



Special Issue - Innovative Commerce: Bridging Business and Computer Applications (ICBBCA-2026)

PG Department of Commerce with Computer Applications, Mannar Thirumalai Naicker College, Madurai – March 2026

## A STUDY ON CONSUMER ADOPTION ON DIGITAL WALLET IN MADURAI CITY

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### Abstract

**E**wallet is a type of card which works electronically and also which is used for transactions made online through a computer or a smartphone. Its utility is same as a credit or debit card. Virtual cash or cashless transaction is an upcoming technology that has seen a tremendous growth in the past year. Cashless payments are now becoming a popular trend in almost every field. Demontisation has forced a lot of places to accept digital payments. Use of e wallets helps in moving away from cash based economy. In the process, all the transactions get accounted in the economy, which has the effect of reducing the size of the parallel economy. The presence of mobile wallet spreading from urban to rural areas on a large scale. Hence, wallet money sees a high bright future in near time. The present study tries to study and analysis of the usage of e wallet in the Madurai city.

**Keywords:** Consumer Adoption, Digital Wallet Usage, Cashless Transactions, Mobile Payment Systems.

### Introduction

The digital revolution continues to transform most aspects of our daily life. In particular, the digital revolution has resulted in the vertical convergence of business channel capacities. The digital revolution also continues to transform the public sector organizations and services. A next step in the digital revolution is the transformation of the time honored traditional physical wallet into the e-wallet. E-wallet is a type of electronic card which is used for transactions made online through a computer or a smartphone. Its utility is same as a credit or debit card. An E-wallet needs to be linked with the individual's bank account to make payments. E-wallet is a type of pre-paid account in which a user can store his/her money for any future



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online transaction E-wallet has mainly two components, software and information.

The software component stores personal information and provides security and encryption of the data. Understanding consumer adoption in this context is crucial because digital wallets offer numerous benefits such as convenience, speed of transactions, enhanced security features, and reduced dependency on physical currency. Moreover, government initiatives like the promotion of Digital India and supportive policies for cashless payments have created a favourable environment for digital financial services to thrive. Yet, challenges such as trust issues, privacy concerns, perceived usefulness, and infrastructural barriers also play a role in shaping consumer behaviour. This study aims to explore the determinants that influence consumers' willingness to adopt digital wallets in Madurai City.

### Statement of the Problem

Despite the rapid growth of digital payment systems in India, the adoption of digital wallets among consumers in Madurai City remains inconsistent. Many consumers continue to prefer traditional payment methods such as cash or debit/credit cards and the factors that influence their decision to adopt digital wallets—such as security concerns, perceived usefulness, ease of use, social influence, trust, awareness and demographic characteristics—are not fully

understood. Therefore, this study seeks to identify the key determinants and barriers affecting consumer adoption of digital wallets in Madurai City and to examine how these factors influence usage behaviour.

### Objectives of the Study

- To find the intention of users for adopting the E wallet.
- To study the satisfaction level and to know the preference of users whether they will continue to use the service in the future .
- Determine the specific factors that attract a customer to E-wallets.
- To analyse the E-wallets which the users like most.

### Research Methodology

#### Research Design

Research design is the framework or plan for a study that guides the collection and analysis of the data. It is a map or blueprint according to which research is to be conducted the research design.

#### Sources of Data

##### Primary Data:

The data which is collected first time or a fresh data is called the primary data. In this research questionnaire given to 104 respondents.

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**Secondary Data:**

Websites, Published reports, Review of literature from published articles, magazines, journals etc.

**Sample Size**

The size of the sample is 104. Sample collected directly from the respondents with the help of a questionnaire. The collected sample is in the method of convenience.

**Sampling Technique**

Convenience sampling method was used due to accessibility of respondents.

**Tools used for Analysis**

**Percentage Analysis:**

Percentage analysis was used to classify and interpret the responses of the respondents, enabling the researcher to understand the distribution of opinions and the relative importance of different factors influencing customer satisfaction.

**Tables and Charts for Presentation:**

Tables and charts were used to present the collected data in a clear and systematic manner, facilitating easy understanding, comparison and interpretation of the results.

**Data Analysis**

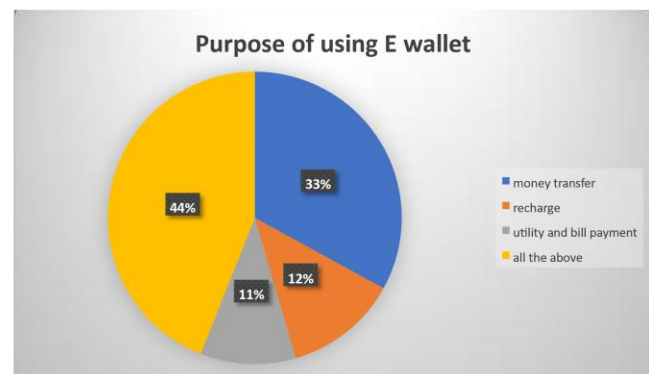
Table 1 explain the purpose of using E wallet by the sample respondents in Madurai City.

**Table Purpose of using E wallet by Respondents**

S.No.	Particulars	No .of Respondents	Percentage
1	Money transfer	34	33
2	Recharge	13	12.5
3	Utility and bill payment	11	10.5
4	All the above	46	44
<b>Total</b>		104	100

**Source: Primary Data**

Table 1 shows that 33% of the respondents are using E wallet for money transfer,12.5% for recharge, 10.5% for utility and bill payment,44% of the respondents are using e wallet for all the above purpose. It is interpreted that the majority 44% of the respondents are using e wallet for all the above purpose.





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## Findings of the Study

- The majority 51% of the respondents are using E wallet daily.
- The majority 40% of the respondents are likely to use E wallet in future.
- The majority 93% of the respondents use E wallet for their financial transaction.
- The majority 52% of the respondents are using E wallet for ease of use.

## Suggestions

- Create a unique password for your digital wallet.
- Always use secure network connections.
- Avoid redirects during the payment process.

## Conclusion

E-Wallet is one of those programs which is a real pleasure to use and it has been so well thought out. There are a host of features and the program remains so very simple to use. Consumer can ignore all the customization and use it just as effectively with the default settings and selections. Although E Wallet still have some disadvantages in term of interoperability and standardization of security and formats but still e-Wallet is the best in transaction application compare to others. This study shows that the three major factors which play an important role in consumer adoption are convenience in Ease of use, quick online

transaction and usefulness of E-wallet. Users of E wallet are satisfied with the services provided to them.

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