

**A STUDY ON CUSTOMER SATISFACTION AND USAGE OF PAYTM WITH  
SPECIAL REFERENCE TO COIMBATORE DISTRICT**

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**ABSTRACT :**

Paytm is India's major leading payment gateway that offers comprehensive payment services for customer and merchants. We offer mobile payment solutions to over seven million merchants and allow consumers to make seamless mobile payments from Cards, Bank Accounts and Digital Credit among others. We pioneered and are the leader of QR based mobile payments in India. With the start on of Paytm Payments Bank, we aim to bring banking and financial services to half-a-billion un-served and under-served Indians. Our investors include Softbank, SAIF Partners, Alibaba Group and Ant Financial. We struggle to maintain an open culture where everyone is a hands-on contributor and feels comfortable sharing ideas and opinions. Our set spends hours, designing each new feature and obsesses about the smallest of details.

Key Words: Paytm Payments, Customer Satisfaction.

## 1.1 INTRODUCTION

Production and marketing of goods and services are the essence of economic life in any society. All organizations perform these two basic functions to satisfy their commitments to their stakeholders – the owners, the customers and the society, at large. They create a benefit that economists call utility which is the want-satisfying power of a good or service. There are four basic kinds of utility – form, time, place and ownership utility. Form utility is created when the firm converts raw materials and component inputs into finished goods and services. Although marketing provides important inputs that specify consumer preference, the organization's production function is responsible for the actual creation of form utility.

Marketing function creates time, place and ownership utilities. Time and place utility occur when consumers find goods and services available when and where they want to purchase them. Online retailers with 24\*7 formats emphasize time utility. Vending machines focus on providing place utility for people buying snacks and soft drinks. The transfer of title to goods or services at the time of purchase creates ownership utility.

## 1.2 STATEMENT OF THE PROBLEM

The objective of every company would be ensuring customer satisfaction. Measuring customer satisfaction is always a challenge, as customer either would not disclose or sometimes do not assess their satisfaction level clearly. Many times the customer can not specify the reasons for his satisfaction. Paytm made its way into the e-commerce market in the year 2014. Paytm now offers multiple products ranging from primary mobile recharges to buying apparels or electronics enabling customers to get everything at one place. Thus, over a period of time, it has become both a payment platform as well as the marketplace. It has even obtained the license from Reserve Bank of India to run a Payments Bank. The aim of this research paper is to analyze the usage of PayTm by users for which respondents were categorized on the basis of, age, frequency of usage, purpose of usage and average monthly spending on Paytm.

### **1.3 OBJECTIVES OF THE STUDY**

- To know the socio-economic status of the respondents.
- To assess the usage experience and perception of paytm in Coimbatore city.
- To know the satisfaction level of the paytm users.
- To study the problem faced by the respondents while using paytm.

### **1.4 RESEARCH METHODOLOGY:**

The word “METHOD” means “the mode a way of accomplishing an end”. Research Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. The process used to collect information and data for the purpose of making business decisions. The methodology may include publication research, interview surveys and other research techniques, and could include both present and historical information. Any scientific approach should have a method or an outline to be followed to attain specific goals.

### **AREA OF THE STUDY**

Coimbatore is selected as the sample for the conduct of this study

### **SOURCE OF DATA:**

For this study both primary data and secondary data has been used.

### **PRIMARY DATA:**

The first-hand information, which is being collected by the researcher, is called primary data. In this study the primary data was collected through well-structured questionnaire.

### **SECONDARY DATA:**

Secondary data were collected from books, journals, magazines, newspapers and websites.

**SAMPLING AND TECHNIQUE:****SAMPLING:**

Research work was conducted by taking a sample of 120 respondents (excluding apprentice trainees and contract labors) from the company; the sample was sufficient and representative for the purpose of this research work. To study the problem clearly numbers of respondents from each department were selected on the basis of the size of the department as well as nature of the work. Questionnaires for the convenience of respondents and lot of efforts had to be taken to collect the required data from the selected sample of respondents representing the population.

**SAMPLE DESIGN:**

The sampling technique used in this study is simple random sampling method. This method is also called as the method of chance selection. Each and every item of population has equal chance to be included in the sample.

**QUESTIONNAIRE:**

The questions are arranged logical sequence. The questionnaire consists of a variety of questions presented to the respondents for the response. Dichotomous questions, multiple choice questions, rating scale questions were used in constructing questionnaire.

**TOOLS USED TO DATA COLLECTION:**

For the Study Questionnaire was the main and important tool for collection of the data. Hence, effort has been taken to construct the questionnaire in a systematic way as to include adequate and relevant questions to ensure the research objectives.

**DATA ANALYSIS:**

The data collected from the primary source were arranged sequentially and tabulated in a systematic order in the master table.

## 1.5 REVIEW OF LITERATURE

**Pooja A. Patil (2017)**<sup>1</sup> Information Technology sector in India is making progress at rates way beyond what was expected 30 years back. The new India is educated and everybody in the nation needs the best and most upgraded methodologies for their self-business. PayTM a digital payment platform was launched in 2010 by One97 communication.

**Abhijit M. Tadse (2017)**<sup>2</sup> Smartphone has become essential part of daily life. Due to technology, Digital wallets are quickly becoming mainstream mode of online payment and mobile users can nowadays use their smart phones to make money transaction or payment by using applications installed in the phone. One such application is PayTm. The present study tries to study the usage of PayTm by Smartphone users.

**Deepak Mathur (2017)**<sup>3</sup> E-commerce provides the capability of buying and selling products, information and services on the Internet. E-Payment system is secure, there should be no threat to the user credit card number, smart card or other personal detail, payment can be carried out without involvement of third party, it makes E payment at any time through the internet directly to the transfer settlement and form E-business environment. Studied have been carried out on E-Payment system.

**Manpreet Kaur (2017)**<sup>4</sup> Demonetization is a generations' memorable experience and is going to be one of the economic events of our time. Its impact is felt by every Indian citizen. Demonetization affects the economy through the liquidity side. Demonetizing is Progressive shift to a cashless economy with a greater focus on electronic transactions is being envisaged.

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<sup>1</sup>Pooja A. Patil (2017), Has Demonetization Really Helped in Growth of Paytm?, *International Journal of Advance Research, Ideas and Innovations in Technology*, ISSN: 2454-132X Impact factor: 4.295 (Volume3, Issue6).

<sup>2</sup>. Abhijit M. Tadse (2017), A Study On Usage Of Paytm, *An International Multidisciplinary Journal*, ISSN 2455-314X, Vol-3, Issue 2, 2017.

<sup>3</sup>Deepak Mathur (2017), A Survey of Awareness about Security in E-payment System, *IJMEIT* Volume 05 Issue 03 /ISSN-2348-196x March 2017.

<sup>4</sup>Manpreet Kaur (2017), Demonetization: Impact on Cashless Payment System, *6<sup>th</sup> international conference on recent trends in engineering, science and management*, ISBN-978-93-86171-21-4.

**RESULTS AND DISCUSSION:****Table 1.1**

<b>Sl. No</b>	<b>Variables</b>	<b>No. of Respondents</b>	<b>Percentage</b>
<b>Age</b>			
1.	21-30 years	131	52.40
2.	31-40 years	98	39.20
3.	41-50 years	13	5.20
4.	Above 50 years	8	3.20
	<b>Total</b>	<b>250</b>	<b>100</b>
<b>Educational Status</b>			
1.	College Level	13	5.20
2.	Professional Level	147	58.80
3.	Others	90	36
	<b>Total</b>	<b>250</b>	<b>100</b>
<b>Qualification Status</b>			
1.	Employed	114	45.60
2.	Business	81	32.40
3.	Professional	36	14.40
4.	Homemaker	19	7.60
	<b>Total</b>	<b>250</b>	<b>100</b>
<b>Income</b>			
1.	Upto 20000	47	18.80
2.	20001-30000	62	24.80
3.	30001-40000	95	38.00
4.	40001-50000	44	17.60
5.	Above 50,000	2	0.80
	<b>Total</b>	<b>250</b>	<b>100</b>

**Interpretation:**

The above table shows 52.40% of the respondents were age group between 21-30 years, 58.80% of the respondents were Professional Level, 45.60 % of the respondents were Employed persons and 38% of the respondents were monthly Income 30001-40000.

**AGE GROUPS AND LEVEL OF SATISFACTION**

<b>AGE</b>		<b>SUM OF SQUARES</b>	<b>DF</b>	<b>MEAN SQUARE</b>	<b>F</b>	<b>SIG.</b>	<b>REMARK S</b>
Privacy	Between Groups	18.374	3	6.125	3.274	0.022	Significant
	Within Groups	460.17	246	1.871			
	Total	478.544	249				
Security	Between Groups	4.474	3	1.491	0.844	0.471	Not Significant
	Within Groups	434.762	246	1.767			
	Total	439.236	249				
Specification	Between Groups	11.378	3	3.793	2.184	0.091	Not Significant
	Within Groups	427.266	246	1.737			
	Total	438.644	249				
Convenience	Between Groups	74.162	3	24.721	16.163	0	Significant
	Within Groups	376.238	246	1.529			
	Total	450.4	249				
order Tracking	Between Groups	7.431	3	2.477	1.038	0.376	Not Significant
	Within Groups	586.845	246	2.386			
	Total	594.276	249				
Discount	Between Groups	13.163	3	4.388	2.135	0.096	Not Significant
	Within Groups	505.541	246	2.055			
	Total	518.704	249				
Ease to use	Between Groups	34.953	3	11.651	7.464	0	Significant
	Within Groups	384.011	246	1.561			
	Total	418.964	249				
Brand loyalty	Between Groups	9.132	3	3.044	1.812	0.146	Not significant
	Within Groups	413.268	246	1.68			
	Total	422.4	249				
Transaction time	Between Groups	17.957	3	5.986	3.342	0.02	Significant
	Within Groups	440.559	246	1.791			
	Total	458.516	249				
Customer service	Between Groups	15.463	3	5.154	2.069	0.105	Not Significant
	Within Groups	612.813	246	2.491			
	Total	628.276	249				

**NULL HYPOTHESIS**

There is no significant difference between age groups and level of satisfaction factors which influence to use paytm

**INTERPRETATION**

The above table shows that P value is greater than 0.05 in all the level of satisfaction regarding factors which influence to use paytm except Privacy, Convenience, Ease to use and Transaction time, Therefore null hypothesis is accepted. Hence it is concluded that there is no significant difference between age groups and level of satisfaction regarding all the factors which influence to use paytm except privacy, Convenience, Ease of use and Transaction time.

**CONCLUSION**

Paytm supports their customers to transfer their payment with the usage of their mobile phones in the easiest way. Paytm has to work upon the payment gateway to improve the transaction efficiency as most people faced problem with payment gateway. Rather than being tied up in cash crunch and standing in the never ending ATM queues more people switched to online payments. There has been a rise in the number of debit card, credit card, net/mobile banking, e-wallets like paytm transactions. Even the smaller vendors have introduced cashless payment methods. Paytm is currently performing well in terms of privacy but it has to work upon discounts/offers, transaction time and bring about innovation to increase customer satisfaction. Therefore, we could generalize the trends that we are moving to a cashless economy.

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