1.1 INTRODUCTION

India is moving forward on the way of the most significant digital revolution and digital payment system will be an important landmark in the regime of cashless economy in the coming years. Digital payment system is an electronic medium that allows consumers to make electronic commerce transactions for their purchase and also financial transactions. The development of the digital payment in India is anticipated to be driven by digital payment service providers, effective banking regulatory mechanism and experience of consumers and these are also growth enhancing factors for digital payment in India. Digital payment system has remarkable momentum particularly after demonetization in India. The Government of India is taking various steps for efficient utilization of digital payment platforms to wipe out corruption and black money from the Indian economic system. Presently, around 60 per cent of the transactions in India are taken place through digital platforms. Though digital payment is generally accepted by public, there are few criticisms about processing of digital payment system. To popularize and speed up of adoption of digital payment, there are many number of digital payment systems are launched in India.

The last decade has seen tremendous growth in use of internet and mobile phone in India. Increasing use of internet, mobile penetration and government initiative such as Digital India are acting as catalyst which leads to exponential growth in use of digital payment. Electronics Consumer transaction made at point of sale (POS) for services and products either through internet banking or mobile banking using smart phone or card payment are called as digital payment. The consumer perception of digital payment has a significant and positive impact on adoption of digital payment.

Digital payment system is an electronic medium that allows consumers to make electronic commerce transactions for their purchase. The rate of adoption of digital payment is positively and significantly affected by perception of consumers. At the same time, the digital payment system should adopt appropriate measures to overcome undue delay in processing payments. Hence, this study helps to identify the consumers' perception on digital payment, factors influencing cashless transactions and also identify the level of awareness of the consumers.

It has been said that every disruption creates opportunities and one such disruption was the announcement of demonetization by Prime Minister Mr. Narender Modi on 08

November 2016. Demonetization created huge growth opportunity for digital payment in India and the digital wallet companies garbed the opportunities with both the hands to expand their market share. Demonetization has presented a unique platform for adoption of digital payment, as an alternative to cash for Indian consumers.

1.2 SIGNIFICANCE OF THE STUDY

According to the Government of India the digital payment will increase the employment, reduces risk related to cash like corruption, robbery, and carrying or storage of large amount of cash and made all transactions to be done cashless or digitalized which helps the people to transfer the money with security and safety at high speed. The impact of this policy is a step towards the modernization and globalization by making the economy cashless.

1.3 STATEMENT OF THE PROBLEM

The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. “. As part of promoting cashless transactions and converting India into less-cash society, various modes of digital payments are available. Demonetization has presented a unique platform for adoption of digital payment as an alternative to cash for Indian consumers. The demonetization resulted in unprecedented growth in digital payment. Hence therefore the study is aimed at getting information about consumer perception towards digital payment.

1.4 OBJECTIVES OF THE STUDY

- To study the awareness and perception towards online payment among youngsters.
- To analyze the major obstacles faced by youngsters while using online payment.
- To find out the major reason for adopting online payment by youngsters.
- To make valuable suggestions to improve the security of online payment transactions.

1.5 SCOPE OF THE STUDY

The present study titled “A study on behaviour of youngsters in online payment system with special reference to Chirakkal panchayath” is relevant in the present scenario because the digital payment changed the buying behavior of Indian society. It prevents black money market. On the earlier, when digital payment introduced people hesitate to change their transaction habit but after demonetization, they force to do their transaction with digital payment. This study helps us to know the perception of consumers towards digital payment and also analyses the obstacles and difficulties in digital payment.

1.6 LIMITATIONS OF THE STUDY

- Some people are not so cooperative so that all the facts collected from respondents may not be fully true.
- The study has undertaken only for a particular period of time.
- The study was conducted in a limited geographical area. So the findings and conclusions may not be universally true.

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