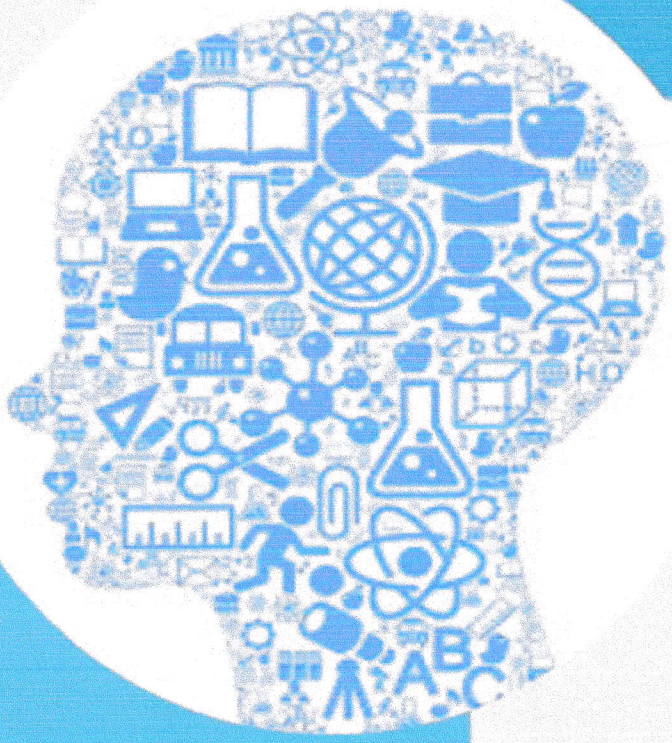
ISSN(O)2347-7075
Impact Factor – 8.141

INTERNATIONAL JOURNAL of ADVANCE and APPLIED RESEARCH



January- February 2025
Volume - 6 Issue - 16

YOUNG RESEARCHER ASSOCIATION

Sr. No.	Name of Author	Title of Paper	Page No.
16	Saisheela Sudhir Mangaonkar	Emphasizing Ergonomics: A Vital Component to Enhance the Productivity of Employees Working from Home and Office in IT Industry	79 - 82
17	Priyanka Mohan Shelar Dr. Mohite Babasaheb Jotiram	Farmers' Perception of Problems of Sugarcane Cultivation: A Pilot Study of Selected Villages of Kolhapur Division	83 - 92
18	Mrs. Pooja Amit Waghavekar	Electronic Customer Relationship Management (E-CRM): A Study of Its Role, Influence, and Benefits to E-Commerce	93 - 97
19	Dr. Vinod Dnyanoba Pawar	India's Cross-Border E-Commerce and Trade Policy	98 - 102
20	Dr. Dethe Sachin Suresh	An Analytical Study on Sustainable Development In Commerce	103 - 107
21	Miss. Pawar Sonam Mohan	A Study on the Role of Digital Transformation in Shaping Business Strategy	108 - 112
22	Mr. Ganesh JanuVatari Mr. Rakesh Shrikant Sonar	Profitability Analysis of Hindustan Unilever Limited and Its Influence on The Stock Market	113 - 117
23	Ms. Ishrat Mohammed Ali Sange Mr. Rakesh Shrikant Sonar	Profitability Analysis of Hindustan Unilever Limited and Its Influence on The Stock Market	118 - 123
24	Dr. Sampada Suresh Lavekar	Financial Inclusion in India- An Overview	124 - 127
25	Dr. Jyoti L. Adhane	Sustainability of Women Employment Generation in Rural Area due to Government Scheme	128 - 133
26	Pol Durvankur Vikas Mrs. Preety Shree	Impact of Climate Change on Farmers' Financial Growth With Respect to Satara District	134 - 140
27	Mr. Vishal Suryakant Kamble	Recent Trends and Challenges in Commerce	141 - 145
28	Dr. Rahul Balasaheb Pawar	Impact of Education on the Awareness of Financial Planning among Villagers of Satara District	146 - 151
29	Dr. Bhagwan Hanamant Mohite	Non-Performing Assets in Maharashtra's Cooperative Banking Sector - A Case Study of Satara and Sangli DCCBs	152 - 161
30	Smt. Yadav Richa Ashok	The Role of Mobile Wallets in developing Countries	162 - 166
31	Mr. Rakesh Shrikant Sonar	Burning Issues of the Municipal Corporation in Mahad City of Raigad District	167 - 172
32	Sushma Chetan Chattar	The Impact of Artificial Intelligence and Automation on Business & Commerce	173 - 176
33	Dr. Kajal Vijay Khandagale Dr. Ashish Stephan Kshirsagar	A Study on Export of India's Manufactured Goods	177 - 182

International Journal of Advance and Applied Research
www.ijaar.co.in
ISSN – 2347-7075 Impact Factor – 8.141
Peer Reviewed Bi-Monthly
Vol.6 No.16 January - February -2025

The Role of Mobile Wallets in developing Countries

Smt. Yadav Richa Ashok
Assistant Professor, Rajarshi Chhatrapati Shahu College, Kolhapur

DOI - 10.5281/zenodo.15130743

Abstract:

Mobile wallets (m-wallets) have emerged as a transformative financial tool in developing countries, driving financial inclusion and economic empowerment. By leveraging mobile technology, m-wallets provide secure, convenient, and cost-effective digital payment solutions, particularly benefiting unbanked and under banked populations. They facilitate seamless transactions, enable access to financial services, and support small businesses, contributing to economic growth. Additionally, m-wallets enhance financial security by reducing cash dependency and associated risks. However, challenges such as digital literacy gaps, cyber security threats, and regulatory constraints remain. Addressing these barriers through policy support, technological innovation, and awareness campaigns can further enhance the impact of m-wallets in fostering inclusive and sustainable economic development.

Keywords: Cyber security, wallets, inclusion)

Introduction:

The rapid development of mobile technology in recent years has significantly transformed consumer behavior & business practices. The outcome of this evolution is the emergence of mobile wallet, which has converted traditional physical wallets into mobile wallets through the convergence of mobile technologies & payment method. Mobile wallets or m-wallets provide users with the convince of conducting financial transactions using their smart devices both online & offline providing advantages beyond physical wallets. These benefits include cashless transactions, faster payment reduced fraud & time of savings.

M-wallets help not just consumers, but businesses have also realized the potential of m- wallets in increasing sales, attracting new customers & retaining existing ones. It is part of payment app on mobile device to pay for a wide range of services & digital or hard goods. The concept of using non- coin based currency systems has long history; it is only in this 21st century that the technology to support systems has become widely available. M-Wallet began adoption in japan in the 2000's & later all over the world in different ways. The first patent exclusively defined "Mobile Payment System" filled in 11th December 2000& Later 23rd march 2019. The demand for m- wallets has risen dramatically, notable during the COVID-19 outbreak.

Developing countries like China, Mexico, Vietnam, are abandoning cards in favor of m-wallets to avoid the poor financial infrastructure& the nemours benefits that m-wallets provide, m-wallets include-Google Pay, Apple Pay, Samsung Pay, Ali Pay, Easy Paisa, Gcash, WeChat, Gojek, PromptPay, and Paytm.. Mobile payment solutions can be deployed as a means of extending services of financial institutions to community known as unbanked. Which estimate to be as much more 50% of the world's adult. According to financial Report 2009, The use of mobile payments in developing countries have attracted to public & private funding by organization as Bill & Melinda Gates foundations the united states Agency for

international development in order to achieve various growth opportunities.

Review of relevant Literature:

a) Mishra S(2021)studied an empirical study on mobile wallets and mobile money 2.

b) Rahman S (2022) Promoting fintech: driving developing country consumers' mobile wallet use through gamification and trust.

Statement of the Problem:

M-wallets are changing the traditional ways of making &receiving payments, doing shopping, pay bills people belonging to F- generation which wants fast food, fast fuel & facebook. This generation has grown up with the world with technology connected with social media networks using their smart phones &tablets. Lots of research work has been done on the same with different age group as the respondent's. This research study is an attempt in this direction to know the preference of users in Angeles city towards m-wallets.

Objectives of the Study:

1. To Identify different mobile wallet used by youth & senior citizen for payments & collections.
2. To compare initial & recent usage of m-wallets.
3. To study pros & cons of m-wallets.
4. To suggest measures for safe & effective usage of m-wallets

Importance of Study:

1. This study helps us to understand why people adopt mobile wallet's, what factors influence their choices.
2. This studies can analyze how mobile wallets affect spending habits , impulse purchase & overall financial behavior
3. This study helps to explore the potential of new technologies like biometrics, block chain & AI to enhance.
4. It contributes to development of appropriate regulatory frameworks that balance innovation with consumer protection & security.
5. It analyzes the competitive landscape of the mobile wallet market, identifying key players, their strengths & weakness & emerging trends.

Research Methodology:

The study is based on secondary data. This data is collected through E-books, magazines, Newspaper, research articles, research journals registered agents of mobile wallets situated in developing countries.

Data Analysis& Interpretation:

Table No.1 Demographic profile of m-wallets users

	Categories	Count	Percentage
Age	21-30 Years	45	75.0
	33-40 Years	9	15.0
	41 to 50 Years	3	10.0
	51 & above	3	10.0
Gender	Male	32	53.3
	Female	28	46.7
	Intermediate	10	16.6
Education Level	Graduate	17	28.4
	Post Graduate	33	55.0
Annual Income	Rs.100000 to Rs.200000	29	48.3
	Rs.200001 to Rs.300000	17	28.3
	Rs.300001 to Rs.400000	8	13.4
	Above Rs.400001	6	10.0
Profession	Service	30	50.0
	Business	10	16.6
	Professional	15	25.0
	Any other	5	8.34

- From the analysis it is found that 53.3% of users of mobile wallets are male & below 16.6% beneficiaries have been used by intermidate.
- The majority of individuals 75% fall within the 21-30 years age group, indicating that the sample is predominantly young& minority of individuals 10% fall within the 41 to 50 years age group.
- 55% of m-wallets users are post graduate degree holders& 28.4% are graduate holders.

Initial Usage of M-Wallets:

1. **Early Adoption (Pre-2015):**
   - Initially, M-wallets were used mainly for mobile recharges, bill payments, and online shopping.
   - Services like Paytm, Google Wallet, and M-Pesa gained popularity in certain regions.
   - Adoption was limited due to concerns about security and lack of awareness.

2. Growth Phase (2015-2020):

- Demonetization in India (2016) and the rise of digital banking accelerated M-wallet adoption.
- More people started using them for peer-to-peer (P2P) transactions, travel bookings, and e-commerce.
- Governments and financial institutions promoted digital payments through cashback offers and incentives.

Recent Usage Trends (2021-Present):

1. **Mainstream Financial Tool:**

- M-wallets are now widely used for QR payments, contactless transactions, and salary disbursements.
- Integration with UPI (Unified Payments Interface) in India has significantly boosted M-wallet transactions.
- Countries like China (WeChat Pay, Alipay) and the US (Apple Pay, Google Pay) have seen high adoption rates.

2. **Expanded Features & Services:**

- The highest proportion 48.3% m-wallet users who are earning between Rs. 100000 to Rs. 200000 annually&10% of users who are earning between above Rs 4,00,0001.
- The Service professionals form the largest group 50%, indicating that most individuals work in jobs such as government or private-sector employment. 8.34% indicates smallest group of individuals from other services..
- Cryptocurrency trading, investment options, and BNPL (Buy Now Pay Later) services are now available on some wallets.
- Enhanced security with biometric authentication, AI fraud detection, and regulatory compliance.
- Merchant acceptance has expanded, with small businesses and street vendors adopting M-wallets.

3. **Shift Towards Super Apps:**

- M-wallets are evolving into "super apps", offering not just payments but also banking, insurance, and e-commerce within a single platform.
- Examples include Paytm, PhonePe, and Google Pay, which now offer loans, insurance, and mutual fund investments.

Mobile Wallets: Pros and Cons:

Mobile wallets have a lot of benefits, but they also have some problems. When considering whether a mobile wallet suits your financial needs and tastes, it's critical to weight these advantages & disadvantages.

Pros:

1. **Convenience and accessibility are positives.**
   - By allowing customers to leave their actual wallets
   - By allowing customers to leave their actual wallets
   - By allowing customers to leave their actual wallets at home and conduct

all financial transactions through their smartphones instead, mobile wallets streamline the payment process.

- Access to a variety of financial services in one handy
- Access to a variety of financial services in one handy app, including payments, money transfers, and bill payments.
- Tools for budget management and real-time
- Tools forbudget management and real-time transaction tracking improve financial awareness and control.

2. **Security Issues:**
   - Encryption andbiometric authentication are two strong security techniques that provide high levels of protection against fraud and illegal access.
   - Reduced reliance onactualcards reducesthe possibility of theft or loss of cards.
   - Reduced reliance on actual cards reduces the

3.**Buyer Acceptance:**
   - A rise in the use of mobile wallets , which eliminate the need to carry actual cards or cash, at both brick and mortar businesses and online retailers.
   - Users can smoothly accrue rewards and discounts with loyalty card integration.
   - A rise in the use of mobile wallets, which eliminate

4. **Compatibility:**
   - Accessibility to a large user base is made possible by mobile wallets' compatibility with a variety of handsets and operating systems.
   - Transactions funding is made flexible by integration with a variety of payment mechanisms, such as Bank accounts, Credits cards and debit cards.

Cons:

1. **Security Issues:**
   - Mobile wallets are generally safe, but they are not impenetrable to internet risks. Users must exercise caution, & follow security best practices in order to protect their digital wallets from potential attackers.

2. **Buyer Acceptance:**
   - Mobile wallet technologies may not be widely used, especially in areas with poor technology infrastructure.

3. **Compatibility:**
   - M-wallet can be inaccessible to users of older or unsupported devices since access to them requires a suitable smartphone or device.
   - Some m-wallets services don't exist in all nations or regions, which make them less accessible to users from other countries.
   - It is important to understand that, while m-wallets excel at offering simple & secure digital payments solutions, mobile money services offer a more diverse range of payment options.

Suggestions:

- Enable **biometric authentication** (fingerprint/Face ID) or **two-factor authentication (2FA)** for additional security.
- Set a **strong PIN/password** for your M-wallet.
- Hackers can intercept data on public Wi-Fi; always use **mobile data or a secure network** for transactions.
- Turn on **SMS/email notifications** to track every transaction in real time.
- Do not **share OTPs, PINs, or card details** with anyone.
- Avoid clicking on **unknown links** or responding to suspicious messages

pretending to be from M-wallet providers.

- Keep your M-wallet app updated to get the latest security patches and bug fixes.
- Use **official apps** (Google Pay, Paytm, PhonePe, Apple Pay, etc.) to link your bank account.
- Verify all settings before enabling **auto-debit or linking multiple accounts**.
- Always have an alternative payment method (credit/debit card or cash) in case of **technical failures**.
- If you lose your phone, immediately **log in from another device** and block your wallet.
- Contact customer support to **disable unauthorized access**.
- Download M-wallet apps **only from official stores (Google Play, Apple App Store)** to avoid malware risks

Conclusion:

M-wallets have revolutionized financial transactions in developing countries by providing accessible, secure, and efficient digital payment solutions. They have played a crucial role in promoting financial inclusion, especially among unbanked and under banked populations, empowering individuals and businesses with seamless transactions. The adoption of mobile wallets has contributed to economic growth by enabling small businesses, streamlining government payments, and facilitating remittances. Furthermore, they enhance financial security, reducing reliance on cash and mitigating risks associated with theft and fraud.

However, challenges such as digital literacy, cyber security risks, and regulatory hurdles must be addressed to maximize their impact. Governments, financial institutions, and technology providers must collaborate to create supportive policies, strengthen digital infrastructure, and build trust in mobile financial services. With continuous advancements in mobile technology and increasing smartphone penetration, m-wallets are poised to further transform economies in developing nations, bridging financial gaps and fostering inclusive economic development.

References:

1. Mishra S (2021) studied an empirical study on mobile wallets and mobile money EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal Volume: 9| Issue: 10| October 2023
2. Rahman S (2022) Promoting fintech: driving developing country consumers' mobile wallet use through gamification and trust.
3. Walden, S. and Foreman, D. (2021), How Gamification can help you meet financial goals, Forbes
4. Advisor, Banking; April 16, 2021, available at: https://www.forbes.com/advisor/banking/
5. How gamification-can-help-you-meet-financial-goals/ (accessed 1st November 2023).
6. Wang, J., Nguyen, N., Jiang, X., Nguyen, H.V. and Saleem, M.A. (2023), "Consumers 'perceived value and
7. use intention of cashless payment in the physical distancing context: evidence from an Asian
8. emerging market" Asia Pacific Journal of Marketing and Logistics, Vol. 35 No. 6, pp. 1513-1531.
9. Weng, G.S., Zailani, S., Iranmanesh, M. and Hyun, S.S. (2017), Mobile Taxi Booking Application
10. Service's Continuance Usage Intention by Users, Transportation Research Part D: Transport and
11. Environment, Vol. 57, pp. 207-216.
12. IJBM