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Social Media and Digital Payment Systems in Indian Tourism: An Empirical Study

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Abstract

The Indian tourism industry has seen tremendous change as a result of the quick development of social media and digital payment methods, which have an impact on visitor behavior, service quality, and business results. This study looks at how social media sites and online payment methods affect India's tourism industry. In the Indian tourism sector, digital payment systems have become an essential component that improves the ease, effectiveness, and transparency of travel-related transactions. Travel, hospitality, transportation, and related services are increasingly adopting digital payments due to the rapid growth of smartphones, internet connectivity, and government initiatives like Digital India, Unified Payments Interface, and cashless economy campaigns. The significance of digital payment systems in Indian tourism is highlighted in this study, with a focus on how they affect visitor satisfaction, operational effectiveness, financial inclusion, and business performance. Using appropriate statistical methods, the data was examined and the relationships between social media use, the adoption of digital payments, and tourism performance were evaluated. The findings show that tourism stakeholders are well-versed in social media tactics, emphasizing the value of sites like Facebook, Instagram, and travel review sites for customer interaction, itinerary planning, and destination expertise. Due to their ease of use, speed, and security features, digital payment methods like UPI, mobile wallets, debit cards, and credit cards are also very popular, according to the survey. These digital payment methods have a beneficial impact on customer satisfaction and service effectiveness, but social media also has a significant impact on how tourists perceive, trust, and intend to make purchases. According to the study's findings, the Indian tourist industry may successfully improve long-term growth, competitiveness, and consumer satisfaction by combining social media strategies with digital payment systems.

Keywords: Internet, Social Media, Digital, Sustainable Grow

Introduction

Social media is a way to communicate online. These platforms let users chat, share info, and create content for the web. Digital payments started to pick up pace with the growth of e-commerce companies followed by emergence of digital wallet companies. To lure the consumers, the digital wallets doled out lucrative offers and cash backs to get consumers on board using the payment channel. There is no use of cash or cheques in this type of payment method. One of the key sectors of the Indian economy is tourism. India's use of mobile phones and the internet has increased dramatically

during the past ten years. The use of digital payments is growing exponentially due to government initiatives like Digital India, increased internet usage, and cell phone penetration. To put it in simple words, a digital payment occurs when goods or services are purchased through the use of various electronic mediums.

The tourism industry's primary goals are to grow and promote tourism, maintain India as a popular travel destination, compete with other countries, and expand tourism products like adventure, medical, cruises, and eco-tourism, among others, in order to support employee development and economic advancement. According to the 2022 edition of the World Economic Forum's Travel and Tourism Development Index, India is ranked 54th. By 2030, India is expected to be one of the top five travel destinations. According to the India Brand Equity Foundation, 30.5 million foreign tourists are expected to go to India by 2028. Smt. Nirmala Sitharaman, the finance minister, provides \$2400 billion for the Ministry of Tourism to implement various projects in the Union Budget for the fiscal year 2022–2023. The budgetary support for 2022–2023 is 18.42% greater than that of 2021–2022. Geographical density, 80 national parks, 37 world heritage sites, 441 sanctuaries, and ten biogeographically zones are just a few of the many attractions that India has to offer. Numerous breath-taking beaches can be found throughout the country's extensive coastline.

Literature Review

Online marketing has become increasingly important in the tourism industry, according to Hvass and Munar (2012). They propose classifying general communication behavior into four different groups. Furthermore, airlines' uneven implementation of social media strategies is a significant weakness in their strategic approach.

According to Šivković et al. (2014), online social influences, especially online word of mouth (eWOM), provide the most important information when travelers choose their final destinations. Gohil (2015) at present, online travel reservations represent roughly 30% of the market. This figure is very encouraging, amounting to approximately \$8 billion, with predictions for continued expansion shortly.

As per Happ et al. (2018), tourism will have difficulty competing with international destinations as well as service providers. To meet the growing needs of consumers, tourism organizations need to adopt digitalization. Our study seeks to create a new framework that captures the aspects of digitalization in the tourism industry. This model will be built on a marketing framework that includes all elements of tourism marketing, such as market research, target audiences, the 7Ps, organizational obstacles, and educational factors as well.

Almeida et al. (2019) state that online accommodation booking services have grown more important in the tourist offerings provided by tour operators. This study seeks to identify the main aspects that characterize each payment method and, for each, aims to outline tourists' views on the main advantages and disadvantages associated with them. The findings suggest that cash payment provides the optimal blend of accessibility and ease of use. These results are especially significant for tourism organizations and suggest that tourists' views are mainly shaped by their age and the frequency of their travels.

Lorente Bayona and Ruiz Rua (2019) indicates that also causes a decrease in the degree of tourism specialization within the nation's export structure, leading to a reduced comparative capacity of tourism to produce foreign earnings in relation to other sectors that are becoming more robust. Shree et al (2021) data also indicates a growing reliance on money. Depending on the transaction's goal, prior experiences with online fraud have different effects on the use of digital payments.

Van Nuenen and Scarles (2021) explore how digital technology improves familiarity, responsiveness, and accountability in tourism. Tandon and Sakshi (2022) pay-on-delivery payment method, and its connection to the goals of online shoppers. As noted by Susanto et al (2022), this study demonstrates that digital payments can improve the experiences of tourists. Consequently, destination managers need to guarantee that their payment processes are completely incorporated into a digital system.

Kim et al. (2022) studied factors affecting the progression of consumer adoption behavior. Furthermore, the research emphasized the decreasing influence of consumer innovativeness on different relationships, such as the relationship between interest and evaluation, along with the association between evaluation and trial intention, thus deepening the comprehension of consumer adoption behavior related to payment innovations.

Zvaigzne et al. (2023) carried out this research to investigate the main aspects of innovation progress concerning digital tools used in the regional tourism industry. The aim is to explore the opportunities and future for digital innovation in the tourism sector in the Baltic area. Professionals were selected from the tourism and hospitality industries, the guiding field, along with experts in business and economics. Moreover, the lasting sustainability of digital tools was overlooked, and the investment expenses were determined to outweigh the benefits of implementing these technologies. This research helps promote digital innovation and identify issues within a local setting. Sekhar et al. (2023) emphasize that digital wallets, online cards, and travel websites are greatly influencing the growth of the tourism sector. Examine the impact of digital payments on the tourism sector.

Goals of the Research

1. To study about awareness of social media approach in Indian tourism.
2. To Study of the various Type of payment and Aspects of digital payments.
3. To determine the Importance of Social Media and analyze the Factors of Social Media and Digital Payment Systems Travel.

Research Methodology

In the realm of strategies and information, various approaches for data collection are employed. A quantitative method is utilized to gather the necessary data. On the other hand, a variety of sources, including books, periodicals, websites, and research journals, provided secondary data. SPSS version 27 was used to analyze the data.

Research Design

The comprehensive data was gathered from sources. As a result, an appropriate study approach is essential for effectively presenting, describing, and analyzing this large volume of data in the current research report.

Primary Data

The core data used in this study was gathered via carefully crafted questionnaires that were tailored to the study's objectives.

Secondary Data

Books, journals, websites, publications, periodicals, newspapers, and other sources have provided the secondary data needed for the study.

Sample Design

The sample defendants were chosen using stratified random sampling.

Analysis and Interpretation of Data

Table 1 Reliability Statistics

Reliability Statistics		
Variables	Cronbach's Alpha	N of Items
Aspects of digital payment	.663	7
Importance of Social Media in Tourism	.756	9
Factors of Social Media in Indian Tourism	.861	8
Digital Payment Systems in Indian Tourism	.926	6

Displays the reliability statistics, an instrument is considered to have strong internal consistency when its Cronbach's alpha value is 0.8.

Table 2 Descriptive Statistics - Aspects of Digital Payment

Aspects of Digital Payment	Mean Statistic
Platforms & Methods	4.74
Impact on Hospitality & Travel	3.93
Empowering Local Communities	4.73
Government Initiatives	4.40
Convenience & Speed	4.03
Tracking & Management	3.75
Security & Transparency	4.26

Platforms and Methods received the highest grade ($M = 4.74$), indicating that consumers value the variety of easily accessible digital payment methods. Empowering Local Communities ($M = 4.73$) comes next, indicating that digital payments greatly help local service providers and small enterprises. The public's recognition and approval of digital payment rules and activities is highlighted by Support for Government activities ($M = 4.40$). With a score of 4.26, Security and Transparency shows that people generally have faith in digital payment systems. Furthermore, the belief that digital payments are effective and user-friendly is reflected in Convenience and Speed ($M = 4.03$). Finally, a moderate to strong agreement with the benefits for the tourism industry is shown by the i

Table 3 Descriptive Statistics - Importance of Social Media in Tourism

Importance of Social Media	Mean	Std. Deviation	Skewness	Kurtosis
Source of information for travel planning	3.86	1.115	-1.261	1.043
Travel photos and videos on social media increase interest in visiting destinations	4.63	.557	-1.650	4.138
Comparing tourist destinations easier	4.12	.491	-.918	6.802
Benefit from promoting services through social media	4.12	.491	-.918	6.802
Advertising is more effective than traditional tourism promotion	4.34	.558	-.450	1.446
Reduces uncertainty and perceived risk in tourism	4.60	.738	-2.493	7.401

Influences accommodation and transport selection	4.53	1.091	-2.527	5.160
Improves service quality	4.76	.492	-2.515	8.604
Strengthens communication between tourists and service providers	4.78	.612	-3.890	17.771

The descriptive statistics (mean, standard deviation, skewness, and kurtosis) for items that assess the significance of social media in travel are shown in the table. The results indicate that most respondents agreed that social media has an impact on various aspects of travel. The majority of people strongly agree with each statement, according to the mean scores, which range from 3.86 to 4.78.

Analysis of Skewness and Kurtosis

Through values shifting from -0.450 to -3.890, each item demonstrates negative skewness, portentous that comebacks are largely congregated at the greater end of the scale (arrangement). In the majority of cases, the kurtosis values are notably elevated and distinctly positive, particularly regarding the aesthetic interactions between visitors and providers (Kurtosis = 17.771) and the quality of informative services (Kurtosis = 8.604).

Table 4 Factors of Social Media in Indian Tourism

Area Under the Curve	
Variables	Range
Information Accessibility	.502
Social Media Usage	.493
Information Quality & Trust	.502
Influence on Travel Decision	.482
Booking & Planning	.495
Post-Travel Sharing & Promotion	.511
Destination Image Formation	.540
Planning & Booking Support	.475

Interpretation of Results

The test variables' capacity to distinguish between the outcome variable's positive and negative situations is assessed by the Area under the Curve (AUC) values. AUC values between 0.60 and 0.70 indicate poor to fair discrimination, values above 0.70 indicate acceptable to high predictive capabilities, and values below 0.50 often indicate no discrimination (performing similar to random chance).

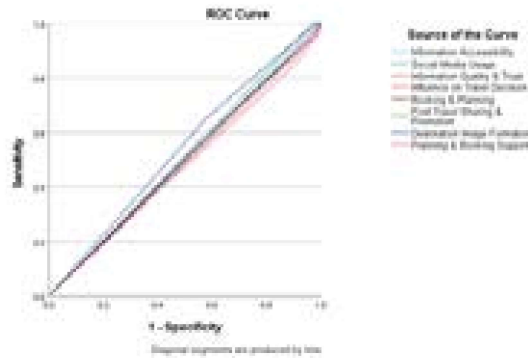


Figure 1 ROC Curve

Each adjustable analysis’s AUC morals ranged from 0.475 to 0.540, which is similar to the goal value of 0.50. Many annotations share the same values across outcome categories, as evidenced by the acquaintances between the positive and negative actual state groups. The dependability of these data is further compromised by the risk for biased or unstable AUC estimations.

Table 5 Model Summary - Digital Payment Systems in Indian Tourism

Specifications	Growing Method	CHAID
	Dependent Variable	Have you ever had use Social media?
	Independent Variables	Awareness of digital payment, Security, Accessibility, Travel Experience, Satisfaction, Adoption Intention
	Validation	None
	Maximum Tree Depth	3
	Minimum Cases in Parent Node	100
	Minimum Cases in Child Node	50
Results	Independent Variables Included	Adoption Intention, Security
	Number of Nodes	5
	Number of Terminal Nodes	3
	Depth	2

Especially Integration Intention and Protection have been shown to be significant factors influencing social media usage out of the six predictor variables in the model. This implies that the respondents’ attitudes on security and their readiness to adopt digital platforms have a significant impact on how they use social media. Three of the five nodes in the CHAID tree were terminal nodes.

Table 6 Tree Table

Node	Yes	No	Chi-square	Sig.a
0	97.4%	2.6%		
1	99.6%	0.4%	12.730	.005
2	93.7%	6.3%	12.730	.005
3	100.0%	0.0%	17.681	.000
4	82.0%	18.0%	17.681	.000

All tested nodes (1 through 4) showed statistically significant associations ($p < 0.01$), and the Chi-square results show that responses vary significantly across nodes. Although all nodes have

affirmative answers, Node 4 exhibits a noticeably higher degree of disagreement, while Node 3 shows total agreement, indicating significant variations in the nodes' responses.

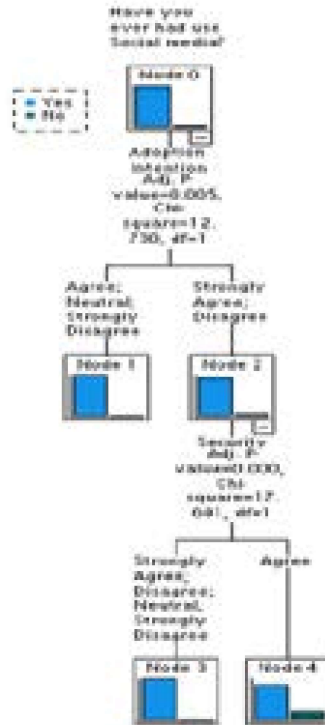


Figure 2 Decision Tree Chart

Table 7 Classification

Classification			
Observed	Predicted		
	Yes	No	Percent Correct
Yes	380	0	100.0%
No	10	0	0.0%
Overall Percentage	100.0%	0.0%	97.4%
Growing Method: CHAID			
Dependent Variable: Have you ever had use Social media?			

The model correctly classified 380 cases as “Yes” out of all respondents who had used social media, yielding a perfect classification accuracy of 100% for this group. This demonstrates how well the model recognizes social media users. There were ten instances of people who had never used social media, but none of them were appropriately categorized as “No.” As a result, the model’s classification accuracy for non-users is 0%, indicating that it was unable to distinguish between non-users and users. The model’s overall classification accuracy is 97.4%, which appears to be high. However, the dataset’s high “Yes” response rate is primarily responsible for this increased accuracy. The model frequently predicts “Yes” in nearly every situation because the majority of respon\

Recommendations and Conclusion

The results show that social media acceptance depends on both behavioral intention and perceived safety. Enhancing security measures and promoting positive adoption intents through awareness campaigns and trust-building strategies could greatly increase social media interaction for those working in the travel and digital services sectors. The main factor influencing social media usage is the intention to embrace. Across different adoption intention groups, security concerns also help distinguish between users and non-users. Groups that have a strong sense of security and a strong purpose to adopt tend to use social media almost exclusively. On the other hand, individuals who lack confidence in security are more likely to steer clear of social media. The adoption of digital payment methods in developing countries is associated with perceptions of technological progress in a particular sector. Stakeholders must collaborate in order to enhance the electrical and internet

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