



A STUDY ON CORRELATION ANALYSIS OF IMPULSIVE BUYING THROUGH E-WALLETS WITH AGE GROUP AND INCOME LEVELS IN BANGALORE CITY.

Maheshwari G* Dr. Pradeep G**

**Assistant professor. Department of UG studies Jain college vasavi campus VV Puram Bangalore.*

***Associate Professor Department Of Pg Studies Jain college vasavi campus VV Puram Bangalore.*

Abstract

India is heading towards cashless society. Last decade has seen a major growth in use of internet and mobile phones in India. The money has evolved from gold to paper currency and now to electronic currency. Markets have evolved from a mere physical store to a virtual store. E-commerce is boom in the modern business which creates a need for digital payment system. E-wallets have gained all attention like PhonePe, Google pay, WhatsApp pay, paytm etc which has eliminated constraint on time and location of payment. But looking at the darker side of E-wallets, it has also caused impulsive buying. This study mainly focuses on finding correlation between E-wallets and impulsive buying, age group and impulsive buying and income and impulsive buying. Data is collected through structured questionnaire and Karl Pearson's coefficient of correlation is the tool used for data analysis.

Keywords: *Impulsive buying, E-wallets, Digital currency, E-commerce.*

Introduction

India has entered the era of industrial revolution in which digitalization has become an integral part of their day to day life. As time is passing we are being surprised with new inventions and innovations which has eased out our lives. Let it be mobile phones, laptops, internet services things have become less complex and faster. This has surely changed the behaviour of humans specifically dealing with their business transactions. The focus is mainly on two area i.e. E-wallets and impulsive buying. We are clubbing these two areas to understand if E-wallets and impulse buying related.

Mobiles have completely altered the life styles of people. The concept of E wallets is gradually being accepted in India. The usage of cheque, cash, and plastic cards is getting outdated with so much innovation in technology. The new payment mechanism which involves payment through Electronic-wallet is gaining momentum. E-wallets enable people to store funds, make payment and track payment history. It is easy and quick way of making payments. One has to link the bank accounts to these E-wallets by feeding the bank details in order to have access to it.

E-wallets have drastically eliminated the need to carry physical cash or wallets.

E-Wallets are replacement and better and faster version of physical wallets.

Before people use to carry wallets in their pockets or bags. Physical money was stored in these wallets which was prone to risk like theft. It is even a replacement for debit and credit cards as one can store debit and credit card information in these E-wallets and make payments via these E-wallets.

E wallets are widely used for making instant payments like paying electricity bills, water bills, rent, stationery, refreshments expenses, interest, mobile recharge etc. In India we have many E-wallet apps like Amazon pay, Google pay, PhonePe, mobikwik, payzapp, whatsapp pay, jio money and many more.

Money have to be deposited in these E-wallets before any business transaction or one can link his bank account with these apps to make financial transaction. E-wallet have both software and information component. Security and fair electronic payment systems are an important concern. The software ensures of security and encryption for personal information and for conducting the financial transaction.



E- Wallets are secure as every time a user have to make payment he has to provide pin to authenticate and validate the payment While making Payment using E-wallets users will input their phone number and mail ID and then provider will send them an SMS along with a PIN. The user will enter the PIN, authenticating the number. Than the user has to input bank account information to proceed and validate the payments Best part of these E-wallets is its very convenient and instantly contactless payments can be made by scanning QR Code. The user is also provided with rewards, coupons, discounts, loyalty points which enable to purchase at minimum cost.

Looking at the dark side of E-wallets, it induces impulsive buying behaviour among people. Impulsive buying is a buying behaviour that is done without planning. People who have these E-wallets tend to make unplanned purchases.

Objectives of the study

- To find out if there is correlation between age group and impulsive buying.
- To know whether is their correlation between income of respondents and impulsive buying.

Limitations of study

- Place constraint.
- Time constraint.
- Geographical constraint confined only to Bangalore city.

Statement of problem

Impulsive buying is a psychological factor by virtue of which people are likely to get carried away and end up purchasing unwanted stuff. They are pushed to impulse buying by one major driver which is nothing but E-wallets, which is a very instantaneous and convenient method of payment and this particular phenomenon of impulse buying driven by e-wallets could be detrimental in the financial interest of the people, which might leave a negative impact on the liquidity and solvency of people in the long run and therefore this hiccup of impulse buying prompted by e-wallets is researchable.

Scope of the study

The study encompasses only three variables namely the mean age group of respondents, their income levels and percentage increase in impulse buying just because they have e wallets. The study is confined from June 2021 to 1st December 2021. Confined purely within the limits of Bangalore city only.

Review of literature:

- Shivang dwivedi and Dr. Ramesh kumar department of rural management university of lucknow , 2019, “DIGITAL ECONOMY: AN IMPACT ON IMPULSE BUYING” have found out that how the digital economy has influenced the impulsive buying and how consumers are making unplanned purchases due to ease of payment system.
- Erwin halim and others, 2020, “The Impacts of E-Payment System and Impulsive Buying to Purchase Intention in E-commerce” have found that E-payment system in E-commerce makes consumers indulge in impulsive buying.
- Seema sahai and others, 2019, “Impact of Digitization on Impulse Buying - What Makes the Customer Bite the Bait” have found different types of impulsive buying behaviour, reasons of consumers to indulge in impulsive buying. It also shows the age group which is engaged most in impulse buying.it was shows the factors that drive impulse purchases.
- Dr. Lokinder Kumar Tyagi and others, 2018, “E-WALLET MARKETING – A STUDY OF RISK INVOLVED AND CUSTOMERS’ SATISFACTION” have found that e-wallets are used a lot these days and how it help in customer satisfaction. He has also found what is the risk involved in usage of these E-wallets.



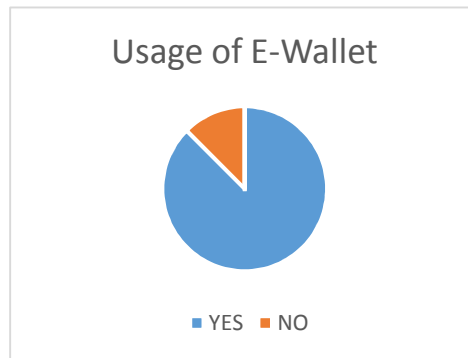
- Arslan Baran, 2015 “The Influence of Credit Card Usage on Impulsive Buying” has pointed that credit/debit cards and E-wallets encourages impulsive buying behaviour. Consumer may not have the financial capacity to make purchases, but consumer makes more impulsive buying with the comfort of credit cards. Because of this plastic money the consumers spends higher amount despite of having low.
- A.Martina Franciska & Dr. S. Sahayaselvi, 2017, “An Overview On Digital Payments” states various types of the digital payment system available, that is National electronic fund transfer, real time gross settlement ,immediate mobile payment system, Unified payment interface, E-wallets etc.
- Malusare Lalita Babulal, 2019 “Digital Payments Methods in India: A study of Problems and Prospects” has brought forward dark side of digital payment system and has also thrown light on various options of digital payments available to the people.
- Dr. D. S. Borkar and Mr. Avinash Galande, 2020 “DIGITAL PAYMENT: THE CANVAS OF INDIAN BANKING FINANCIAL SYSTEM” have found various modes of digital payments and how all these payment modes have eased out payment system in india.

Research methodology

- ✓ Data type: primary data only.
- ✓ Nature of the data: quantitative
- ✓ Sample size: 400
- ✓ Type of research: exploratory
- ✓ Type of sampling: random sampling.
- ✓ Statistical tools: KarlPearson’s coefficient correlation and bar diagrams
- ✓ Method of data collection- structured questionnaire, Reponses were collected separately in connection with age group and impulse buying patterns and income level and impulse buying patterns.

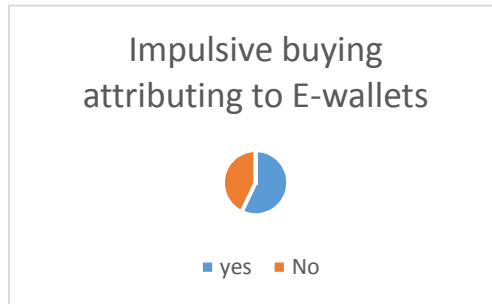
Data analysis and interpretation

1. Do you use E-wallets for your day to day purchases?
 Yes: 350
 No: 50



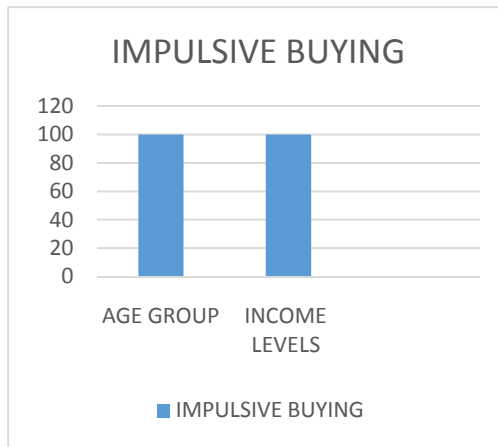
Interpretation: out of 400 respondents 350 respondents agreed that they use E-wallets and 50 respondents said they do not make use of E-wallets.

2. Having understood the meaning of impulsive buying will you attribute your impulsive buying behaviour to E-wallets?
 Yes – 200
 No -150



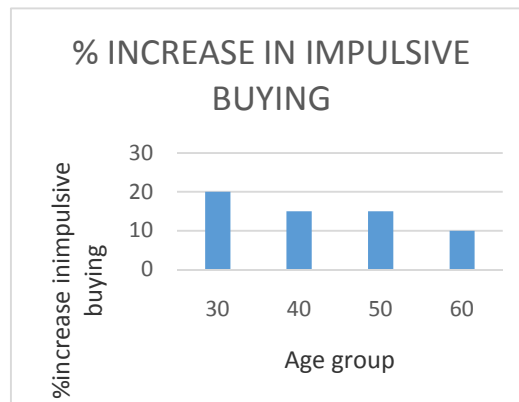
Interpretation: out of 350 respondents who have agreed that they use E-wallets, 200 respondents have agreed to attribute their impulsive buying to E-wallets.

- Bifurcation of respondents with regard to age group and income.
 Age group and impulsive buying behaviour 100 respondents.
 Income level and impulsive buying behaviours 100 respondents.



- data showing mean age group of respondents (X) and % increase in impulsive buying (Y)

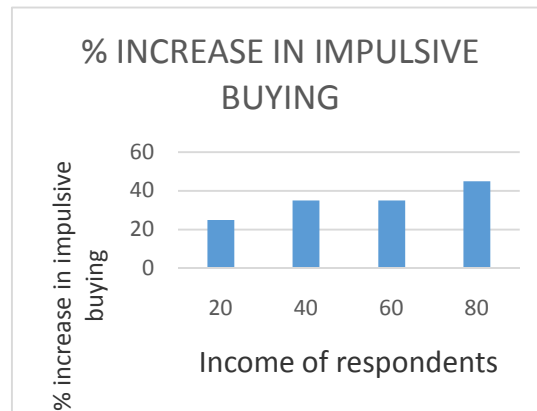
Mean age group of respondents	% increase in impulsive buying
30	20
40	15
50	15
60	10





5. Data showing Mean income of respondents and % increase impulsive buying.

MEAN INCOME OF RESPONDENTS (RUPEES IN 000'S)	% INCREASE IN IMPULSIVE BUYING
20	25
40	35
60	35
80	45



6. Statement showing calculation of coefficient of correlation between mean income of respondents (x) and % INCREASE IN IMPLUSIVE BUYING.

X(rupees in 000's)	X-x(x)	x^2	y	y- \bar{y} (y)	y^2	xy
20	-30	900	25	-10	100	300
40	-10	100	35	0	0	0
60	10	100	35	0	0	0
80	30	900	45	10	100	300
		$x^2=2000$			$y^2=200$	$xy=600$

$$x=50 \text{ and } \bar{y}=35$$

$$r = \frac{xy}{x^2 \cdot y^2} = \frac{600}{2000 \times 200} = \frac{600}{632.45}$$

$$r = +0.9486$$

7. Statement showing calculation of coefficient of correlation between mean age group of respondents (x) and % increase in impulsive buying (y)

X(mean age)	x-x-x	x^2	y	y- \bar{y} (y)	y^2	xy
30	-15	225	20	5	25	-75
40	-5	25	15	0	0	0
50	5	25	15	0	0	0
60	15	225	10	-5	25	-75
		$x^2=500$			$y^2=50$	$xy=-150$

$$x=45, \bar{y}=15$$

$$r = \frac{xy}{x^2 \times y^2} = \frac{-150}{500 \times 50} = \frac{-150}{158.11}$$

$$r = -0.9487$$



Findings

- It is found that there is a high degree of positive correlation between the mean income of respondents and percentage increase in impulse buying where $r = +0.9486$, that means as the mean income of the respondents is getting increased, their impulse buying behaviour is also getting increased.
- It was found that there is a high degree of negative correlation between mean age group of respondents and percentage increase in impulse buying where $r = -0.9486$, that means as the age group of the respondents is increasing their impulsive buying is showing a decrease in trend.

Conclusion:

From the research it can be concluded that the digitization is leaving a strong footprint in the digitized era with reference to Indian context where in more and more people are opting to have digitized payments through E-wallets, but at the same time E-wallets are inducing the high income group respondents to go for increased impulsive buying which is not a good sign from the view point of liquidity and long term solvency of a person. Such promptings induced through E-wallets can be said as the darker side of digitization.

Bibliography:

- ✓ [https:// digitalindiaportal.co.in/](https://digitalindiaportal.co.in/).
- ✓ Cashless India.
- ✓ [https:// www.meity.gov.in/modes-digital-payment](https://www.meity.gov.in/modes-digital-payment).