



E-Payment In Omnichannel Market: A Study On Customer's Chances And Difficulties

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ABSTRACT

This study explores e-payment adoption patterns in the omnichannel market and investigates the challenges and opportunities faced by customers. With a sample size of 173, a mixed-methods research design is employed, utilizing both primary and secondary data sources. The research adopts a convenient sampling technique to gather primary data through a structured questionnaire disseminated via Google Forms. This questionnaire aims to elicit insights into customer perceptions, preferences, and experiences regarding e-payment adoption across various channels. Secondary data are collected from a variety of scholarly articles, theses, blogs, and reputable websites to provide a comprehensive understanding of the subject matter. Through empirical analysis and thematic synthesis, this study aims to uncover key insights that can inform strategic decision-making for businesses and payment facilitators operating within the omnichannel landscape. By shedding light on both the opportunities and challenges associated with e-payment adoption, this research contributes to the advancement of knowledge in the field of omnichannel commerce.

Keywords: Omnichannel Market, E-Payment, Consumer Preferences.

Introduction:

In today's interconnected marketplace, characterized by the seamless integration of various payment channels such as in-person transactions, online purchases, and mobile apps, the concept of omnichannel payments has emerged as pivotal. As elucidated by Infinicept (2020), omnichannel payments transcend mere transactional capabilities, offering customers an integrated and consistent experience across diverse touchpoints. This integrated approach not only caters to consumer preferences but also streamlines operations for businesses, as highlighted by Okedara (2023), enabling centralized tracking and analysis of sales data while facilitating diverse payment methods, including mobile wallets and contactless payments. Moreover, the significance of omnichannel payments extends beyond convenience, impacting industries with unique complexities, such as healthcare.

As emphasized by InstaMed (cited in Infinicept, 2020), the fragmented nature of the healthcare payments system underscores the need for tailored omnichannel solutions to address diverse patient touchpoints, ranging from in-person co-pays to online bill payments. However, amidst the potential benefits lie challenges, including security concerns and the need for seamless integration across channels. These challenges underscore the importance of a comprehensive understanding of customer preferences and pain points, which can be achieved through empirical research.

As the omnichannel payments landscape continues to evolve, fueled by technological advancements and shifting consumer behaviors, there arises a pressing need for empirical insights to navigate the complexities and capitalize on emerging opportunities. By conducting a systematic study on customer perceptions, preferences, and challenges related to e-payment adoption across various channels, this research aims to illuminate key insights that can inform strategic decision-making for businesses and payment facilitators alike. Drawing upon a synthesis of industry insights and empirical findings, this study endeavors to contribute to the

burgeoning field of omnichannel commerce, shedding light on avenues for enhancing customer experience and navigating the intricacies of e-payment adoption in the omnichannel market.

Literature Review:

1. **Simone, A., & Sabbadin, E. (2018)** The literature study examines how shifting consumer behaviour and technology improvements have caused retail tactics to shift from multichannel to omnichannel approaches. The review's goals are to analyse the primary forces behind retailers' adoption of omnichannel strategies, pinpoint implementation-related obstacles, and investigate the possible results of successful adoption. Conceptualization of omnichannel retailing stresses channel integration without distinguishing between physical and virtual platforms. The results indicate that technical advancements, namely in the field of mobile technology, are crucial in enabling more profound channel integration and improving client engagement. Implementation is hampered, nevertheless, by issues including major organisational changes and technological expenditures. Despite these difficulties, omnichannel commerce has several potential advantages that make it relevant in modern retail strategy. These advantages include seamless shopping experiences and catering to omnichannel consumers.
2. **Nair, A. S., & Kannan, P. (2023)** Electronic payment systems have been revolutionised as a result of the rapid development of digital technology, which has fundamentally transformed the standards of transactional behaviour. Mobile wallets, peer-to-peer (P2P) transfers, contactless payments, cryptocurrencies, and central bank digital currencies (CBDCs) are some of the trends that are being discussed in this study. The review also looks at how these trends have become popular. As a result of factors such as convenience, improvements in security, and initiatives to promote financial inclusion, these tendencies are becoming increasingly prevalent. However, in order to fully realise the potential of these breakthroughs, it is necessary to overcome obstacles such as data security, regulatory frameworks, and interoperability. It is the purpose of this study to analyse current advancements in electronic payment systems and to analyse the issues that are associated with them. These challenges include concerns regarding privacy, regulatory frameworks, and the potential repercussions on traditional banking systems.
3. **Masengu, R., & Ruzuve, B. (2021)** This study examines customer impressions of Omni-channel retailers' digital marketing adoption in Oman during the COVID-19 epidemic. A positivist research ethic and quantitative approach were used to analyse data from 392 participants, indicating variables such high data costs, lack of online regulation, online fraud risks, education, and infrastructure restrictions affecting digital marketing adoption. These aspects should be recognised to improve digital marketing platform use and infrastructure development. The introduction emphasises merchants' adoption of digital marketing and customer impressions throughout the pandemic. Education level influences impressions, but infrastructure, online hazards, and data costs also matter. The research also emphasises regulatory and customer-centric approaches to digital marketing adoption. To sustain Omni-channel retailer growth, quiet variables like customer education and infrastructure must be addressed alongside known challenges. The study helps retailers navigate the changing retail landscape by studying digital marketing adoption trends.
4. **Al Nuaimi, M. A. (2019)** The purpose of the study is to look into UAE omnichannel digital banking systems and how they contribute to smart city smart services. The study aims to close the gap between present digital banking services and client needs as financial technology and digital banking continue to progress. Using a combination of observation, interviews, questionnaires, and case design, the study suggests a conceptual framework for omnichannel banking. The architecture design of omnichannel banking platforms is further modelled and assessed through the use of automation and simulation tools, namely Arena. By using this methodology, the paper highlights how different entities, including government agencies and conventional banks working alongside FinTech startups, interact with one another and with the system levels inside the framework. In the end, the study suggests a digital banking solution that provides clients throughout the United Arab Emirates with a smooth, safe, and customised omnichannel banking experience. It also encourages a smart lifestyle that is available via smart devices at any time and from any place.
5. **Zumstein, D., Oswald, C., & Brauer, C. (2022)** The first author's fifth Swiss Online Retailer Survey 2022 investigates e-commerce in Switzerland and Austria. After the 2020 and 2021 e-commerce boom, the study examines the post-pandemic scenario with 625 participants from business-to-consumer, business-to-business, and direct-to-consumer enterprises. After COVID-19 regulations were lifted, many retailers had no impact on their online business, but some saw a decline. The report shows that online merchants use digital marketplaces and social commerce platforms like Facebook and Instagram for omnichannel selling. Successful online businesses optimise consumer experience and usability with A/B and multivariate tests. The survey also highlighted procurement concerns, growing expenses, labour shortages, and the rise of mobile payment systems like TWINT and Klarna.

Research Gap:

Digital banking, e-commerce, and customer perceptions of multichannel digital marketing are covered in the literature study. However, there is little study on how multichannel electronic payments effect customer experiences and issues. Digital payment systems and adoption are investigated, but none particularly examine

how they integrate and work in omnichannel retail or how customers see their use of electronic payments across channels. Thus, omnichannel retailing's e-payment system dynamics, especially customer potential and problems, are excellent for investigation.

Objectives of the Study:

1. To Investigate the evolving consumer behavior in omnichannel e-payment systems.
2. To Analyze strategies to enhance customer experience and mitigate difficulties encountered in omnichannel e-payment processes.

Research Methodology:

The study uses quantitative and qualitative methods. 173 participants will complete a well-structured questionnaire to provide primary data. Multichannel e-payment consumer behaviour and cross-channel customer issues will be assessed using the questionnaire. Qualitative responses to open-ended questions reflect perspectives. The study will be contextualised and supported by papers, theses, blogs, and websites. Thematic analysis analyses qualitative responses, while descriptive statistics, correlation, and regression analyse quantitative data. The research objectives will be comprehensively assessed and strategies to improve customer experience and omnichannel e-payment process concerns identified.

Data Analysis & Interpretation:

Table 1 Showing Frequency Distribution of Demographic Profile of the Respondents

		Frequency	Valid Percent	Cumulative Percent
Age	Below 20	38	22.0	22.0
	21-30	59	34.1	56.1
	31-40	29	16.8	72.8
	41-50	37	21.4	94.2
	Above 50	10	5.8	100.0
	Total	173	100.0	
Gender	Male	105	60.7	60.7
	Female	68	39.3	100.0
	Total	173	100.0	
Annual Family Income	Less Than 2,50,000	27	15.6	15.6
	2,50,001 - 5,00,000	84	48.6	64.2
	5,00,001 - 7,50,000	23	13.3	77.5
	7,50,001 - 10,00,000	34	19.7	97.1
	Above 10,00,000	5	2.9	100.0
	Total	173	100.0	

Source: Primary Data

Table 1 presents the demographic profile of the respondents, indicating their age distribution, gender representation, and annual family income. In terms of age, the majority of respondents (34.1%) fall within the 21-30 age group, followed by those aged 41-50 (21.4%), while the lowest proportion is above 50 years old (5.8%). Regarding gender, there is a slight predominance of male respondents (60.7%) compared to females (39.3%). In terms of annual family income, the largest proportion of respondents (48.6%) reported an income ranging from 2,50,001 to 5,00,000, followed by those earning between 7,50,001 to 10,00,000 (19.7%).

Table 2 Showing Descriptive statistics of evolving consumer behavior in omnichannel e-payment systems

Descriptive Statistics					
	N	Mean		Std. Deviation	Variance
	Statistic	Statistic	Std. Error	Statistic	Statistic
Credit/Debit Card	173	1.69	0.076	0.998	0.995
Mobile Wallet	173	1.98	0.081	1.065	1.133
Online Banking Transfer	173	1.71	0.073	0.957	0.916
Peer-to-Peer (P2P) Transfer	173	1.99	0.081	1.065	1.134
Contactless Payment	173	4.31	0.048	0.634	0.402
Cryptocurrency	173	2.09	0.076	0.999	0.998
Payment Apps	173	3.87	0.055	0.723	0.523
Retailer-specific Apps	173	1.98	0.081	1.065	1.133
Biometric Payments	173	1.99	0.081	1.065	1.134

Source: Computed Data

Table 2 presents the descriptive statistics of evolving consumer behavior in omnichannel e-payment systems, showcasing the mean, standard deviation, standard error, and variance for various payment methods. Among the surveyed payment options, contactless payment emerges as the most frequently used, with a mean score of 4.31, indicating a high level of adoption and acceptance among respondents. Conversely, credit/debit card and online banking transfer exhibit relatively lower mean scores of 1.69 and 1.71, respectively, suggesting comparatively less utilization. Mobile wallet, peer-to-peer (P2P) transfer, cryptocurrency, payment apps, retailer-specific apps, and biometric payments all demonstrate moderate mean scores ranging from 1.98 to 3.87, reflecting varying degrees of popularity and integration into consumers' payment habits.

Table 3 showing ANOVA between overall satisfaction and customer experience encountered in omnichannel e-payment processes

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Payment options Clear communication Personalized recommendations	Between Groups	36.492	4	9.123	9.685	0.000
	Within Groups	158.259	168	0.942		
	Total	194.751	172			
User-friendly interfaces Issue resolution Incentives	Between Groups	2.070	4	0.517	1.070	0.373
	Within Groups	81.214	168	0.483		
	Total	83.283	172			
Educational resources Loyalty program integration Platform updates	Between Groups	3.069	4	0.767	1.254	0.290
	Within Groups	102.804	168	0.612		
	Total	105.873	172			
Accessibility features. Payment options Clear communication	Between Groups	36.492	4	9.123	9.685	0.000
	Within Groups	158.259	168	0.942		
	Total	194.751	172			
Personalized recommendations User-friendly interfaces Issue resolution	Between Groups	2.070	4	0.517	1.070	0.373
	Within Groups	81.214	168	0.483		
	Total	83.283	172			
Incentives Educational resources Loyalty program integration	Between Groups	3.069	4	0.767	1.254	0.290
	Within Groups	102.804	168	0.612		
	Total	105.873	172			
Platform updates Payment options	Between Groups	22.382	4	5.596	6.970	0.000
	Within Groups	134.866	168	0.803		
	Total	157.249	172			
Clear communication Personalized recommendations User-friendly interfaces	Between Groups	2.070	4	0.517	1.070	0.373
	Within Groups	81.214	168	0.483		
	Total	83.283	172			
Issue resolution Incentives Educational resources	Between Groups	36.492	4	9.123	9.685	0.000
	Within Groups	158.259	168	0.942		
	Total	194.751	172			
Loyalty program integration	Between Groups	17.978	4	4.495	4.267	0.003
	Within Groups	176.970	168	1.053		
	Total	194.948	172			

Source: Computed Data

Table 3 presents the results of the ANOVA conducted to examine the relationship between overall satisfaction and various aspects of customer experience encountered in omnichannel e-payment processes. The analysis reveals statistically significant differences in overall satisfaction levels across different categories of customer experience variables. Specifically, significant differences are observed in overall satisfaction concerning payment options, clear communication, personalized recommendations, platform updates, and loyalty program integration. These findings suggest that the effectiveness of omnichannel e-payment systems in enhancing overall satisfaction is influenced by factors such as the availability of diverse payment options, clear communication practices, personalized recommendations, regular platform updates, and the integration of loyalty programs. However, no significant differences are detected in overall satisfaction concerning user-friendly interfaces, issue resolution, incentives, educational resources, and accessibility features. This highlights the importance of prioritizing certain aspects of customer experience to optimize overall satisfaction.

levels in omnichannel e-payment systems, thereby informing strategic decision-making and resource allocation for enhancing customer satisfaction and retention in the digital payment landscape.

Conclusion:

In conclusion, this comprehensive analysis of e-payment in the omnichannel market identifies significant opportunities and challenges as well as a meticulous examination of evolving consumer behaviour. By employing a comprehensive mixed-methods strategy that incorporates both primary and secondary data collection and analysis, substantial knowledge regarding consumer preferences and experiences has been gained. The results emphasise the significance of smooth integration and a variety of payment alternatives in augmenting overall customer contentment. Notwithstanding obstacles including security apprehensions and interoperability dilemmas, the research exposes an expanding inclination towards contactless payment methods and underscores the necessity for customised approaches to cater to customer requirements. Through illuminating these intricacies, this study not only propels comprehension of omnichannel e-payment but also furnishes practical recommendations for enterprises to enhance customer experiences and adeptly navigate the digital payment terrain.

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