

Exploring the Factors Affecting Consumer's Adoption of Digital Payment System

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With growth in digital commerce and internet access, digital payments services have huge potential in the country; however, consumer adoption of digital payments system is still low in India. Therefore, the present study tries to validate the unified theory of acceptance and use of technology (UTAUT) model to predict the behavioural intention to use digital payment system. A sample of 112 Undergraduate students of the University of Patiala is used to examine the research hypotheses. The findings indicate that performance expectancy and social influence are important determinants for digital payment system adoption and use, but effort expectancy has a significant negative influence on behavioural intention and facilitating conditions have no influence on behavioural intention to use digital payment system. The study offers several practical implications for digital payments service providers and banks regarding the marketing of new payment systems to increase users' behavioural intention to use this payment system.

I Introduction

In recent times, the tremendous development in the field of mobile and digital technologies has brought in a paradigm shift in every aspect of life. It can be used for payment of utility bills, procurement of travel, electronic fund transfer, Internet banking payments, making payment for the purchase of goods and services. There is a great interest among Indian policymakers, academicians, and commercial enterprises to explore the possibility of moving from cash to cashless economy. With an increase in urbanization, technological advancements and the fastest adoption of mobile phones and internet, now India is making an attempt to transition to digital payments systems.

Mobile payment is one of the critical drivers to promote the adoption of digital payments system in India. Mobile payments may be defined as making payments for goods, services, and bills using a mobile device including wireless tablets and other communication technologies (Dahlberg, Mallat, Ondrus, and Zmijewska 2008). India had over 115.5 crore wireless telephone subscribers and 64.2 crore and 1.9 crore wireless and broadband subscribers respectively across

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