
**“A STUDY ON CUSTOMER AWARENESS, USAGE, AND ADOPTION
OF MOBILE WALLETS IN PUNE CITY”**

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ABSTRACT

Mobile wallets have become an important part of digital payments in India due to the increasing use of smartphones, improved internet access, and the government's Digital India initiative. This study aims to understand how aware customers are of mobile wallets, how often they use them, and what factors influence their decision to adopt them in Pune. The research explores customer behavior, their preferences, and the reasons behind mobile wallet adoption, which include convenience, security, and promotional offers. The data was collected through a structured questionnaire from customers in Pune. The results show that mobile wallet adoption is on the rise, but they also highlight customer concerns about the security of these wallets.

KEYWORDS: Mobile Wallets, Digital Payments, Customer Awareness, Adoption, Pune City.

INTRODUCTION

In the Indian context, the adoption of mobile wallets has grown significantly after the introduction of interoperable payment platforms like UPI, the increased acceptance of QR code payments by merchants, and government support for promoting a cashless economy. Events like demonetization and the COVID-19 pandemic further emphasized the need for contactless and digital payment methods. As a result, mobile wallets have become an essential part of daily financial activities, especially among urban and semi-urban consumers.

Despite this rapid growth, challenges such as security issues, lack of trust, limited digital literacy, and infrastructure shortcomings still affect the adoption of mobile wallets among certain customer groups. Therefore, it is important to understand the factors that influence customer adoption of mobile wallets for banks, fintech companies, policymakers, and researchers. This study aims to examine the determinants, benefits, and barriers related to customer adoption of mobile wallets, providing insights that can help increase user acceptance and sustained use of digital payment technologies.

The rapid advancement of digital technology has led to a significant shift in the global financial system. The development of electronic payment systems, supported by widespread internet access and the use of smartphones, has led to a rapid transition from traditional cash-based payment systems to digital payment systems. Among various digital payment options, mobile wallets have become one of the most convenient, accessible, and widely used financial tools. Mobile wallets let users store payment details digitally and perform tasks like money transfers, bill payments, online shopping, and retail purchases. The growing popularity of mobile wallets is due to factors like convenience, speed, cost-effectiveness, and promotional offers. Unlike traditional banking systems, which require physical presence or card-based transactions, mobile wallets offer instant access to financial services anytime and anywhere. The use of advanced technologies such as QR code payments, biometric authentication, and real-time transaction processing has made mobile wallet systems more efficient and reliable.

In this context, the purpose of this study is to examine the factors influencing customer adoption of mobile wallets and to analyze the challenges in their continued use. By understanding the underlying factors that shape customer behavior, this study aims to contribute to the development of a more efficient, secure, and inclusive digital payment system. The findings are expected to provide valuable insights into customer preferences, usage patterns, and the long-term viability of mobile wallet services in the rapidly growing digital economy.

In the Indian financial system, mobile wallets have developed quite rapidly. The trend toward digital transactions, combined with government initiatives to reduce cash usage, has created a favorable environment for digital payment apps. Government efforts to increase financial inclusion, digital literacy, and payment systems have accelerated the adoption of mobile wallets in urban and nearby areas. Moreover, improvements in interoperable payment technology have made digital payments even more seamless, creating opportunities for a broader customer base.

LITERATURE REVIEW-

Sardar (2016) conducted a study on the preferences of mobile wallets among the urban population of Jalgaon city. He tried to assess the preferences of e-wallets among urban residents and examined the impact of demographic factors on their usage. The study found that shorter transaction processing time was a key factor in choosing mobile payments. However, the use of mobile wallets is still in its early stages, with only 15% of internet users using them. Businesses should market and promote mobile wallets through their campaigns. Additionally, before the complete implementation of the government's Unified Payments Interface (UPI), which aims to enable seamless money transfers between banks and customers, payment companies—particularly mobile wallets—will need to explore other revenue sources.

Painuly & Rathi (2016) stated that in recent years, the growing importance of technology and mobile devices has had a visible impact on financial transactions. The concept of a 'Mobile Wallet' supports the ability to perform quick, secure, and intelligent financial transactions. Mobile wallets have helped both business owners and customers, fulfilling needs and satisfying wants simultaneously. In today's world, the complexity of money transactions encourages the use of mobile wallets. This article aims to explore the concept of mobile wallets and their expanding significance across various industries globally, from small to large companies, wholesalers to retailers, and even the general public. They found that electronic wallets simplified exchanges, made managing profiles easier, and helped with handling cash. They believed that managing accounts and transaction records has become easier with the adoption of digital wallets.

Kumar & Chaubey (2017) concluded that after demonetization, digital payments provided relief and forced people to learn about digital transactions. Many people were slow to adopt technology and were reluctant to pay a premium for digital transactions. However, in India, people faced financial difficulties due to demonetization, as they had no cash left. Platforms like Paytm helped them in this regard.

Singh and Rana (2017) conducted a study to understand customer perceptions regarding digital payments. It was found that, apart from education, demographic factors had minimal influence on the adoption of digital payment methods. This conclusion was supported by Anova analysis, which showed that respondents' views on gender, age, profession, and income did not show significant differences. However, there was a notable difference in perception

related to educational level. It appears that the level of education significantly affects the adoption of digital payments. Individuals who have completed secondary education and are computer literate are more likely to use digital payment methods. The study also found that in areas with higher education levels, such as Delhi NCR and other urban regions, the acceptance of digital payments is much higher. This is attributed to the increased number of smartphone users and better internet access in these areas.

Brahmbhatt (2018) examined the preference for e-wallets among consumers in Ahmedabad. The study revealed that 92% of respondents preferred e-wallets over traditional payment methods, indicating that e-wallet adoption has moved beyond the early stages. The success of the e-wallet market now largely depends on the marketing strategies of e-wallet companies and financial policymakers. Compared to other methods of spreading information, such as social media ads, magazines, television, and government initiatives, word-of-mouth had a stronger influence. Therefore, both businesses and the government should increase awareness through workshops and seminars on cashless society in schools, colleges, and workplaces. The government could make it mandatory for educational institutions to offer at least one such program per academic year. E-wallets are commonly used for recharging mobile phones and DTH services. Internet shopping is the second most popular alternative. To boost the growth of e-wallets, the authorities should make fee payments and IT return submissions compulsory.

Budhathoki (2020) found that most respondents use e-payment gateways.

The data analysis revealed that gender, age, and occupation had little impact on young people's attitudes towards e-payment, but academic qualifications did. The results of the multiple regression analysis showed that trustworthiness and product safety had minimal influence on the attitudes of teenagers towards e-payment. However, the overall model was statistically significant. According to Pearson correlation, there was a positive relationship between trustworthiness, product safety, and young people's perceptions of e-payment. The findings of this study would be useful for brand managers, marketing managers, and vendor managers. Male respondents were more likely to use e-payment channels than female respondents. Therefore, marketing efforts and awareness campaigns should be designed to engage female respondents and encourage them to use e-payment gateways in the future.

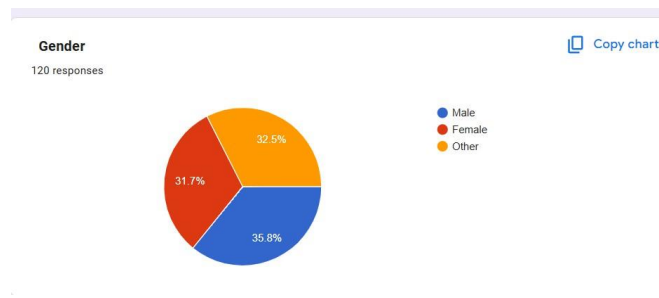
OBJECTIVES OF THE STUDY-

- (1) To study the level of awareness and usage of mobile wallets among users.

- (2) To analyze the factors influencing customer adoption of mobile wallets, such as ease of use, usefulness, security, and trust.
- (3) To examine the impact of perceived risk and security concerns on mobile wallet adoption.
- (4) To evaluate the role of promotional incentives (cashback, discounts, rewards) in encouraging adoption.

DATA ANALYSIS AND INTERPRETATION-

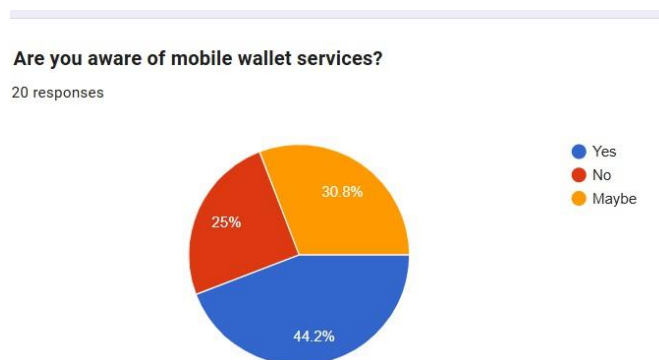
1. Gender-wise Distribution



Interpretation:

The graph shows the gender representation of the 120 participants in the study. Most participants are male (35.8%), followed by other gender categories (32.5%), while female participants comprise 31.7% of the total number of participants.

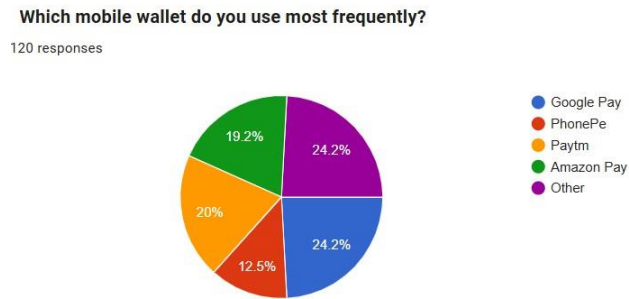
2. Awareness of Mobile Wallet Services



Interpretation:

The graph illustrates the level of awareness of mobile wallet services among the respondents. Most of the respondents, 44.2%, are aware of mobile wallet services. On the other hand, 30.8% of the respondents chose the option 'Maybe,' indicating that they have a certain level of awareness of mobile wallet services. Furthermore, 25% of the respondents

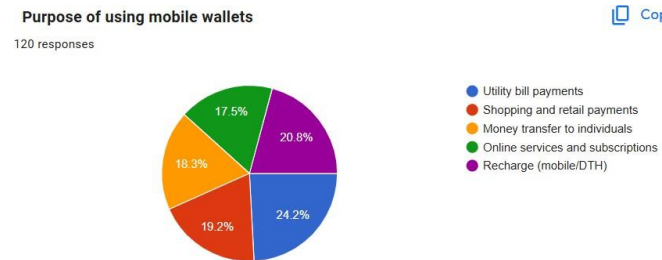
3. Most Frequently Used Mobile Wallet



Interpretation:

The above graph indicates the mobile wallet applications that are most commonly used by the 120 respondents. Google Pay and Other mobile wallets have the highest usage, with a total of 24.2% each. Paytm is used by 20% of the respondents, followed by Amazon Pay with 19.2%. Phone Pay has the lowest usage among the given options, with a total of 12.5% of the respondents.

3. Purpose of Using Mobile Wallets

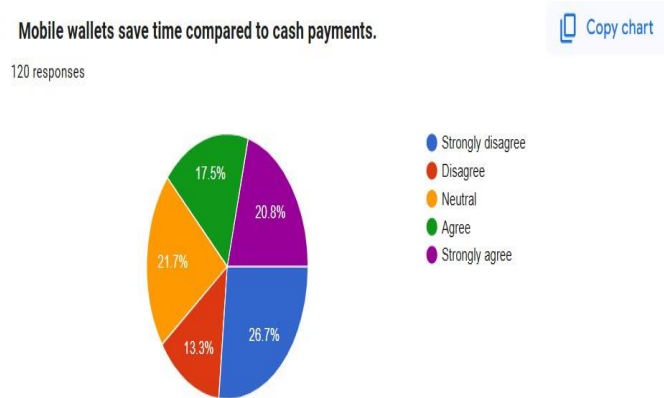


Interpretation:

The chart indicates the major reasons for the use of mobile wallets. Most of the people (24.2%) use mobile wallets for paying utility bills. This indicates that people prefer to use digital wallets to pay their electricity, water, and other utility bills. Recharge services, including mobile and DTH, are used by 20.8% of the people. This indicates that people use mobile wallets to recharge their mobile accounts quickly.

Shopping and paying for services account for 19.2%, and transferring money to people accounts for 18.3%. The lowest use of mobile wallets is seen in paying online services, which accounts for 17.5%.

4. Mobile Wallets Save Time Compared to Cash Payments

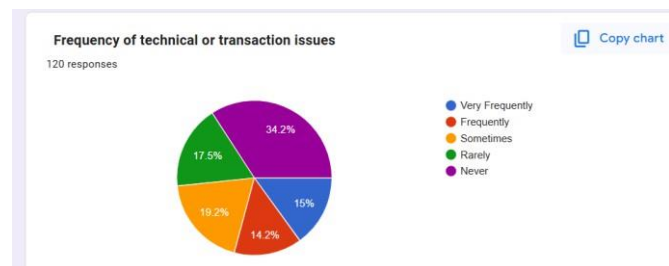


Interpretation:

The chart shows the opinions of the respondents regarding whether using mobile wallets saves time relative to using cash. The majority of the respondents, 26.7%, strongly disagree with the statement, while 13.3% of the population disagree. However, 21.7% of the population are not certain, as they are neutral regarding the use of mobile wallets to save time.

On the other hand, 17.5% of the population agree that using mobile wallets saves time relative to using cash, while 20.8% strongly agree.

5. Frequency of Technical or Transaction Issues



Interpretation:

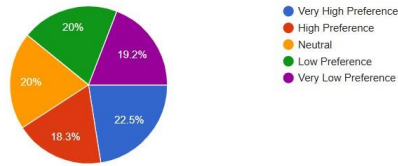
The chart indicates the number of times the respondents face technical or transactional issues when they are using mobile wallets. It shows that the highest number of respondents, 34.2%, said that they never face issues, implying that the experience with the wallets is smooth. Further, 17.5% of the respondents said that they rarely face issues.

On the other hand, 19.2% of the respondents said that they face issues at times, while 14.2% said that they face issues frequently. Further, 15% of the respondents said that they face issues very frequently.

6. Preference Level Toward Mobile Wallets Over Cash

Preference level toward mobile wallets over cash.
120 responses

[Copy chart](#)



Interpretation:

The chart shows the level of preference for using mobile wallets as opposed to using cash for transactions. The majority of the respondents (22.5%) showed that they had a very high level of preference for using mobile wallets. Additionally, 18.3% of the respondents showed that they had a high level of preference for using mobile wallets as opposed to using cash.

On the other hand, 20% of the respondents showed that they were neutral, implying that they did not have any level of preference for using either of the methods. 20% showed that they had a low level of preference, while 19.2% showed that they had a very low level of preference for using mobile wallets.

Research Methodology Research Design

Component	Description
Research Design	A descriptive research design was adopted to examine customer awareness and usage behavior related to mobile wallets..
Data Collection	Two types of data were used: Primary Data and Secondary Data .
Primary Data	Collected through structured questionnaires.
Secondary Data	Collected from research journals, websites, fintech reports, books, and articles related to digital payments.
Sample Size	The study considered 100 respondents from different age groups in Pune city.
Sampling Method	Convenience sampling method was used for selecting respondents.
Data Analysis Tools	Data was analyzed using percentage analysis, charts and graphs,

Data Analysis and Interpretation

Factor	Percentage
Awareness of mobile wallets	92%
Regular usage	78%
Most used wallet	Phone Pay
Main reason for usage	Convenience
Main concern	Security

The results of the survey show that the level of awareness and usage of mobile wallets by the respondents in Pune city is high. The survey shows that around 92% of the respondents are aware of the services provided by the mobile wallet, indicating that digital payment systems are highly acknowledged by consumers.

In addition, around 78% of the respondents are using mobile wallets for regular transactions, indicating that most consumers have shifted to cashless transactions for ease of transactions. Furthermore, PhonePe was identified as the most popular mobile wallet application used by the respondents. It can be noted that PhonePe has managed to gain popularity due to its user-friendly interface.

The most significant reason for using mobile wallets by the customers was that they are convenient for transactions, indicating that they can make transactions quickly, are convenient, and can be use for various types of transactions, such as bill payments, online shopping, and money transfers.

However, in spite of this, security is still the most important factor for users. Some users also had certain apprehensions about data privacy, fraud, and unauthorized access to their digital wallets. This suggests that even though the adoption is very high, security is still a significant factor for mobile wallet users.

Findings of the Study High Level of Awareness:

The majority of the respondents are aware of the services provided by mobile wallets and have adequate knowledge about digital payment applications like PhonePe, Google Pay, and Paytm, etc. Hence, it can be concluded that digital payment applications have achieved high awareness.

Higher Usage Among Young Consumers:

The study indicates that the major consumers of digital wallets are between the age group of 18-35 years.

Convenience as a Major Motivating Factor:

The major factor that influences the usage of mobile wallets is considered to be convenience. Consumers prefer using mobile wallets for transactions as they can make transactions quickly without the need to carry cash.

Influence of Cashback and Promotional Offers:

The cashback, discounts, and other promotional schemes provided by mobile wallet

companies are encouraging customers to make frequent transactions using mobile wallets.

Security Concerns Among Users:

Even though the usage of mobile wallets has increased, the major concern of the customers remains the security of transactions.

Technical Issues and Transaction Failures:

Some of the customers face technical issues with transactions, which impacts the trust of customers on digital wallets.

Usage for Small Transactions:

Mobile wallets are used for transactions like mobile recharge, bill payments, online food orders, and shopping, etc., which are of low value.

CONCLUSION -

The study concludes that mobile wallets have gained significant popularity among consumers in Pune. As more individuals use smartphones and access internet services, mobile wallet services have become increasingly preferred. However, certain issues, such as security concerns, continue to affect consumer confidence in these services. With the implementation of better security features and increased awareness among users, mobile wallet services are anticipated to grow and play a vital role in the digital economy. The findings of the study suggest that a large portion of consumers in Pune are aware of mobile wallet services and use them for various purposes. The rising popularity of mobile wallet services is mainly because of the increasing use of digital payment platforms such as Phone Pay, Google Pay, and Paytm. According to the study, mobile wallet services are predominantly used by younger consumers, particularly those aged between 18 and 35 years.

Despite the increasing popularity, the study also identifies several challenges that users encounter. Concerns about security, the risk of online fraud, and problems with failed transactions are major factors that influence users' trust in mobile wallet services. Additionally, some users may face technical difficulties caused by issues with internet connectivity or the mobile wallet application.

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