

Usage Of Digital Financial Services Among Youth From College Campuses In Kerala

Dr. Shafeer P S*

* Assistant Professors, PG Dept. of Commerce, MES Asmabi College, P.Vemabllur, Thrissur Dt. Kerala, India.

ABSTRACT

Digital Financial Services (DFS) include a broad range of financial services accessed and delivered through digital channels, including payments, credit, savings, remittances and insurance. Digital channels refer to the internet, mobile phones, ATMs, POS terminals etc. An empirical research has been conducted to explore the usage of digital financial services among youth from college campuses in Kerala. Purposive sampling method was adopted among the under graduate and post graduate students of various colleges in the state of Kerala with the help of a pre-tested questionnaire administrated via Google form through online mode. The study reveals that most of youngsters using mobile banking services at moderate level, there is no significant difference regarding the levels of usage of Digital banking services among youth.

Keywords: Digital financial services, Mobile banking, Digital payment

Introduction

Digital finance holds an enormous opportunity for greater financial inclusion and expansion of basic services. Nearly 50% of people in the developing world own a mobile phone. The challenge is enormous, with 2.5 billion individuals and over 200 million small businesses lacking access to basic financial services and credit. Digital finance is a powerful means to expand access beyond financial services to other sectors, including agriculture, transportation, water, health, education, and clean energy

The concept of digital financial services

Digital Financial Services (DFS) include a broad range of financial services accessed and delivered through digital channels, including payments, credit, savings, remittances and insurance. – Digital channels refer to the internet, mobile phones, ATMs, POS terminals etc. Digital finance is a powerful means to expand access beyond financial services to other sectors, including agriculture, transportation, water, health, education, and clean energy.

Problem discussion and research questions

The broad range of financial services accessed and delivered through digital channels, including payments, credit, savings, remittances and insurance. The digital financial services (DFS) concept includes mobile financial services (MFS). Digital financial services is vital to the public because of it's more convenient compared to keeping money at home traveling with the cash. However, the provision of digital finance involves the participation of different players such as banks/financial institutions, mobile network operators, financial technology providers, regulators, agents, chains of retailers and clients. Digital finance mechanisms also need improvement of infrastructures to make the services user-friendly, secure, and cost effective manner. In this study, the researcher analyze the Usage of digital financial services among youth from college campuses of Kerala with considering the features of digital financial services. This research problem addressed to the following research questions

1. *What are the levels of usage of digital financial services among youth from college campuses of Kerala?*
2. *What is the extent of usage of factors regarding digital financial services among youth from college campuses of Kerala?*

Objectives of the study

1. To investigate the levels of usage of digital financial services among youth from college campuses of Kerala
2. To measure the extent of usage of factors regarding digital financial services among youth from college campuses of Kerala

Significance of the study

Digital finance has some benefits. For instance, digital finance can lead to greater financial inclusion, expansion of financial services to non-financial sectors, and the expansion of basic services to individuals since nearly 50% of people in the developing world already own a mobile phone (WorldBank, 2014) in (Ozili, 2018).Two, digital finance has the potential to provide affordable, convenient and secure banking service to poor individuals in developing countries (CGAP). Recent improvement in the accessibility and affordability of digital financial services around the world can help millions of poor customers move from cash-based transactions to formal digital financial transactions on secured digital platforms (CGAP). This study aimed to find out the extant and level of usage of digital financial services among youth from college campuses of Kerala. It brings a new knowledge related with youngsters' interest towards using digital finance for their financial transaction and this information is helpful to the bank to take appropriate decision regarding their digital financial services to the youngsters.

Scope of the study

The study was conducted among the under graduate and post graduate students of various colleges in the state of Kerala that Govt. Medical College, Thrissur, Govt. law college, Thrissur, MES Asmabi College, P.Vemballur, Govt. Law college, Ernamkulam, Rajagiri College, Kochi, Kerala Agricultural University college, Mannuthy, St. Paul's College, Kalamasserry and Sacred Heart college, Chalakkudy. Mainly two constructs are used in this study that usage of mobile banking and usage of Digital payment.

METHODOLOGY

Secondary data

The secondary data is collected from review of existing literatures and published sources such as journals, articles, websites etc.

Primary data

Primary data collected for this study from the under graduate and post graduate students of various colleges in the state of Kerala that with the help of a pre-tested questionnaire administrated via Google form through online mode.

Research design and Sampling method

The study carried out with descriptive and inferential type of research. The survey conducted among the under graduate and post graduate students of various colleges in the state of Kerala. Likert's five point scale was adopted to measure the questions. (Strongly Agree to Strongly Disagree). Purposive sampling method was adopted for sampling procedures. 106 respondents are participated in this survey. Therefore, sample size was 106 for this study.

Tool used for data analysis

1. To investigate the levels of usage of digital financial services among youth from college campuses of Kerala, Percentile, percentage analyses and Chi-Square test are used
2. To measure the extent of usage of digital financial services among youth from college campuses of Kerala, mean rank with Friedman test is employed.

Limitation of the study

Data collected for this study was online mode of survey by Google forms. Sampling method adopted for this study is purposive sampling method. These two things make certain it's owned inherited limitations in this study.

ANALYSIS OF THE DATA

LEVELS OF USAGE OF DIGITAL FINANCIAL SERVICES

H1: Proportions of levels of usage of Mobile Banking services among youth from college campuses of Kerala is equally distributed

H2: Proportions of levels of usage of Mobile Banking services among youth from college campuses of Kerala is equally distributed

Table 1: Levels of usage of Mobile banking services among youth from college campuses of Kerala by Chi-square test

Level of Mobile banking usage	Numbers	Percentages	Total	Chi-Square	P. Value
Low level usage	26	24.5%	106 (100%)	10.54	<0.01**
Moderate level usage	51	48.1%			
High level usage	29	27.4%			

***indicates significant at 1% level*

Since the P value is <0.01, the proportions of levels of usage of Mobile Banking services among youth from college campuses of Kerala is not equally distributed. Therefore, null hypothesis is rejected. It indicates that there is significant difference regarding the proportions of levels of usage of Mobile Banking services among youth. From the above table, it can be seen that 24.5 percent of low level usage among youth from college campuses regarding mobile banking. 48.1 percent are moderate level usage and 27.4 percent are high level usage. So, it can be inferred that most of youngsters using mobile banking services at moderate level.

Table 1: Levels of usage of Digital payment services among youth from college campuses of Kerala by Chi-Square test

Level of Digital payment usage	Numbers	Percentages	Total	Chi-Square	P. Value
Low level usage	29	27.4%	106 (100%)	1.71	0.424
Moderate level usage	38	35.8%			
High level usage	39	36.8%			

***indicates significant at 1% level*

Since the P value is >0.05 , the proportions of levels of usage of Digital payment services among youth from college campuses of Kerala is equally distributed. Therefore, null hypothesis is accepted. It indicates that there is no significant difference regarding the proportions of levels of usage of Digital banking services among youth.

EXTENT OF USAGE OF DIGITAL FINANCIAL SERVICES

H3: There is no significant difference among mean ranks towards factors of Mobile Banking services.

H4: There is no significant difference among mean ranks towards factors of Digital Payment services.

Table 2: Extent of usage of digital financial services among youth from college campuses of Kerala

Extent of usage of Mobile banking services	Mean rank	Friedman test (Chi-square value & P value)
Convenience	5.19	
Affordable	4.81	
Secure banking system	3.25	93.48*
User friendly	5.05	(<0.00)**
Low cost	3.50	
Adaptability	4.82	
Timely services	4.87	
Quick financial decision making	4.51	

*** indicates Chi-square value. * shows P Value*

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is significant difference among mean ranks towards factors for usage of Mobile Banking services among youngsters in college campuses in Kerala. Based on mean ranks, Convenience (5.19) is most important reason behind the usage of mobile banking services among youngsters in Kerala, is followed by user friendly (5.05), Timely services (4.87), Adaptability (4.82), Affordable (4.81), Quick financial decision making (0.4.51), Low cost (3.50) and Secure banking system (3.25).

Table 2: Extent of usage of digital financial services among youth from college campuses of Kerala

Extent of usage of Mobile banking services	Mean rank	Friedman test (Chi-square value & P value)
Convenience	3.54	
Secure banking system	2.61	
User friendly	3.53	74.40*
Low cost	2.33	(<0.00)**
Quick financial decision making	3.00	

*** indicates Chi-square value. * shows P Value*

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it can be concluded that there is significant difference among mean ranks towards factors for usage of Digital payment services among youngsters

in college campuses in Kerala. Based on mean ranks, Convenience (3.54) is most important reason behind the usage of digital payment services among youngsters in Kerala, is followed by user friendly (3.53), Quick financial decision making (3.00), secure banking system (2.61) and Low cost (2.33).

FINDINGS, SUGGESTIONS AND CONCLUSIONS

Findings

1. Most of youngsters using mobile banking services at moderate level
2. There is no significant difference regarding the levels of usage of Digital banking services among youth.
3. Convenience is most important reason behind the usage of mobile banking services among youngsters in Kerala, is followed by user friendly, Timely services, Adaptability, Affordable, Quick financial decision making, Low cost and Secure banking system.
4. Convenience is most important factor to the usage of digital payment services among youngsters in Kerala, is followed by user friendly, quick financial decision making, secure banking system and Low cost.
5. Security in mobile banking is least preferred aspects of mobile banking system by youngsters

Suggestions based on findings

1. Most of youngsters using mobile banking services at moderate level only. Therefore, it suggested to bank to take necessary steps to improve the usage rate of mobile banking technology among educated youngsters
2. Youngsters consider that security system of mobile banking is not much better than other features of mobile banking system. So, it is suggested to the bank authority to improve the security features of existing mobile banking system

Conclusion

This paper discussed the usage of digital financial services among youth from college campuses in Kerala. Purposive sampling method was adopted among the under graduate and post graduate students of various colleges in the state of Kerala that with the help of a pre-tested questionnaire administrated via Google form through online mode. The study reveals that most of youngsters using mobile banking services at moderate level, there is no significant difference regarding the levels of usage of Digital banking services among youth

Bibliography

1. Juan Antonio Ketterer.2017. Digital Finance New Times, New Challenges, New Opportunities. IDB-Inter American Development Bank
2. Peterson Kitakogelu Ozili.2018. Impact of Digital Finance on Financial Inclusion and Stability. University of Essex.

Web-bibliography

1. <https://www.worldbank.org/news/feature/2014/04/10/digital-finance>