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# Consumer Behaviour Towards Online Payment System with Special Reference to Gorakhpur City

**Santosh Kumar Tripathi**

Acting Principal, Marwar Business School, Gorakhpur


**Abstract---** Technology has come to play a significant role in the where as of development of newer modes of payment and settlement. Today this end, innovative products such as e-banking and e-payments have been introduced. Internet banking has been the predominant mode of e-banking in India with the internet offering itself as a new delivery mechanism for the banks in reaching the customer. Online payment was very much used in recent years due to convenience, speedy transactions, saving time, attractive sales promotional offers, etc. Despite these factors, there were various transactional and non- transactional issues involved such as internet user being uncomfortable often etc. which act as deterrents. However, the future for online payment looks bright and promising. This was especially true in the context of consumers in small cities, where online payment was still new, and consumers were less familiar and often more skeptical towards it.

**Keywords---** consumer, e-banking, e-payments, technology.

## Introduction

Online payment systems remain a major factor in today's ecommerce sector. Because businesses were expanding globally and also offering online options, the need for alternative forms of payment were quite significant. The use of online payment systems began in the 1960's and was used mainly among financial and banking institutions ([Shah & Siddiqui, 2006](#); [Liao & Cheung, 2002](#)). It was during this time that ATM's and credit cards were first introduced to consumers. Since then, the use of online payment systems has increased substantially and has changed the way consumers do business. Online payment systems have also served as a catalyst for new business formations and social practice ([Bose, 2006](#)).

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**Corresponding author:** Santosh Kumar Tripathi, Email: [tripathi@gmail.com](mailto:tripathi@gmail.com)

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## **Review of Literature**

“A Comparative Study of Customer Perception toward E-banking Services Provided By Selected Private & Public Sector Bank in India”. The result of the study clearly shows that different age group of customer and different occupation group of customers have different perception toward the e-banking services ([Stamoulis et al., 2002](#); [Newman & Sutter, 2002](#)).

## **Research Methodology**

The research paper based on secondary data collected.

## **Objectives of the Study**

- To measure the satisfaction level of customers using online payment system.
- To find out the practical difficulties faced by customers.

## **Data Collection**

Data has collected from newspaper, books, magazines, reports, and websites.

## **Findings**

Most of the customers uses online payment system for money transfer as well as recharge whereas, some of uses it for online shopping and for paying the various bills. While there is group of customers who uses the online payment system for all the mention purposes ([Jaffe et al., 2005](#); [Yamazoe, 2005](#)). Customer prefer online payment system because it's provided time utility to them. From the study it has been found that almost every customer is satisfied with the online payment system expect only one ([Leistner, 2000](#); [Singhal, 2000](#)).

## **Suggestions**

- Researchers suggest to spread the knowledge of online payment system so as to increase the number of transactions.
- Researchers suggest to provide different offers to customers in order to connect more and more customers with the system but while doing this make sure that the system should be easy for the customers and convenient too.
- Researchers suggest that the risk of security of payment should be minimized so as to increase the trust level of customer towards the system.

## **Conclusion**

Technological changes are also influenced in banking sector. Mobile banking brings a drastic change in the field of banking sector by the implementation of online payment system. The study finds the satisfaction level of users in using online payment system ([Zia et al., 2006](#); [Rahimi, 2015](#)). From this study, it is clear that most of the people are aware about the online payment system and they use

it in maximum extent. Online payment system is drastically used among the youths and increasingly used by students for their transactions. Customers are highly satisfied with the overall online payment system ([Thornhill, 2006; Xavier, 2015](#)).

In this present scenario, online payment is more beneficial to the society to reduce the cost and time evolved with making the transactions personally by going to their respective banks.

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