



A STUDY ON CONSUMERS PERCEPTION TOWARDS PLASTIC MONEY SPECIAL REFERENCE TO COIMBATORE CITY

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Abstract:

Plastic money may relate to the use of plastic cards like debit/ credit cards in the form of electronic deals. It's a form of payment that enables consumers to make deals without spending cash. The main objective of the study is to determine the perception of consumers towards Plastic money in Coimbatore City. A sample of 120 data has been collected and analyzed using simple percentage analysis, chi square test and scaling technique. The study concluded that plastic money has become a necessity today. Fortunately, the benefits outweigh the drawbacks. The ease of access and the help they provide is undeniable. Therefore, more and more people today are turning to plastic money instead of cash.

Key Words: Plastic, Money, Debit Card, Credit Card, Consumers, Perception, Cash, Payment, Etc.

Introduction:

Indian frugality has flourished with the arrival of liberalization, Privatization and globalization. Banking sector is not an exception too. These reforms have presented a challenge before Indian banking sector to shake hands with the pace of rearmost technology. Without a sound and effective banking system in India it cannot have a healthy frugality. The banking system of India shouldn't only be problem free but it should be suitable to meet new challenges posed by the technology and the other external and internal factors but, bare technology up gradation or preface of innovative products cannot ameliorate the state of affairs till customers do not respond to it appreciatively. Hence, it becomes veritably necessary for the banks to offer the services or products while taking into consideration the customers' wants, preferences, comprehensions and convenience.

The banks' services aren't simply confined to their particular branch customers only. Client is now treated as client of banks as a whole, which implies that he's presently able of enjoying installations similar as anywhere, anytime banking (Kamesam, 2003). This conception as enabled the bankers to ascertain long term connection with their customers. Hence, Electronic banking is the new trend significantly espoused by banking sector worldwide because of its wider compass for the customers as well as banks at large. Colorful sophisticated products have been launched by the banks which grease them to satisfy the introductory musts of their customers. With entry of tech smart private sector banks and foreign banks, the competitive terrain has started prevailing in banking sector too. No doubt, Public- sector banks have large network of ancient branches to approach their customers as compared to the private and foreign players. Still, with the backing of information technology, it has now come possible for banks to deliver products and services with effectiveness and to ameliorate client base without opening new branches. Hence, these new private and foreign players are trying to contend with them on the base of relinquishment of new technological services like plastic cards, PC banking, Electronic finances Transfer (EFT), net banking etc. To approach the maximum customers in malignancy of having lower physical branches (Venkatesan and Kumar, 2007). Attributable to this reason, public sector banks also are likely to move towards electronic banking, which eventually leads the entire banking sector to the remarkable enhancement with respect to its effectiveness, customer services, productivity, profitability etc. therefore, Banks are now reengineering the way in which their services can be reached to their customers by bringing in inflexibility in their "distribution channels". the information technology has replaced the slipup or traditional banking with the wide range of e-banking products and services like ATM (Automated Teller Machine), net Banking, Credit Cards, PC banking, EFTs, debit Cards, smart Cards etc. With the effect of this dynamic terrain, Indian banking has witnessed exceptional growth since 2006 as banking sector is growing by 18and it's six times over the last decade growth.

Plastic money is a necessary part of our lives. But where did the need for Plastic money arise from? You may recall learning about a trade system, in which goods were traded for goods, followed by an age when gold and tableware coins were introduced. As humanity progressed, we began to use paper notes and coins for marketable deals. With time, we also used technology to pay for goods. The use of Plastic money came through technology. Plastic money may relate to the use of plastic cards like debit/ credit cards in the form of electronic deals. Credit cards and debit cards are appertained to as Plastic money. It's a form of payment that enables consumers to make deals without spending cash. Plastic money is protean and accessible. The invention of

Plastic money was made possible by technology. Cards are decreasingly being used in place of factual cash. Plastic money refers to these cards. Debit and credit cards represent plastic money. Plastic money has made it easier for us to carry out deals in our diurnal lives. It has replaced cash payments across the world and established itself as a necessary form of instant Plastic money. It has made it simpler for us to buy particulars with some of the stylish credit cards in the request, which we couldn't else go.

Benefits of Plastic Money:

Plastic money comes with numerous benefits, including.

- **Cashless Living:** Plastic money has not only made our lives easier but has also soothed the hassles that come with carrying currency. Some of the stylish credit cards allow us to move around the world without fussing about carrying cash.
- **Better Security:** One advantage of using credit or debit cards is the drop in thieveries and crimes. Playing a card's Leg is delicate and necessitates the knowledge of certain procedures. As a result, credit and debit cardholders can be nicely confident of the security of their finances.
- **Financial Freedom:** Credit cards allow a person to make a sale and pay for it indeed when they don't have the finances. It's incredibly salutary especially when you're short on cash. Credit cards also reduce the need to calculate on others for fiscal backing in an exigency. You can use the credit card to fund your demand and after vengeance in installments. Further, a credit card is easy to get. All you need to do is meet your bank's credit card eligibility criteria, and the card is yours.
- **Ease of Doing Deals:** Credit cards and debit cards can help make online payments, fund transfers, and other deals with ease. It's incredibly simple to make payments with plastic money from any position. Likewise, several online businesses give abatements when paying using credit and debit cards.
- **Instigative Deals and Abatements:** Every credit and debit card providers offer deals and abatements on shopping. They can help you save more and earn cash back on purchases.
- **Saving on Trip:** Travelling can be precious without plastic money. Credit and debit cards give chesterfield access and inconceivable deals on trip bookings. You cannot enjoy the same benefits while using cash, making plastic money a must if you're travelling.

Review of Literature:

Mandeep Kaur and Kamalpreet Kaur (2008), in the composition, "Development of Plastic Cards Market Past, Present and Future Scenario in Indian Banks" bandied that Indian banking sector is accepting the new ways of doing banking with the help of information technology All the groups of bankers have now honored it as essential to acclimatize to the rearmost technologies for their survival and growth in future. Notwithstanding the strong advances ine-payments, an estimated 90 percent of payments in India is still made with cash which indicates the tremendous growth eventuality of plastic money business.

Bansi Patel and Urvi Amin (2012) in their exploration paper "Plastic Money Roadway Towards Cashless Society" bandied that plastic money has been an ineluctable part of the sale and with it life becomes easy and development would take better place and along with the use of plastic money it becomes possible to control the Plastic money laundering.

P Manivannan (2013) in his exploration paper "Plastic Money a way for cashless payment system" bandied that operation of Credit card was seen as a luxury. He examined that plastic money and e- payments was used only by people of advanced income group. This installation extended to customers in civic areas as well as to the customers abiding in pastoral areas. Moment, with development of banking sector, the fixed income group or salaried classes have also started using the plastic money and e-payment systems.

Tabrez Haq and Bushra Malik, (2014) in their exploration paper "Consumer response towards the operation of plastic money" examined that with an increase of shift of paper Plastic money to plastic money in India by consumers, the distribution of plastic money has increased due to the fact that banking sector has come more aggressive. The paper properly investigates the adequacy of the cards among the Indian consumer and the factors impacting the card choice.

Objectives of the Study:

- To study the overview of Plastic money in India.
- To examine the perception of consumers towards Plastic money with special reference to Coimbatore City.

Research Methodology:

The study involves the descriptive type of research to explore the level of perception of consumers towards Plastic money in Coimbatore City. The Simple Random Sampling technique has been used and sample comprised of the general consumers. To fulfill the requirement for the study, the data were collected from primary and secondary sources. Primary Data were collected from the 120 consumers through structured questionnaire comprising of demographic factors and other study factors related to perception of Plastic money. Secondary data was collected from internal sources like official records, newspaper, websites, journals and published papers. For analyzing the data, simple statistical tools like Percentage Analysis and Chi- Square analysis is used.

Limitation of the Study:

The study covered geographical region of Coimbatore with the sample size of 120 consumers and the findings may not be related to other area and there is chances of personal bias and the results have its own limitations.

Analysis and Interpretation:

Table 1: Table Showing the Age of the Consumers

S.No	Age	No. of Consumers	Percentage (%)
1	18 - 24years	109	90.8
2	25 - 34 Years	7	5.8
3	35 - 44 Years	4	3.3
Total		120	100

Source: Primary Data

The above table1 indicates the age-wise classification of consumers. It shows that out of 120 consumers, 109 (90.8%) of the consumers are in the age group of 18-24 years, 7 (5.8%) of the consumers are in the age group of 25-34 years and 4 (3.3%) of the consumers are in the age group of 35-44years. Hence, majority 109 (90.8%) of the consumers are between the Age Group of 18- 24 years.

Table 2: Table Showing the Gender of the Consumers

S.No	Gender	No. of Consumers	Percentage (%)
1	Female	99	82.5
2	Male	21	17.5
Total		120	100

Source: Primary Data

The above table 2 shows that out of 120 consumers, 99 (82.5%) of the consumers are Female and 21 (17.5%) of the consumers are male. Therefore, majority 99 (82.5%) of the consumers are Female.

Table 3: Table Showing the Area of Residence of the Consumers

S.No	Area of Residence	No. of Consumers	Percentage (%)
1	Rural	45	37.5
2	Urban	51	42.5
3	Semi-Urban	24	20.0
Total		120	100

Source: Primary Data

Table 3 displays the area of residence of consumers. It shows that out of 120 consumers, 51 (42.5%) of the consumers are residing in urban area, 45 (37.5%) of the consumers are residing in rural area and 24 (20%) of the consumers are residing in semi-urban area. Thence, most 51 (42.5%) of the consumers are in Rural area.

Table 4: Table Showing the Occupation of the Consumers

S.No	Occupation	No. of Consumers	Percentage (%)
1	Student	86	71.7
2	Private Employee	24	20.0
3	Agriculture	1	0.8
4	Business	2	1.7
5	Entrepreneur	2	1.7
6	Mistress of the House / Homemaker	5	4.1
Total		120	100

Source: Primary Data

The above table 4 presents the occupation of the consumers. It shows that out of 120 consumers, 86 (71.7%) of the consumers are students, 24 (20%) of them are private employees, 5 (4.2%) of them are homemaker, 2 (1.7%) of them are businessmen, 2 (1.7%) of them are entrepreneurs and 1 (0.8%) of the respondent is agriculturists. Thence, majority 86 (71.7%) of the consumers are Students who are future citizens.

Table 5: Table Showing the Monthly Income of the Consumers

S.No	Monthly Income	No. of Consumers	Percentage (%)
1	Below Rs.10,000	61	50.8
2	Rs.10,001-Rs.20,000	26	21.7
3	Rs.20,001-Rs.30,000	17	14.2
4	Above Rs.30,000	16	13.3
Total		120	100

Source: Primary Data

The above table 5 exhibits the monthly income of the consumers. It shows that out of 120 consumers, 61(50.8%) of the consumers are earning below Rs.10,000, 26(21.7%) of the consumers are earning between Rs.10,000 - Rs.20,000, 17 (14.2%) of the consumers are earning above Rs.30,000 and 16 (13.3%) of the

consumers are earning between Rs.20,000-Rs.30,000. Thus, majority 61 (50.8%) of the consumers' Monthly Income is Below Rs. 10,000.

Table 6: Table Showing the Consumers Mindfulness about Emissions Related to Travel

S.No	Mindfulness about Emissions Related to Travel	No. of Consumers	Percentage (%)
1	Yes	105	87.5
2	No	15	12.5
Total		120	100

Source: Primary Data

The above table 6 exhibits the mindfulness of the consumers about the emissions related to travel. It shows that out of 120 consumers, 105 (87.5%) of the consumers are mindful about emissions and 15 (12.5%) of the consumers are not mindful. Therefore, majority 105 (87.5%) of the consumers are mindful about the Emissions related to Travel.

Table 7: Table Showing the Consumers Perception about Plastic money

S.No	Factors	Perception					Total
		Highly Aware	Aware	Neutral	Not Aware	Highly Not Aware	
1	Service Offers	70 (58.33%)	34 (28.33%)	14 (11.67%)	1 (0.83%)	1 (0.83%)	120
2	Promotional Offers	44 (36.67%)	40 (33.33%)	26 (21.67%)	6 (5%)	4 (3.33%)	120
3	Cash Benefits	8 (6.67%)	25 (20.83%)	40 (33.33%)	36 (30%)	11 (9.17%)	120
4	Easy Payment	16 (13.33%)	29 (24.17%)	29 (24.17%)	35 (29.17%)	11 (9.17%)	120
5	Time Benefits	15 (12.50%)	24 (20%)	25 (20.83%)	35 (29.17%)	21 (17.50%)	120

Source: Primary Data

The above table 7 displays the level of perception of consumers towards Plastic money. It shows that out of 120 consumers, 70 (58.3%) of the consumers are highly aware about Service offers, 44 (36.67%) of the consumers are highly aware about Promotional offers, 16 (13.33%) of the consumers are highly aware about Easy payment, 15 (12.50%) of the consumers are highly aware about time benefits, 8 (6.67%) the consumers are highly aware about cash benefits. Therefore, majority 70 (58.33%) of the consumers are highly aware about Service offers

Table 8: Table Showing Chi- Square Analysis between Gender and Consumer perception towards Plastic money

	Value	DF	Asymptotic Significance (2-Sided)
Pearson Chi- Square	2.848a	4	.584
Likelihood Ratio	3.151	4	.533
No. of. Valid Cases	120		

Source: Primary Data

* Significant at 5% level

It is clear from the above table 11 that 'p' value is 0.584 which is greater than 0.05, there is no significance association between Gender and Consumer perception towards Plastic money. Hence, Null hypothesis is accepted.

Table 9: Table Showing Chi- Square Analysis between Educational Qualification and Consumer perception towards Plastic money

	Value	DF	Asymptotic Significance (2-Sided)
Pearson Chi- Square	17.446a	15	.293
Likelihood Ratio	14.425	15	.494
No. of. Valid Cases	120		

Source: Primary Data

* Significant at 5% level

It is understood from the above table 12 that 'P' value is 0.293 which is greater than 0.05. This concludes that there is no significance association between educational qualification and Consumer perception towards Plastic money. Therefore, Null hypothesis is accepted.

Conclusion:

Plastic cards help in many ways, but if we don't manage our plastic cards properly it can lead to overspending, financial burden and financial stress. Plastic money is easier, less risky, and safer than paper money, but it's important to remember that it's not necessary to use plastic money, especially if you can't control your money when using a plastic card. When we spend money, it hurts to put our money in and know that we now have less money in our wallet. Just like every coin has two sides, this venture has its pros and cons. Availability of POS systems and job security are the main barriers to people's preference for plastic money.

Thus banks need to take steps to build better and safer payment gateways with high security programmed software which does not give a lead to data theft or hacking of monetary details of the users. Banks should educate people through awareness programs briefing about the uses of plastic and the usage directions to the financially illiterate population as well as the existing customers. At last it is concluded that plastic money has a very bright future in the coming years because of the increasing trend of e-commerce. The study concludes that plastic money has become a necessity today. Fortunately, the benefits outweigh the drawbacks. The ease of access and the help they provide is undeniable. Therefore, more and more people today are turning to plastic money instead of cash.

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