

The Scope of Online Payment Platform for Old Age People

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Abstract: Digital wallets or “e-wallets”, as we call them, have seen a massive growth in popularity during the last few years. The Covid-19 crisis has also led to an increase in the use of digital payments, as buyers prefer safe and contactless methods of transaction. Although most of us have already adapted to the change in payment methods, the elderly are yet to fully embrace the concept of digital transactions. A large number of seniors still prefer the traditional method of cash payment, which can prove to be quite a challenge in the long run, as we move closer towards a cashless economy. Prior to the pandemic, the share of internet users in the 55-plus age group was only 6%-8%, says Feroz Khan, partner and head - digital advisory, at KPMG in India. Within six months of the pandemic though, the data suggests that growth of digital users for the age bracket of 55+ is in the range of 25%-30% for various categories like communication, medicine, commerce, entertainment etc. According to KPMG India’s estimates, over one-third of first-time users of several digital platforms during the pandemic belong to the 55+ group. “The education initiative would require segmenting this audience based on their current awareness levels of digital channels. The awareness campaign needs to target both rural and urban users who are all at varying levels of digital-adoption.” A large number of seniors still prefer the traditional method of cash payment, which can prove to be quite a challenge in the long run, as we move closer towards a cashless economy.

Keywords: e-payment, e-wallet.

I. INTRODUCTION

Digital payment platforms witnessed a 30% hike in MAUs from this cohort, while ecommerce companies saw a 15% increase, as per data from CleverTap. At Cult.fit, there has been a 150% growth in the adoption of its digital fitness sessions in this specific age category since April, says a spokesperson from parent company Cure.fit. At least 82% users in this age-group are first-time users, the spokesperson adds. Payment wallet app Paytm says it has seen 26% growth in overall users in the 55+ age-group during the pandemic. For digital payments company PhonePe, at least half of its fresh users were “completely new to digital payments and are from an older age-group,” a spokesperson tells ET. In the 55+ age-group across the country, with varying degree of comfort with digital platforms, have adapted to the ways of the internet world to save time, to ward off loneliness, to stay safe indoors, to start a business, or to just feel confident. So, here are some main reasons why seniors must go cashless and experience the benefits of digital payments.

1.1 Increased Security

Carrying cash at all times can be a risky decision. This is why senior citizens are common targets of small thefts or robberies. One of the main advantages of digital payments is that they are much more secure than regular cash transactions, as they require proper verification and authentication. Banks and other digital payment platforms also provide added security for digital transactions in the form of OTPs and cross-verification, which can help in preventing fraudulent transactions.

1.2 More Convenient

Standing in long ATM queues just to withdraw a small amount of cash is hardly an exciting activity for anyone. However, most seniors have to face this scenario every time they step out to buy something. Digital payments, on the other hand, offer increased convenience for the elderly as it allows them to easily conduct financial transactions without having to worry about whether they have adequate cash in their wallet.

1.3 Seamless Transactions

Since digital payments have been around for quite sometimes now, the process has become easier than ever, especially for seniors. Showrooms, malls and even small shops have now started accepting digital payments. The whole transaction process has also become seamless, as buyers can now make payments using their mobile banking apps or other digital wallets.

1.4 Different Options

Right from debit cards and credit cards to digital wallets like Google Pay and PhonePe, seniors can now choose from a wide range of options for their preferred mode of digital payment. This gives the elderly an opportunity to conduct financial transactions without the fear of falling short of liquid cash. Also, one of the main reasons why seniors must go cashless.

1.5 Offers and Discount

In order to promote digital payments, banks as well as other financial institutions regularly offer different types of offers and discounts for their customers. Elders can benefit from these offers and can even receive regular cashbacks, rewards and discount vouchers for their digital payments. Moreover, some banks and digital wallets provide special rewards and offers for their senior customers as well.

1.6 Convenience During Travel

Gone are the days when we had to carry large amounts of cash during any outstation travel. Today, retailers all over the country have understood the importance of going cashless and have started accepting digital payments. Thus, elders can now easily travel to and from other cities in India, without having to worry about finding an ATM or running out of cash.

1.7 Physical Distancing

One of the main benefits of digital payments is that it promotes safe and contactless transactions. With the Covid-19 crisis still looming over our heads, avoiding physical contact is of utmost importance. Elders are known to be at a higher risk during this crisis. Opting for digital payments is, therefore, one of the best ways for seniors to stay safe during the Covid-19 pandemic.

1.8 Track Your Spending

The first step towards financial independence is to maintain a regular weekly/monthly budget. This is even more important for seniors who depend on their pension and other life savings. Digital payments allow the elderly to stay on top of their overall spending with easy-to-access bank statements and records of all transactions. This will also allow the elderly to develop the habit of e-payment.

1.9 Budget Discipline

Going cashless is one of the best ways for seniors to understand their spending habits, as they can use different apps to track and analyse their transaction patterns as well. This will help them to understand their expenses and will also allow them to plan their budget in a much better way. Developing a budgeting discipline also plays a key role in achieving financial independence.

1.10 Save Time & Money

One of the main benefits of going cashless is that it can save the elderly a lot of time and money as well. The various payment options available ensure that seniors can make faster payments. Elders can also save money by opting for digital platforms that do not charge any transaction fees. Not only will this be helpful in saving money, but it can also prove to be beneficial for their overall budget.

II. CONCLUSION

The old age people are often the most reluctant to adopt new technologies, and cashless payments are no exception. Ironically, older people may have the most to benefit from a cashless society, which requires less movement, less travel,

and fewer personal safety risks. But the usual disinclination to adopt may be overcome by necessity. The pandemic has brought lockdown protocols and an accelerated shift to digital in response, creating new challenges for many seniors. To meet the growing need, e-wallet and other digital services for the elderly have been launched around the globe.

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