The Impact of Digital Literacy on the Adoption of Online Payments Among Students in Tura, Meghalaya

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Abstract- ***This study investigates the impact of digital literacy on students' use of online payment methods in Tura, Meghalaya, a region that is continuously experiencing technological and economic transformation. In the era of digital payment platforms like UPI, Google Pay, PhonePe, and mobile banking, it is crucial to comprehend the digital literacy of young consumers in order to advance financial inclusion. The study aims to investigate the relationship between digital abilities and awareness, accessibility, and confidence in using these platforms. A structured questionnaire covering digital literacy, internet accessibility, the frequency of online transactions, perceived usability, and confidence in digital payment systems was distributed to students from Tura's schools, colleges, and universities. Statistical methods which include Skewness and Kurtosis were used to understand and evaluate the digital literacy and use of online payments. It showed the positive impacts of a strong foundation for digital adoption among students. Overall, the findings suggest that increasing digital literacy is a key driver of the rise in the use of online payments in semi-urban areas.***

Index Terms- ***Digital Literacy, Online Payments, Awareness, Financial Inclusion***

Objectives

1.To study the extent of adoption and usage of online payment systems (e.g., UPI, mobile wallets, internet banking) among students.

2.To assess the level of digital literacy among students in various educational institutions in Tura, Meghalaya.

Methodology

The study employs a descriptive and analytical research approach to understand and evaluate the influence of digital literacy on students' acceptance of online payments. Quantitative data was collected in order to support the analysis. The target population consists of students from schools, colleges, and other institutions in Tura, West Garo Hills, Meghalaya. A convenience sample approach was used to select the participants, taking into consideration their availability and willingness to take part. A sample size of 31 respondents ensured representation from a variety of educational and age backgrounds.

I. INTRODUCTION

The ease, speed, and accessibility of online payment systems have made them an essential part of modern financial transactions in the era of rapid digital transformation. Digital financial tools such as smartphone wallets, internet banking, and UPI (Unified Payments Interface) have gained a lot of traction, particularly among younger consumers. However, this shift in technology also necessitates a certain level of digital literacy, or the ability to understand, access, and effectively use digital technologies. The transition to online payment platforms is still in its infancy in rural and semi-urban regions such as Tura, located in the West Garo Hills district of Meghalaya. Internet accessibility, socioeconomic conditions, and most importantly users' degree of digital literacy are among the many important aspects. A deeper understanding of digital technology' operation and safe and efficient use is a component of digital literacy. It's more than just knowing how to use a computer or a mobile device. The level of digital literacy among Tura students greatly influences their ability and confidence to engage in online financial transactions. This includes having the ability to download and use payment apps, understand privacy settings, handle digital transactions, and recognize online frauds and scams. Since students are a population that is both adaptable and active in the digital world, assessing their proficiency with digital payment systems provides valuable information about the broader digital

transformation of society. This study aims to determine the extent to which Tura students' adoption and use of online payment systems are influenced by their level of digital literacy. Important questions it looks into include: Are students aware of the various digital payment methods, are they able to use them with ease, when they shop online, what challenges do they encounter Above all, how does their level of digital comfort affect their willingness to switch from traditional cash-based to electronic payments. By answering these questions, the study intends to support the creation of educational initiatives and policies that could raise digital literacy and encourage financial inclusion in the region.

II. REVIEW OF LITERATURE

The relationship between online payment system use and digital literacy has drawn more scholarly attention, especially in developing countries. Digital literacy has a major impact on the adoption and effective use of digital financial services, according to several research. According to Rathore (2016)1, the government's push for a cashless economy has significantly increased the number of Indians using digital payment systems. Chauhan and Singh (2019)2 found that students with higher levels of digital literacy also use mobile payment apps like PhonePe, Google Pay, and Paytm more frequently. Singh and Rana (2020)3 focused primarily on the relationship between digital awareness and the advancement of financial inclusion. They discovered that teaching the basics of digital operations to young people, especially students, increases their acceptance of online payment systems. A study conducted by Bansal (2021)4 in the northeaster states of India found that although young people tend to be more tech-savvy, they are often unable to fully participate in the digital economy due to a lack of digital exposure and infrastructure problems. Studies already conducted in Tura, Meghalaya, indicate a digital divide in which pupils in urban regions have easier access to digital resources than those in rural areas.

III. METHODOLOGY

1. Area of Study

The study “The Impact of Digital Literacy on Students Use of Online Payment Methods in Tura, Meghalaya” focuses on Tura, a town in the West Garo Hills district of Meghalaya, Northeast India. Tura serves as the administrative and academic hub of the Garo Hills region and is home to several educational establishments, such as schools, colleges, and universities. Tura's population is a unique mix of urban and semi-urban students from a variety of socioeconomic and cultural backgrounds. Digital literacy, awareness, network reliability, and online security remain problems in the region despite the increasing number of smartphones and internet users, particularly among young people in less urbanized areas. The primary objective of the study is to assess the students understanding, utilization, and access to digital payment platforms, such as UPI (Google Pay, PhonePe, Paytm), mobile banking apps, and other online financial tools. It also evaluates how digital literacy influences local students’ adoption of these technologies.

The following contextual elements were also considered in the study:

1.1 The semi-urban location of Tura, which still has inconsistent cell networks and low internet connectivity, has a direct impact on students' ability to use online payment services.
1.2 Language hurdles and a dearth of specialized digital information in regional or native languages can make digital platforms difficult to use and trust.
1.3 Security perceptions have a major impact on adoption and frequency of use.

2. Research Objectives

2.1 To study the extent to which students utilize online payment methods (such UPI, mobile banking, and e-wallets).
2.2 To ascertain the relationship between digital literacy and the choice or frequency of making payments online.

3. Research Questions
3.1 Does digital literacy significantly correlate with the use of online payment systems?
3.2 What are the usual challenges or barriers that students face while using digital payments?

3.3 How to increase digital literacy to promote more use of online payments?

4. Research Design

Descriptive research design including Skewness and Kurtosis analysis are used in the study " The impact of digital literacy on students' use of online payment methods in Tura, Meghalaya". The goal of Skewness and Kurtosis study is to look into how the use of traditional or digital payment methods relates to demographic traits like gender, education. Quantitative method using a well-designed questionnaire was adopted.

5. Research Methods

Quantitative Approach: A structured questionnaire based on a Likert scale was used to collect numerical data appropriate for statistical analysis.

6. Sample Design

The residents of Tura, West Garo Hills which include students from various schools, colleges and Universities

7. Sample Size
The sample size includes 31 respondents which was collected through questionnaire using google form

8. Sampling Technique

Convenience sampling method was selected based on their availability, willingness, and accessibility to the researcher. This sampling was suitable because of schedule constraints.

9. Data Collection
Primary Data: The data was collected through online using Google form.

10. Tools for Analysis
Statistical tools were used in this study to analyse the collected data and understand the distribution and characteristics of students' responses on digital literacy and their use of online payment methods. The primary analytical instruments were Kurtosis Analysis and Skewness. The results made it clearer how digitally literate the students were and how they used online payment methods.

11. Research Gap
Despite the growing importance of digital literacy and the widespread use of online payment systems across India, there are still significant disparities in Tura Meghalaya. The adoption of digital payments by the general population has been the focus of many studies, but students a group that is both economically dependent and technologically active have gotten less attention. the lack of a thorough study that considers barriers to digital payment platform adoption, actual usage, confidence, perceived risk, and digital literacy levels.

IV. RESULTS AND DISCUSSION

Descriptive Statistics										
	N	Minimum	Maximum	Sum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
I know how to use the internet effectively for information and tasks	31	1.0	3.0	56.0	1.806	.5428	-.143	.421	.180	.821

I am confident using a smartphone or computer for various activities	31	1.0	3.0	57.0	1.839	.5829	.011	.421	.000	.821
I can install and manage mobile apps without help.	31	1.0	4.0	61.0	1.968	.8360	.795	.421	.555	.821
I have basic knowledge of online safety and security (like passwords)	31	1.0	3.0	58.0	1.871	.5623	-.053	.421	.305	.821
I can troubleshoot basic problems with my phone or apps.	31	1.0	4.0	64.0	2.065	.8538	.559	.421	-.035	.821
I use digital payment apps like Google Pay, PhonePe, or UPI regularly	31	1.0	4.0	64.0	2.065	.8920	.470	.421	-.432	.821
I prefer online payments over cash transactions.	31	1.0	4.0	70.0	2.258	.8932	.347	.421	-.438	.821
I find online payments more convenient and time-saving.	31	1.0	4.0	65.0	2.097	.7002	.488	.421	.800	.821
I trust online payment apps for secure financial transactions.	31	1.0	3.0	63.0	2.032	.6046	-.010	.421	.008	.821
I learned how to use digital payment apps through self-learning or digital literacy.	31	1.0	4.0	63.0	2.032	.7063	.561	.421	.959	.821
Poor internet or mobile connectivity affects my use of online payments	31	1.0	4.0	65.0	2.097	.7897	.690	.421	.680	.821
I face challenges in using digital payments due to lack of proper guidance/training.	31	1.0	4.0	80.0	2.581	.8072	.127	.421	-.393	.821
Valid N (listwise)	31									

V. INTERPRETATION

The study shows that most respondents have a good level of digital literacy and feel at ease using applications and the internet. The low mean scores (about 1.8–2.0) for these items suggests strong agreement. Respondents believe digital payment apps are convenient and safe, and they use them somewhat

to heavily. Not everyone, meanwhile, prefers online payments to cash, which could be a sign of hesitancy or a habitual reliance on more traditional methods. A significant portion of consumers face challenges as seen by the highest mean score (2.58), which emphasizes the absence of guidance or formal training. The fact that most respondents learned how to use digital payment apps through self-learning emphasizes the importance of informal digital literacy. Kurtosis values reveal distributions that are normal to slightly peaked, but most items show slight positive skewness, suggesting that some respondents have less technological knowledge or engaged relating to technology. Training and connectivity gaps are essential to encourage wider usage of digital payments, especially in places like Tura, Meghalaya, even though the results show a strong foundation for digital adoption. The study shows that Tura students have a moderate to good degree of digital literacy, particularly in terms of effectively utilizing digital devices and the internet. There is evidence that mobile wallets and digital payment apps like UPI are frequently utilized, however respondents' preferences for online vs traditional cash transactions vary. Many barriers stand in the way of the full implementation of digital payment solutions. These factors continue to affect students' confidence and use frequency, and they also include a lack of formal guidance or digital training, as well as insufficient internet or mobile connection. Moderate skewness in the data indicates some degree of unpredictability in the responses of the students, even though there are no significant biases. Furthermore, the kurtosis values remaining within a normal range suggest that the data distribution is largely symmetrical with tiny peaks near the average answers. The reliability of the data is strengthened, and the views and behaviours of students regarding digital literacy and online payments are generally more consistent.

CONCLUSION

According to a study titled "The Impact of Digital Literacy on Students' Use of Online Payment Methods in Tura, Meghalaya," students usually have a moderate to good level of digital literacy, especially when it comes to using digital devices and the internet for everyday tasks. The majority of responders are at ease utilizing mobile applications, picking up information online, and navigating phones. Students who have a rudimentary understanding of technology are far better able to connect with digital payment platforms. The findings indicate that while digital payments are becoming more and more common, especially among students, preferences still differ and some people still pay with cash. This mixed tendency reflects both social customs and practical limitations in the area. Regular use of services like as UPI, PhonePe, and Google Pay suggests a tendency toward digital adoption. However, the study also points out significant barriers to broad adoption, such as a lack of structured digital training and insufficient internet connection. These issues limit students' confidence and regular use of digital payment systems. Despite the technological potential, problems with local infrastructure and a lack of hands on training continue to be the obstacles. In conclusion, even if Tura students have begun to accept digital technology, more focused digital literacy programs, enhanced connectivity, and awareness campaigns are required to foster trust and guarantee the secure, efficient use of online payment systems. Lessening these differences can help the young people in the area become more financially included and empowered online.

LIMITATIONS OF THE STUDY

12. The limitation of the study includes the following points which are listed below:

12.1 The study's comparatively small sample size of 31 students may not fully represent Tura's entire student body. Larger sample sizes may yield more reliable and broadly applicable results.

12.2 The study only included students in Tura, West Garo Hills which does not account for variations in digital literacy and online payment usage in other parts of Meghalaya.

12.3 Since convenience sampling was selected based on the accessibility rather than random selection which might create biased results on the study.

12.4 Due to less availability of time the study could not be deep and less information could be gathered.

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