyalty bonus points, promotional campaigns etc will benefit to increase the use of payment options among the respondents.

VII. CONCLUSIONS

In today’s modern society, women still has hold on cash as a payment options. The reasons behind this is though in the family card facility is available, women have to depend on the family. So on the spot if card is not available; they have to use cash for payment. Also smart phone facility is one of the hindrances for women which they does not have with them. As there is less awareness about mobile payments in consumers, its use is negligible among them. The payment decisions for consumers are

determined by various factors such as availability of facility, acceptance, surcharge & safety as well security plays a major role. Also cash is the payment decisions for respondents in case of discounts on cash payment, when there is less amount of billing, in case of surcharge on other payment options as well when they forget their cards or mobile at home, they remains only cash option to pay. The result shows that the preference of consumers differs while taking payment decisions.

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