Journal of Sustainable Learning and Development (JSLD)

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,

A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

A Study on the Adoption of Digital Payments by Namakkal District Youth in Tamilnadu

[1]**Dr. V. Paul Sudahar**
Assistant Professor
Vivekanadha College of Arts and Science for Women (Autonomous)
Elayampalayam, Tiruchengode

[2]**Dr.S. Suganya**,
Assistant Professor
Vivekanandha Institute of Information and Management Studies
Affiliated to Anna University

ABSTRACT

There have been several recent examples, such as the Demonetization and Digital India campaigns, where there has been a need for payments that do not involve physical touch. On the other hand, as a result of the pandemic-related lockdown in India, people's reluctance to interact with others led to a sharp rise in demand for digital payments. Thus, the use of digital payments was crucial at this period. This study aims to identify and understand the critical factors influencing Indian youth's acceptance of digital payments because they make up a significant and valuable portion of our nation. Three factors were found to be independent and one to be dependent after the literature was reviewed. A questionnaire was used to aid with primary research on this. Purposive sampling, or non-probability sampling, was the sample strategy used in this case. One hundred replies were gathered, and the statistical programme SPSS was used for analysis.

Keywords: security, acceptance, convenience, digital payment platform, young.

INTRODUCTION

Digital payment is obviously a type of transaction that does not include a physical exchange of currency. The aforementioned arrangement is accomplished with the assistance of a mobile phone and the internet. It eliminates the need to exchange physical currencies. It is also known as e-payments. The widespread usage of smart phones, ongoing advancements in the mobile and internet industries, cutting-edge technology, and movements such as demonetization, Digital India, and the unexpected pandemic all had a significant influence on the acceptance of digital payments. This is critical since it is expanding rapidly and has the ability to reduce black money.

The Digital Payment Mechanism is a watershed moment in Digital India's transition to a cashless economy. Until 2020, fewer than 5% of total payments were made electronically. The volume of digital payments in India rose by 33% in the fiscal year 2021-2022. While digital payments save time and are more comfortable to use, cash remains an important element of Indian youth life. According to a research titled "Digital payments in India projected to reach $10 trillion by 2026," UPI transaction volume has increased by nine times in the previous three years. The RBI has released a Payments Vision 2025 with the primary concept of 'E-Payments for Everyone, Everywhere, Every Time' (4Es), aiming to give every user with safe, secure, rapid, easy, accessible, and inexpensive e-payment choices.

DIGITAL PAYMENT MODE USED IN INDIA

- UPI: the Unified Payment Interface (UPI)
- Online or mobile wallets
- Debit Cards

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,
A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

- Credit Cards
- Mobile Banking
- Internet Banking

SCOPE OF THE STUDY

This study will contribute to the understanding of several aspects that influence the acceptance of digital payments. The focus of this study will be on adolescents (ages 15-25), who make up the majority of Namakkal City's population and are the most technologically aware.

RATIONALE AND RESEARCH GAPS

Even if the usage of digital payments is rising on a daily basis, there are several obstacles that are slowing its expansion. Some scholars' statements have been refuted by other scholars. It has also been highlighted that experts have concentrated on gender rather than the variables influencing the adoption of digital payments. Despite the fact that Indian youth account for a sizable proportion of the country's population, no special study has been conducted on their use of digital payments. The study will assist to identify the challenges and variables that influence the growth of digital payments, as well as potential solutions or strategies for promoting digital payment usage among Indian young.

LITERATURE REVIEW

Dr. Dilip Singh, Ms. Aishwarya Singh in their research on "E-Wallets: An Innovation and its Perception Among Youth" (2022) provided how various factors like convenience in ease of use, quick online transaction, prompt customer services and usefulness of e-wallet in terms of prioritizing the transactions play an important role in the adoption of digital payments (Ewallets). They observed that the most liked feature of E- wallets is that they are a hassle-free and quick way to make payments.

G. Raghunath in his research on "Digital Payments in India" (2022) observed that Google Pay is the most used mode of digital payments. He also advised that people should be made aware of the safety procedures that are being taken to make digital payments safer to use.

Mohammed Arshad Khan in his research article on "Netizens' Perspective towards Electronic Money and Its Essence in the Virtual Economy" (2021) examined the impact of demographic factors and other variables like satisfaction, reliability etc. on the adoption of the digital payment system. It also mentioned that the Indian economy will take considerable time to adopt digital payments.

Kartik Aggarwal , Sushant Malik , Dharmesh K. Mishra, Dipen Paul in their research on "Moving from Cash to Cashless Economy: Toward Digital India" (2021) indicated that consumers' age group, educational qualification etc. has an impact on the adoption of a cashless economy. It stated that two types of amenities, wallet- based and UPI-based platforms have been trending in recent years.

K. Pushparaj in his research on "Digital Payment System–Innovative Practices of Banks and Perception of Customers" (2021) suggested that banks should organize awareness programs regarding the Digital payment system to overcome the misconceptions about the Digital Payment system and develop confidence in the customers.

Sudiksha Shree, Bhanu Pratap, Rajas Saroy, Sarat Dhal in their research on "Digital payments and consumer experience in India: a survey based empirical study" (2021) studied how consumer's experience with online fraud affects their payment behaviour. They also stated that the socio-economic development of the population will increase with the adoption of digital payments.

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,
A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

Mala Goplani, Jewel Sabhani, Akash Gupta in their research journal on "A Study on Use of Digital Payment Application for E-Commerce among Youth" (2021) observed that majority of people are users of digital payments and they use it for shopping of clothes, electronic gadgets, paying utility bills, booking tickets etc.

Ms. Rashi Singhal in her research on "Impact and Importance of Digital Payment in India" (2020) stated that digital payments are one of the engaging frameworks in India that helps in the advancement of the Digital India campaign started by Prime Minister Narendra Modi, which aims at controlling the black money of the country. Ms. S. Ruthrani and Dr. V. Darling Selvi in their research on "Consumer Perception towards Digital payment" (2019) observed that internet is playing an important role in the field of digital payments. The 24 hours availability, customer loyalty, easy accesses to information etc. are important factors that give strength to digital payments.

Pachpande Bhagyashri R. in the research on "Study of E-wallet Awareness and its Usage." (2018) stated that the presence of mobile wallets spreading from urban to rural areas on a large scale. Hence, wallet money sees a bright future in near time.

RESEARCH OBJECTIVES

- Research the uptake of digital payments by Indian youths.
- Research the elements (awareness, convenience, and security) that influence digital payment uptake.
- To identify the most popular digital payment platform.

HYPOTHESIS

- Hypothesis1: There is a significant relationship between the dependent variable "Acceptance" and independent variable "Convenience".
- Hypothesis 2: There is a significant relationship between the dependent variable "Acceptance" and independent variable "Security".
- Hypothesis 3: There is a significant relationship between the dependent variable "Acceptance" and independent variable "Awareness".
- Hypothesis 4: Variables have significant impacts on the acceptance of digital payments.

RESEARCH DESIGN

This research used a descriptive research design. Descriptive Research Design provides a sample's features as well as the links between the population or phenomena and the researcher's observations (Rubin & Babbie, 2008; Thomlison, 2001). It describes the incident under examination. This design was chosen because it aids in characterizing consumers or competitors, determining market size, segmenting markets, and assessing performance. The research will also involve applied research, which is meant to tackle actual problems in today's society, as well as a quantitative approach for surveying and collecting measurable data.

POPULATION

This research will focus on persons who live in Namakkal City. Individuals might be either masculine or female.

SAMPLE

The analysis of this sample provides and confirms data about the full population. This research will focus on Tamilnadu adolescents aged 15 to 25 who live in Namakkal City.

Journal of Sustainable Learning and Development (JSLD)

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,

A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

SAMPLE SIZE

The sample size for this research is 100 Namakkal City youths.

UNIT OF ANALYSIS

The unit of analysis applied is Namakkal City youth.

SAMPLING TECHNIQUE

The sample strategy used in this study was Non-Probability sample- Purposive Sampling. Purposive sampling (also known as judgment, selective, or subjective sampling) is a sampling approach in which the researcher selects participants from the community at his or her discretion.

SURVEY INSTRUMENT

The research project deployed both primary and secondary data. A questionnaire was distributed to gather primary data, and 100 participants completed it. Secondary data was acquired from a variety of internet sources, including academic articles, journals, and websites.

DATA ANALYSIS TOOLS & TECHNIQUES

The data analysis tool employed in this study is SPSS, which stands for "Statistical Package for the Social Sciences". It is used because it may assist determine the relationship between two variables.

DATA ANALYSIS AND RESULTS

Profiles of Respondent Respondents are classified based on demographic characteristics such as gender, age, educational level, and employment. 65.2% of responders are women, while 34.8% are men. The majority of responses are students aged 20 to 24. The majority of responders are postgraduates (42.4%), followed by undergraduates (40.5%).

Table 1: Frequency of Demographics

Statistics					
		D1	D2	D3	D4
N	Valid	100	100	100	100
	Missing	0	0	0	0
Mean		1.54	2.04	4.16	2.50
Std. Deviation		.528	.670	.937	.790

CORRELATION ANALYSIS

A correlation is a single number that indicates the direction and strength of a link between two variables. It measures the degree to which two variables are connected. It will help to investigate the link between the dependent variable "Acceptance" and the independent variables "Convenience", "Awareness", and "Security".

HYPOTHESIS 1:

Ho: There is no significant relation between the variable Acceptance and Convenience.

H1: There is a significant relationship between the variable Acceptance and Convenience.

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,
A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

Table 2: Correlation between Acceptance and Convenience

Correlations			
		ACCEPTANCE	CONVENIENCE
ACCEPTANCE	Pearson Correlation	1	.689**
	Sig.(2-tailed)		.000
	N	100	100
CONVENIENCE	Pearson Correlation	.689**	1
	Sig.(2-tailed)	.000	
	N	100	100

** The correlation is significant at the 0.01 level (two-tailed). The correlation coefficient between Acceptance and Convenience is 0.689, with a significant value of 0.000. This demonstrates that Acceptance and Convenience are not independent of one another. The value of r is 0.689, indicating a reasonably high association.

HYPOTHESIS 2:
Ho: There is no significant relationship between the variable Acceptance and Security.
H1: There is a significant relationship between the variable Acceptance and Security.

Table 3: Correlation between Acceptance and Security

Correlations			
		ACCEPTANCE	SECURITY
ACCEPTANCE	Pearson Correlation	1	.568**
	Sig.(2-tailed)		.000
	N	100	100
SECURITY	Pearson Correlation	.568**	1
	Sig.(2-tailed)	.000	
	N	100	100

** The correlation coefficient between Acceptance and Security is 0.568, with a significance level of 0.000. This shows that Acceptance and Security are not independent of one another. The value of r=0.564 indicates that it is creating a fairly positive connection.

HYPOTHESIS 3:
Ho: There is no significant relationship between the variable Acceptance and Awareness.
H1: There is a significant relationship between the variable Acceptance and Awareness

Table 4: Correlation between Acceptance and Awareness

Correlations			
		ACCEPTANCE	AWARENESS
ACCEPTANCE	Pearson Correlation	1	.627**
	Sig.(2-tailed)		.000
	N	100	100
AWARENESS	Pearson Correlation	.627**	1
	Sig.(2-tailed)	.000	
	N	100	100

**The correlation coefficient between Acceptance and Security is 0.568, with a significance level of 0.000. This shows that Acceptance and Security are not independent of one another. The value of r=0.564 indicates that it is creating a fairly positive connection.

Journal of Sustainable Learning and Development (JSLD)
ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,
A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

Hypothesis4:
Ho: There is no significant impact of variables on adoption of digital payments.
H1: There is a significant impact of variables on adoption of digital payments.

DISCUSSIONS

- First, correlation was tested to find out the relation between variables, out of which one is dependent variable and the other were independent variables. The variables showed positive correlation.
- After correlation, multiple regressions were performed to understand how different factors impact acceptance of Digital payments among Indian youth.
- The research proved that independent variables "Convenience", "Awareness" and "Security" had a significant impact on dependent variables "Acceptance".
- The findings show that the more the youth will be made aware about digital payments, the more they will be ready to accept and finally adopt digital payments.
- The findings show that the more secure the youth will feel about using digital payments platforms, the more accepting they will be about adopting it in their daily life.
- It has also been observed that the respondents have used at least one or more digital payments mode and platform. The most used platform is PayTM.

IMPLICATIONS

Digital payments have grown in recent years, but many individuals are still unaware of them, thus digital payment platform providers should work to raise knowledge about their platforms. Digital payment platform providers should enhance their technology to reduce technical malfunctions, which leads to dissatisfied clients who do not want to risk having their money stolen or stopped due to a technical fault. According to the report, customers value ease, thus new updates should be sent in a timely way to avoid avoidable errors. When young people learn about digital payments, they will become more likely to use them. The bank's website and applications should be simple to use and quick. Youth who use digital payments might receive cash back or coupons. This will encourage adolescents to use digital payments as a form of payment.

CONCLUSION

The purpose of this study was to examine the significant factors that impact Trichy City youth's adoption of digital payment methods. After researching a wide range of literature, key variables that influence digital payment adoption were identified. The variables include convenience, security, and awareness. It was discovered that all independent factors had a positive relationship with dependent variables. They have a significant impact on the acceptability of digital payments.

REFERENCES

1. Abrar, P. reported about 'Digital payments in India projected to reach $10 trn by 2026: Report' by Business Standard News (business-standard.com), 2022.
2. Payments Vision 2025, retrieved from Reserve Bank of India - Press Releases (rbi.org.in), 2022.
3. Khan, M. A, "Netizens' perspective towards electronic money and its essence in the virtual economy: an empirical analysis with special reference to Delhi-NCR, India". Complexity, 2021.
4. AGGARWAL, K., MALIK, S., MISHRA, D. K., & PAUL, D, "Moving from cash to cashless economy: Toward digital India", The Journal of Asian Finance, Economics and Business, 8(4), 43- 54, 2021.
5. Hodiwalla, Fali & Aneja, Dheeraj, "Emergence of e-wallets in India, here is how the payment industry is growing rapidly". Financial Express. https://www.financialexpress.com/industry/ technology/emergence-of-e-wallets-in-india-here-is how-the payments-industry-is-growing-rapidly/451008/, 2016.

ISSN: 2791-0881 (Print), ISSN: 3079-0565 (Online), Volume-06, (Special Issue), February 2026,

A Multidisciplinary Journal published by Bangladesh Center for Research and Planning (BCRP)

6. Brahmbhatt, D. M.,” A Study on Customers’ Perception towards E-Wallets in Ahmedabad City”. 6(1), 5
7. Singh, D., & Singh, M. A., “E-WALLETS: AN INNOVATION AND ITS PERCEPTION AMONG YOUTH”. EPRA International Journal of Environmental Economics, Commerce and Educational Management (ECEM), 9(2), 10-15, 2022.
8. Shree, S., Pratap, B., Saroy, R., & Dhal, S, “Digital payments and consumer experience in India: a survey based empirical study. Journal of Banking and Financial Technology, 5(1), 1-20, 2021.
9. Kolandaisamy, R., & Subaramaniam, K. “The Impact of E-Wallets for the Current Generation. Journal of Advanced Research in Dynamical and Control Systems” 12 https://doi.org/10.5373/JARDCS/V12SP1/20201126, 2020.
10. Singh, S. K., “E-wallets are similar to bank accounts, but more convenient: Experts”, Business Standard India. https://www.business-standard.com/article/pf/e-wallets-are-similar-to-bank accounts-butmore- convenient-experts-121040900055_1.html, 2021.
11. Chaudhari, C., & Kumar, A., “Study of Impact of the Covid-19 Outbreak on Digital Payment in India”, Vidyabharati International Interdisciplinary Research Journal, 12(02), 99-102, 2021.
12. Ranjith, P. V., Kulkarni, S., & Varma, A. J., “A Literature Study of Consumer Perception towards Digital Payment Mode In India”, PSYCHOLOGY AND EDUCATION, 58(1), 3304-3319, 2021.
13. Singhal, R., “Impact and Importance of Digital Payment in India” International Journal of Multidisciplinary Educational Research, 10(2), 3, 2021.
14. G. Ghosh, “Adoption of digital payment system by consumer: a review of literature,” vol. 9, no. 2, pp. 412–418, 2021.