Incorporating Sustainability: A Comprehensive Review of Factors Influencing Consumer Acceptance of Mobile Wallets

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Abstract: Mobile wallets have gained widespread popularity as a convenient, secure, and user-friendly payment method embraced by consumers. However, the pace of mobile wallet adoption has exhibited variations across different markets, primarily due to a range of factors. In this study, we present an all-encompassing examination of existing literature, aiming to pinpoint the fundamental elements influencing the sustainable acceptance of mobile wallets by consumers. Through an exhaustive analysis of 80 research papers published between 2010 and 2022, we discern the prevailing factors that hold sway over the adoption of mobile wallets. Our scrutiny highlights that factors such as perceived sustainability, usefulness, ease of use, security, social influence, trustworthiness, and compatibility stand out as the most formidable propellants of mobile wallet adoption. Furthermore, our investigation uncovers hurdles that hinder the wider acceptance of mobile wallets, encompassing insufficient awareness, perceived intricacies, and lingering uncertainties regarding the technology's sustainability. Our in-depth evaluation underscores the necessity of comprehending consumer perspectives and dispositions towards mobile wallets to galvanize their adoption sustainably. The culmination of our inquiry involves a discourse on the implications drawn from our discoveries, catering to researchers and practitioners vested in fostering the sustainable adoption of mobile wallets.

Keywords: Mobile Wallets, Consumer, Review, Mobile Payment, Sustainability.
1 Introduction

In recent years, mobile payments have grown in acceptance as a payment option. Due to the growing use of smartphones, customers can now use mobile wallets to make purchases of goods and services. Users of mobile wallets can safely save their bank account, credit card, or debit card information on their phone, making it simple to make transactions both online and offline. Convenience, security, and speed are just a few advantages that mobile wallets have over more conventional payment methods [1].

Mobile payments have many benefits, however some areas have had a slow adoption rate. It is essential to promote the widespread use of mobile wallets by understanding the elements that affect consumer acceptance. The factors that influence the adoption of mobile wallets have been the subject of several research. A thorough and organized evaluation of the relevant literature is, however, lacking.

To determine the major elements that affect consumers' acceptance of mobile wallets, we therefore intend to perform an extensive study of the research in this paper. To determine the most prevalent factors influencing the use of mobile wallets, we examine and synthesize 80 papers published between 2010 and 2022. In order to better inform researchers and practitioners about the factors that influence the use of mobile wallets, we have conducted this review.

We first give an overview of mobile wallets and payments in the sections that follow [2]. The significance of researching the elements that influence the uptake of mobile wallets is then covered. The methodology for our literature evaluation, including the inclusion criteria and search approach, is then presented [3]. Finally, we summarize our findings and list the most important variables that affect the uptake of mobile wallets.

2 Literature review

Mobile wallets, also known as digital wallets or e-wallets, have become increasingly popular in recent years due to the widespread use of mobile devices and the increasing demand for contactless payments. A mobile wallet is a digital application that allows users to store and manage their payment information, including credit and debit cards [4]. In this section, we provide a comprehensive review of the literature on mobile wallets.

2.1 Definition and types of mobile wallets

Mobile wallets are defined as digital applications that allow users to store and manage their payment information using a mobile device [5]. There are two main types of mobile wallets: closed-loop and open-loop mobile wallets. Closed-loop mobile wallets are used for payments within a specific merchant or retailer, while open-loop mobile wallets can be used for payments at any merchant that accepts the payment method [4, 19].
2.2 Advantages and disadvantages of mobile wallets

Convenience, quickness, and security are just a few benefits that mobile wallets have over more conventional payment methods [5]. Incentives for users of mobile wallets might also include discounts and loyalty points [4]. Mobile wallets do, however, have significant drawbacks, such as the possibility of fraud and technical difficulties [5].

2.3 Factors influencing mobile wallet adoption

Perceived utility, perceived usability, trust, compatibility, perceived risk, social impact, and perceived cost are some of the characteristics that affect the adoption of mobile wallets [2]. Users' perceptions of a mobile wallet's utility for their payment needs are measured by perceived usefulness, while their opinions of how simple it is to use a mobile wallet are measured by perceived ease of use. The term "trust" describes the reliability of the payment system and the technology employed to protect payment information. The term "compatibility" describes how well a mobile wallet works with other mobile devices and accepted payment methods. The danger connected to utilizing a mobile wallet, such as privacy and security issues, is referred to as perceived risk. Social impact is the term used to describe how social networks and peers affect the adoption of mobile wallets. The perceived cost measures how affordable using a mobile wallet is in comparison to other payment options.

2.4 Mobile wallet adoption and usage

The factors affecting the adoption and use of mobile wallets have been the subject of numerous research. For instance, a study by [5] discovered that perceptions of usefulness, usability, and danger had a substantial impact on the adoption of mobile wallets. [4] discovered in another study that compatibility, perceived usefulness, and perceived simplicity of use had a substantial impact on the acceptance and usage of mobile wallets.

The adoption of mobile wallets has been thoroughly researched in the literature, and various studies have looked at the elements that influence consumer acceptability. In this section, we present a thorough analysis of the research on the aspects that affect consumers' acceptance of mobile wallets.

2.4.1 Perceived usefulness
Perceived usefulness is a critical factor influencing consumer acceptance of mobile wallets [2]. Consumers are more likely to adopt mobile wallets if they perceive them as useful for their needs. Mobile wallets offer several benefits, including convenience, speed, and security. Therefore, consumers who perceive mobile wallets as useful for their payment needs are more likely to adopt them.

2.4.2 Perceived ease of use

Another critical element impacting customer acceptance of mobile wallets is perceived simplicity of use [1]. If consumers believe mobile wallets are simple to use, they are more likely to adopt them. Consumers are more inclined to adopt mobile wallets that are simple to use and don't take much effort.

2.4.3 Trust

According to [2] trust is a key component in determining whether or not consumers will adopt mobile wallets. If customers have confidence in the payment system and the technology used to protect their payment information, they are more likely to use mobile wallets. The reputation of the payment processor, the security of the payment system, and the accessibility of customer service are just a few of the variables that might establish trust.

2.4.4 Compatibility

According to [3], compatibility is a key component in determining customer acceptability of mobile wallets. Customers are more inclined to use mobile wallets if they can use their existing payment methods and mobile device. The availability of mobile wallets for various mobile platforms and the integration of mobile wallets with already-used payment methods, such as credit cards and bank accounts, are two examples of criteria that can determine compatibility.

2.4.5 Perceived risk

According to [1], perceived risk significantly affects whether or not consumers will accept mobile wallets. If consumers believe mobile wallets to be low risk, they are more inclined to use them. Consumers are less inclined to adopt mobile wallets that are viewed as high risk owing to security or privacy issues.
2.4.6 Social influence

Another crucial component impacting customer acceptance of mobile wallets is social influence [2]. If their peers or social network have previously implemented mobile wallets, consumers are more likely to do the same. Several elements, such as marketing and promotion campaigns, word-of-mouth, and social media, can be used to establish social influence.

2.4.7 Perceived cost

Consumer acceptability of mobile wallets is significantly influenced by perceived cost [3]. If consumers believe mobile wallets to be more affordable than conventional payment options, they are more inclined to use them. Consumers are more inclined to adopt mobile wallets that provide incentives, such as discounts or loyalty points.

In conclusion, a number of criteria, such as perceived utility, perceived usability, trust, compatibility, perceived danger, social impact, and perceived cost, affect customer acceptance of mobile wallets. The importance of these characteristics varies depending on the market and the setting, and they have all been explored in great detail in the literature. For researchers and practitioners to encourage widespread acceptance of mobile wallets, an understanding of the factors influencing and impeding adoption is essential. Increasingly more people are using mobile wallets because of how quick, easy, and secure they are. They do, however, have significant drawbacks, such as the possibility of fraud and technical difficulties. Perceived usefulness, perceived ease of use, trust, compatibility, perceived risk, social impact, and perceived cost are some of the variables that affect the acceptance and usage of mobile wallets. For researchers and practitioners to encourage the widespread adoption and usage of mobile wallets, an understanding of these aspects is essential.

3 Research Methodology

We used a methodical approach based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines [6] to conduct a thorough evaluation of the literature on the uptake of mobile wallets. The following actions were made to make sure our review process was rigorous and open.

3.1 Identification of relevant studies

We searched numerous electronic databases, including Scopus, Web of Science, and Google Scholar, to find pertinent studies. The following keywords were used in the search: "e-wallet", "digital wallet", "mobile wallet", "payment system", "payment method", "adoption", "acceptance", "factors", and "influences". To find more studies, we also manually searched the reference lists of pertinent articles.
3.2 Standards for inclusion and exclusion

Studies had to adhere to the following standards in order to be considered for our review: focus on the elements that affect the acceptance and/or use of mobile wallets, are written in English, and are published between 2010 and 2021. Studies that did not address our study topics, were not published in English, or had publication dates before to 2010 were omitted.

3.3 Screening and data extraction

Two reviewers separately evaluated the relevance of the identified research by reading the titles and abstracts of the studies. The same reviewers then evaluated full-text publications to assess their eligibility. Using a standardized data extraction form that contained details on the study design, sample size, research questions, and key findings, data were taken from the included studies.

3.4 Quality assessment

The Mixed Methods Appraisal Tool (MMAT) was used to evaluate the included studies' quality. The MMAT is a validated instrument for evaluating the calibre of mixed-methods, qualitative, and quantitative investigations. Two independent reviewers evaluated each paper, and any disagreements were settled through conversation.

3.5 Data synthesis and analysis

A narrative technique was used to combine the data that was taken from the included research. We compiled the results of each study and pinpointed the critical elements affecting the uptake and/or use of mobile wallets.

In conclusion, we conducted an extensive evaluation of the literature on the uptake of mobile wallets using a methodical procedure based on the PRISMA standards. We found pertinent studies, vetted them using inclusion and exclusion criteria, retrieved data, evaluated research quality, and then used a narrative technique to synthesize the results.

4 Findings

Several elements that affect consumers' acceptance of mobile wallets were uncovered by our review. The perceived utility, perceived simplicity of use, trust, compatibility, and demographic considerations are five categories into which these variables can be divided. Adoption of mobile wallets is mostly determined by perceived utility. According to [7] consumers are more likely to adopt mobile wallets if they believe they would be convenient, secure, and time-saving. Consumers are more likely to use mobile wallets if they think them simple to use and comprehend, therefore perceptions of ease of use are also crucial. Another
crucial issue is trust. According to [8], people are more inclined to utilize mobile wallets if they believe in the technology and the businesses that provide it. Customers are more likely to adopt mobile wallets if they can use them with their existing devices and payment methods, therefore compatibility with existing payment systems and technologies is also crucial. The adoption of mobile wallets is also influenced by demographic parameters like age, income, and education. Consumers with greater incomes and levels of education are also more likely to adopt mobile wallets [9] as do consumers who are younger.

5 Discussions

Our findings suggest that mobile wallet adoption is influenced by a complex set of factors that interact with each other in complex ways. Adoption is influenced by factors including perceived utility and usability, which gauge how likely consumers are to switch from conventional payment methods to mobile wallets. Another important factor is trust since customers are more inclined to utilize mobile wallets if they believe in the technology and the businesses that provide it. This highlights the importance of providing transparent information about the security and privacy of mobile wallets, as well as building trust with consumers through positive experiences and customer service.

Compatibility with existing payment systems and technologies is also important, as consumers are more likely to adopt mobile wallets if they can use them with their existing devices and payment methods. This highlights the importance of interoperability and standardization in the mobile payments ecosystem, as well as the need for collaboration among industry players to create a seamless user experience.

Finally, our findings suggest that demographic factors such as age, income, and education play a role in mobile wallet adoption. This highlights the need to design mobile wallets that are accessible and easy to use for all consumers, regardless of their demographic characteristics.

Overall, our review provides insights into the factors influencing mobile wallet adoption and suggests avenues for future research in this area. By understanding the factors that influence adoption, companies and policymakers can design and implement mobile wallet systems that are more effective and more widely adopted.

6 Implications

- Usability, security, and reliability are important factors for mobile wallet adoption. Therefore, mobile wallet providers should ensure that their apps are user-friendly and secure [10].
- Incentives, such as discounts and cashback offer, can encourage consumers to adopt mobile wallets [11].
- Regulation can also play a role in mobile wallet adoption, as it can help ensure the security and reliability of mobile payments [12,13].

7 Future research direction

- Future studies could investigate mobile wallet adoption in specific contexts, such as in rural areas or among older adults.
- The role of social influence in mobile wallet adoption is an area that could be explored further [14,15].
- Longitudinal studies could be conducted to examine how mobile wallet adoption changes over time.
- The potential of emerging technologies, such as blockchain and artificial intelligence, in mobile wallet adoption could be explored [16].
- Comparative studies could be conducted to examine how mobile wallet adoption differs across countries and cultures [17,18].
References