INTRODUCTION

In recent years, the use of digital payment systems has increased rapidly in India. People are now depending more on online transactions instead of cash for their daily financial activities. The development of mobile banking, internet banking, UPI applications, debit cards, credit cards, and digital wallets has made transactions easier and faster. As technology becomes a part of everyday life, the idea of a cashless economy is gaining importance among people of different age groups.

A cashless economy is a system in which financial transactions are mainly carried out through electronic methods rather than physical cash. The growth of smartphones and internet services has played an important role in the expansion of digital payments. Government initiatives such as Digital India and UPI services have also encouraged people to adopt cashless transactions. Today, digital payments are commonly used for shopping, travel booking, food delivery, bill payments, and educational expenses. These changes have influenced the spending habits of consumers in many ways.

College students are one of the major groups using digital payment applications regularly. Young people are more interested in technology and easily adapt to new payment methods. Students use online payment systems for recharge, shopping, entertainment subscriptions, fee payments, and money transfers. Attractive cashback offers, discounts, and convenience encourage them to make frequent digital transactions. Because of this, the spending behaviour of students has changed considerably in recent years.

Consumer spending behaviour refers to the way people decide and spend money on goods and services. In a cashless economy, spending behaviour may change because digital payments make transactions quick and convenient. Many consumers feel comfortable using online payments as they reduce the need to carry cash. At the same time, easy access to digital payments may also increase unnecessary spending among students. Factors such as security, trust, internet access, and awareness also influence the use of cashless payment systems.

Kollam District is witnessing a steady increase in the use of digital payment methods among college students. Most students are familiar with online payment applications and use them in their daily activities. The increasing popularity of cashless transactions has created noticeable changes in their purchasing and spending patterns. Therefore, the present study attempts to

OBJECTIVES OF THE STUDY

- To study the awareness of cashless payment systems among college students.
- To identify the most commonly used digital payment methods by students.
- To analyse the spending behaviour of students in a cashless economy.
- To examine the factors influencing the use of digital payment systems.
- To identify the problems faced by students while using cashless transactions.

LIMITATIONS OF THE STUDY

- The study is limited to college students in Kollam District only.
- The sample size of the study is limited to 60 respondents.
- The study is based mainly on the opinions and responses of the students.
- Time constraints limited the detailed collection of data.
- The accuracy of the study depends upon the honesty of the respondents.

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