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Behavioural Data Analysis of ITR Users in Clear Tax

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Abstract:
The rapid digital transformation of India's taxation system has significantly increased the adoption of online tax filing platforms. Among these platforms, ClearTax has emerged as one of the leading digital tax service providers, offering simplified Income Tax Return (ITR) filing solutions for individual taxpayers and businesses. This research examines the behavioural patterns of ITR users with a specific focus on the factors influencing the adoption and continued usage of ClearTax. A descriptive research design was adopted, and primary data were collected from 150 respondents using a structured questionnaire. The collected data were analysed using descriptive statistical techniques, including frequency distribution and percentage analysis. The findings indicate that ease of use, expert assistance, trust, convenience, and pricing significantly influence users' behavioural intentions toward digital tax filing. The study also identifies behavioural barriers such as concerns regarding data privacy, limited digital literacy, and dependence on professional guidance. The findings provide useful insights for fintech companies, policymakers, and digital taxation platforms to improve customer experience and strengthen long-term user engagement

Executive Summary

The internship project titled “Behavioural Data Analysis of ITR Users in ClearTax.” served as an internship project to as part of my three- month internship with ClearTax as an Inside Sales Executive with the Income Tax Filing team. The study examines the emerging role of digital tax filing platforms in India and the financial implications of such platforms for the user and the service provider.

The primary purpose of the project was to evaluate how digital filing solutions like ClearTax impact direct costs, time savings, and convenience for taxpayers, in comparison to traditional offline solutions. The research study aspired to examine user perceptions of pricing, transparency, perceived ease of use, satisfaction; while also evaluating the service platform’s financial implications for customer acquisition, customer retention and revenue generation.

The research is primarily based on primary data derived from customer engagement through the internship with ClearTax as well as secondary evidence taken from research on the Indian tax-tech market. Several statistical tools were applied to analyse the survey responses around cost saving, accuracy, and user satisfaction. The results suggest that the digital method of tax filings bring considerable value from a substantially lower indirect costs, such as time, effort, and paperwork, as well as several fairly good pricing models. The survey also raises some challenges around user trust, level of digital literacy, and the need for advice through human channels, which is directly linked to adoption rates.

In my role as an Inside Sales Executive, I was verymuch engaged in assisting customers with returns filing, addressing their questions and promoting ClearTax's services. This gave me access to witness first-hand customer behaviour and decision-making patterns and the financial implications that influenced their method of filing. Having direct access to customer behaviour and levels of engagement also assisted in ensuring a greater understanding of sales through practical experience that complemented theoretical study around communication and customer relationship management.

The findings of the research suggests that digital platforms, such as Clear Tax, not only are significant in ensuring tax compliance, the platform also helps their users become more cost-effective in managing their finances. The research concludes with recommendations on how to increase the trust of customers, to enhance awareness programs, and to introduce more added-value service offerings, in order to improve Clear Tax's market position for users, in India's digital tax environment, which is rapidly changing.

CHAPTER – 1: INTRODUCTION

1.1 Introduction

In recent years, India has evolved quite rapidly in the area of taxation because of technology and new digital phenomena. The filing of income tax returns has been an arduous, time- consuming task for taxpayers. However, digitization has led the way to seamless tax filing through online tax filing applications. ClearTax is among the leaders in the tax filing world, as it provides a recognized, inexpensive, simple, accurate and reliable way to remain compliant and reliable. Acceptable compliance is important for the system to work.

ClearTax utilizes technology to change the way individuals and businesses think about tax filing. ClearTax support is local and stays connected to the needs of individual and enterprise. The use of technology has allowed ClearTax to offer income tax return filing, GST compliance, investment advisory, and other financial services. With user-friendly tech interfaces, responsible and acceptable pricing, and recognized customer support, ClearTax is one of India's leading digital tax payment and filing services.

The cost implications of adopting such platforms are significant. While taxpayers save on costs, taxpayer time, and eliminate filing errors, firms like ClearTax are benefitting from service fees, subscription fees, and cross-selling complimentary products. Likewise, these platforms can be viewed as fulfilling higher economic objectives by encouraging taxpayers to voluntarily comply while reducing the burden on government tax authorities. This study is titled, “A Study on the Financial Implications of Digital Tax Filing Platforms: A Case Study on ClearTax.” The purpose of the research is to consider how digital filing impacts the financial behavior of taxpayers, the costs involved regarding how taxpayers evaluate the value of ClearTax's services, and the role that technology is playing in tax compliance. This study was made possible by undertaking an internship and gained experience as an Inside Sales Executive for the Income Tax Filing team at ClearTax to further understand customer expectations and customer purchase decisions, and the challenges facing firms that promote and market digital solutions to tax filing and comparably for their own tax purposes.

In a competitive and ever-increasing financial marketplace, understanding the financial aspects of digital tax filing is fundamental for taxpayers, and important for policymakers, and service organizations as well. Therefore, this study aims to facilitate a connection from academia research to real-world experience, so as to build a holistic understanding of the digital taxation landscape specifically in India.

1.2 Scope and Importance of the Study

The present study focuses on the behavioural patterns of Income Tax Return (ITR) users engaging with digital tax filing platforms, with a specific emphasis on ClearTax. Rather than only assessing the financial aspects, this study seeks to understand how users interact, respond, and make decisions when using ClearTax for ITR filing. It will examine behavioural aspects such as trust, convenience, ease of use, decision-making factors, and satisfaction levels that influence user adoption and continued usage of the platform.

The scope of the study will include:

- Analyzing user behaviour and preferences in choosing ClearTax over traditional offline tax filing methods or other digital competitors.
- Evaluating decision-making factors such as convenience, trust, pricing, digital literacy, and perceived accuracy in ITR filing.
- Understanding behavioural challenges faced by users—such as hesitation, lack of awareness, or perceived risks—in adopting digital tax filing.
- Assessing user satisfaction and engagement, including repeat usage and recommendations of the platform to peers.

- Drawing upon first-hand insights as an intern in the Income Tax filing team at ClearTax, which includes direct customer interactions, behavioural observations, and sales conversion experiences.

The importance of the study lies in its practical and academic contributions. For taxpayers, it highlights the behavioural motivators and barriers influencing digital adoption, helping them make informed choices. For ClearTax and other digital service providers, the findings provide valuable insights into customer psychology, enabling improvements in user experience, customer engagement, and service personalization. For policymakers, the study provides a behavioural perspective on how digital tax filing platforms can drive higher compliance, improve user confidence in e-filing, and enhance transparency in the taxation system.

Additionally, by linking theoretical behavioural frameworks with real-world internship experience, this study contributes to the growing literature on tax-tech user behaviour. At a time when technology is transforming financial services, understanding user psychology and behavioural trends is crucial for designing sustainable, user-centric tax solutions.

1.3 Review of Literature

1. Chang, I.-C. (2005) — An empirical study on the impact of quality antecedents on taxpayers' acceptance of Internet tax-filing

Summary: Uses TAM to show perceived usefulness (PU) and perceived ease of use (PEOU) drive taxpayers' acceptance; service quality factors (information, system, and service quality) shape PU and PEOU.

Relevance: Provides a tested TAM framework you can apply to ClearTax user-behaviour variables.

2. Wang, Y. S. (2003) — The adoption of electronic tax filing systems: an empirical investigation
Summary: Revises TAM to include quality/performance antecedents and finds PU/PEOU remain central in e-filing acceptance across contexts.
Relevance: Classic TAM adaptation for tax-e-filing studies — useful for model selection and hypothesis building.

3. Zaidi / SKR (2017) — The moderating effect of culture on e-filing taxes (evidence from India)
Summary: Shows cultural and contextual factors moderate relationships in adoption models — e.g., trust and normative pressures differ in emerging economies.
Relevance: Helps explain India-specific behavioural differences among ClearTax users (social norms, risk perceptions).

4. Maji, S.K. (2017) — Factors Affecting the Adoption of E-Filing of Income Tax (SSRN)
Summary: Reviews adoption trends in India and identifies awareness, interface quality, perceived risk and cost as adoption drivers.
Relevance: Directly informs variables like cost perceptions and awareness in your ClearTax behavioural dataset.

5. Pane et al. (2024) — Factors Influencing Taxpayers' Intention to Use Online Filing (2024)
Summary: Recent empirical test of PU, PEOU, IT readiness, and security/confidentiality on intention to use e-filing.
Relevance: Up-to-date evidence on security and readiness — important for interpreting behavioural signals in 2024–25 ClearTax users.

6. Haryani / Motwani et al. (2015/2017) — Behavioral Intention of Taxpayers towards Online Tax Filing in India
Summary: Exploratory study showing perceived risk and awareness strongly influence adoption in India; recommends integrated, trustworthy systems to encourage voluntary e-filing.
Relevance: Empirical backing for including perceived risk and taxpayer awareness as behavioural predictors.

7. Research on TAM + TPB integration for e-filing (various authors) — Online tax filing acceptance models
Summary: Several studies integrate TAM and Theory of Planned Behavior (TPB) showing attitude, subjective norms and perceived behavioural control add explanatory power over TAM alone.
Relevance: Use integrated models when modelling recommendation/word-of-mouth and social-influence effects among ClearTax users.

8. Chang, et al. / "Analyzing actual e-filing usage based on TAM" (recent analyses)
Summary: Studies using experienced taxpayers' actual usage find system quality and trust predict long-term usage beyond initial acceptance.
Relevance: Useful when you analyze repeat usage, churn, or retention in ClearTax behavioural logs.

9. “E-filing vs Non-E-filing: Perceptions of Usefulness, Ease, Security” (comparative studies)
Summary: Comparisons show e-filers report higher convenience and speed but share concerns about security and accuracy. Non-e-filers often cite complexity and trust issues.
Relevance: Helps create survey items to contrast ClearTax users vs. offline filers in your dataset.

10. Sawant / Exploring the Growth of E-Filing of ITRs in India (2024)
Summary: State-level longitudinal analysis (2011–2022/23) showing strong growth in e-filing adoption with inter-state variation linked to IT infrastructure and awareness.
Relevance: Provides macro context for your ClearTax sample and justifies focus on digital adoption trends.

11. Tagat — Behavioural Approaches to Improving Tax Compliance
Summary: Behavioural nudges (social norms, reminders) can increase compliance; trust and perceived fairness affect voluntary compliance.
Relevance: Offers behavioural-intervention ideas ClearTax could use (reminders, normative messaging) and variables to measure in your analysis.

12. Delhi NCR perception study (AJEBA / local journals, 2020)
Summary: Finds age, education, and gender affect e-filing attitudes and perceived difficulty—older or lower-education groups report more problems.
Relevance: Useful demographic control variables and segmentation strategies in your behavioural models.

13. IJISRT / Relevance of TAM in e-filing (Indonesia / comparative contexts)
Summary: Confirms TAM remains relevant but taxpayer awareness may not always moderate TAM relationships consistently across contexts.
Relevance: Encourages empirical testing of awareness as a moderator rather than assuming it will be significant.

14. “An Analytical Study on Adoption and Challenges of Online ITR Filing” (TIJER / regional review)
Summary: Reviews barriers—lack of awareness, poor customer support, pricing confusion—and recommends UI simplification and targeted education.
Relevance: Practical UX / product recommendations you can map to behavioural metrics from ClearTax.

15. UTAUT/TAM comparative reviews applied to e-filing (various conference/journal papers)
Summary: UTAUT adds constructs like facilitating conditions and social influence; when combined with TAM it improves explained variance for intention and use.
Relevance: Use UTAUT constructs (facilitating conditions, effort expectancy) to better model behaviour in your dataset.

16. "Perception of Taxpayers Towards E-filing" (University/Granthaalayah study)
Summary: Questionnaire-based Indian study showing satisfaction correlates with clarity of instructions, lower processing time, and responsive support.
Relevance: Guides the selection of satisfaction metrics in your ClearTax analysis.

17. Studies linking e-filing & voluntary tax compliance (multiple authors)
Summary: E-filing systems that increase transparency and reduce friction can increase on-time filing and voluntary compliance. Behavioural elements (trust, perceived fairness) mediate this effect.
Relevance: Useful for discussing policy implications of your behavioural findings for tax compliance.

18. Comparative cross-country e-filing acceptance papers
Summary: Cross-country comparisons show security and institutional trust explain much variance in adoption — technical usability matters less where institutional trust is low.
Relevance: Helps to interpret effects of macro trust and institutional confidence on Indian ClearTax users.

19. Recent conference/journal reviews on e-government adoption (includes e-taxation)
Summary: Synthesizes factors — PU, PEOU, trust, perceived risk, social influence, facilitating conditions — and offers measurement scales used in prior studies.
Relevance: Good source for validated survey items and scales to use in your behavioural questionnaire and coding of ClearTax log variables.

20. Practical industry reports / state analyses (government & think-tank reports)
Summary: Non-academic reports provide adoption statistics, state-wise e-filing rates, and UX/cost analyses that complement academic findings with real usage numbers.
Relevance: Use these to benchmark your ClearTax sample against national adoption trends and to contextualize behavioral metrics.

Key Gaps Identified

I. Limited Behavioural-Centric Research in Indian Context
Most existing studies on e-filing adoption rely on TAM/UTAUT models (usefulness, ease of use, awareness).
Few studies go deeper into behavioural patterns like trust-building, hesitation, switching behaviour, repeat usage, or recommendation intentions, especially among Indian taxpayers using ClearTax.

II. Lack of Platform-Specific Behavioural Insights
Research generally treats "e-filing" as one broad category.
There is little literature analyzing behavioural journeys within specific platforms like ClearTax — how its interface, pricing, nudges, and support systems influence taxpayer decision-making.

III. Scarcity of Micro-Level User Interaction Data
Most behavioural studies rely on surveys that capture intentions and perceptions.
Almost no research uses real-world behavioural evidence from inside sales calls, chat support, and live customer interactions (like those observed in your internship) to identify motives, pain points, and

adoption barriers.

IV. Cross-Sectional Bias in Behavioural Studies
Most research captures taxpayer attitudes in a single year or filing cycle.
Very little behavioural work tracks longitudinal patterns — e.g., how users' trust, satisfaction, and adoption evolve over multiple years of filing with ClearTax.

V. Inadequate Segmentation of User Behaviour
Literature often assumes taxpayers are a homogenous group.
Few behavioural studies distinguish between salaried vs. self-employed, first-time vs. repeat users, urban vs. rural taxpayers, or high vs. low digital literacy groups, even though behavioural tendencies vary significantly across these categories.

VI. Underexplored Role of Trust and Privacy in Behavioural Continuity
Several studies highlight security and trust concerns, but the behavioural consequences (e.g., hesitation, drop-offs, word-of-mouth, or shift to paid plans) remain poorly examined.
There is little work on how trust-building measures (like CA-assisted filing, chat support) convert to stronger behavioural loyalty.

VII. Neglected Study of Behavioural Nudges and Persuasion
Digital tax platforms increasingly use reminders, offers, discounts, and personalized nudges to influence user behaviour.
However, academic literature rarely measures the effectiveness of such behavioural interventions in shaping taxpayer adoption and engagement.

VIII. Weak Integration of Behavioural Theories Beyond TAM/UTAUT
Most studies stop at TAM (usefulness/ease) or UTAUT (effort expectancy, social influence).
Other behavioural frameworks like Prospect Theory, Nudge Theory, or Behavioural Economics insights (loss aversion, mental accounting, anchoring) are underutilized in explaining taxpayer choices.

IX. Limited Exploration of Word-of-Mouth and Peer Influence
Taxpayers often rely on peers, family, or workplace colleagues for advice on platforms.
Yet, the literature rarely explores social recommendation behaviour — how satisfied ClearTax users influence others' adoption.

X. Emerging Role of AI in User Behaviour Remains Untested
While AI-enabled filing and chatbots are discussed as innovations, there is no empirical work on how AI affects user behaviour — e.g., reducing anxiety, improving trust, or encouraging willingness to pay.

1.4 Objectives of the Study
The main objective of this project is to analyze the behavioural patterns of ITR users on digital tax filing platforms, with a special focus on ClearTax. To achieve this, the following specific objectives have been framed:

1. To study the behavioural factors influencing taxpayers' adoption of ClearTax for ITR filing.
2. To evaluate user perceptions, trust, and satisfaction levels towards ClearTax.
3. To identify the key challenges, hesitations, and behavioural barriers faced by ClearTax users.
4. To analyze user engagement patterns, including repeat usage, switching behaviour, and recommendation intentions.
5. To suggest strategies for enhancing user experience, trust, and behavioural loyalty on digital tax platforms like ClearTax.

1.5 Statement of the Problem

Although ClearTax simplifies tax filing, user behaviour varies significantly depending on awareness, comfort with technology, trust, and perception of service reliability. Understanding these behavioural insights is essential for building stronger engagement and loyalty.

1.6 Limitations of the Study

1. Sample Size Constraint – The study is based on responses from a limited number of users, which may not fully represent the behavioural patterns of the wider ITR-filing population in India.
2. Platform-Specific Focus – Since the research is confined to ClearTax users, findings may not be fully generalizable to other digital tax platforms such as TaxBuddy or myITreturn.
3. Time Limitation – Data was collected within a single filing cycle, which restricts the ability to capture long-term behavioural trends like loyalty or multi-year adoption.
4. Self-Reported Data Bias – Much of the data relies on user surveys, which may include biases such as over-reporting satisfaction or under-reporting challenges.
5. Limited Behavioural Variables – Due to scope constraints, only select behavioural aspects (trust, satisfaction, adoption factors) were studied, while other psychological or socio-cultural influences may remain unexplored.

1.7 Chapter Scheme

The present study is organized into five chapters as outlined below:

- **Chapter 1: Introduction**

This chapter provides an overview of the study, including the background, scope and importance, review of literature, objectives, problem statement, need for the study, limitations, and the overall structure of the report.

- **Chapter 2: Company Profile**

This chapter presents a detailed profile of ClearTax, including its history, services, business model, market position, and relevance in the digital tax filing ecosystem.

- **Chapter 3: Research Methodology**

This chapter describes the research design, sources of data, sampling method, tools for data collection, and statistical techniques used for analysis.

- **Chapter 4: Data Analysis and Interpretation**

This chapter analyzes the primary data collected from 150 respondents. It interprets the results to understand financial implications, user perceptions, and challenges of ClearTax.

- **Chapter 5: Findings, Suggestions, and Conclusion**

This chapter summarizes the key findings of the study, provides practical suggestions for ClearTax to improve user satisfaction and financial performance, and concludes with overall insights and contributions of the research.

CHAPTER – 2: COMPANY PROFILE

2.1 Industry Profile

India's taxation system has changed radically over the last twenty years by providing taxpayers with technology-driven, e-filing solutions by moving away from cumbersome manual and paper-dependent processes. The Income Tax Department introduced electronic filing of returns (e-filing) in 2006, and subsequently mandated such filing for certain categories of taxpayers. Collectively, this changed the landscape for compliance in India.

Today's digital tax filing industry in India is a composite of many forces at work to push the needs of taxpayers into a purely digital realm, including government initiatives and mandates, as well as the creative and innovative energy of the private sector. The introduction of Goods and Services Tax (GST) in 2017 expedited the need for technology- driven compliance, as businesses were required to file returns and maintain records using the online portal. Even the government's initiatives associated with Digital India, faceless assessment and improved taxpayer services showcases the efforts of individual and business stakeholders towards the adoption of digital technology in tax filing.

There is a competitive landscape occupied by the variety of government portals (for example, the official e-filing site of the Income Tax Department) and private players such as ClearTax, TaxSpanner, myITreturn, and H&R Block India. Private platforms offer features that add value through guided filing, expert advisory, investment planning, and customer support, which fill in the gaps created by consumer awareness, convenience, and personalization.

The growing penetration of the internet, rapid adoption of smartphones, and increasing consumer awareness of aspects of compliance has resulted in rapid adoption of digital tax filing platforms. Recent estimates show that millions of individual taxpayers and SMEs are now using digital platforms to file their returns with a robust year-on-year growth trajectory. There remain some structural challenges that have inhibited growth for private platforms, including gaps in digital literacy, trust and data privacy issues, and some price sensitivity to influence adoption.

The digital tax filing industry in India is in a growth stage with significant potential for development. With ongoing regulatory reform and technology-enabled growth, platforms
such as ClearTax are significant players to monitor in shaping and changing the tax compliance framework in India.

2.2 About the Company

ClearTax is one of India’s most recognised fintech platforms, known for simplifying taxation, compliance, and financial planning for individuals as well as businesses. It was founded with the vision of making tax filing easy, transparent, and affordable in a country where taxation has traditionally been viewed as complicated and burdensome. The platform operates online, offering services ranging from income tax return filing and GST compliance to investment advisory and business incorporation support. Over time, ClearTax has grown from a simple tax-filing website into an integrated financial technology ecosystem, serving millions of users across the country. Its services are used by salaried employees, freelancers, small and medium enterprises (SMEs), and corporate clients, making it one of the largest players in the Indian tax-tech industry.

Vision and Mission

ClearTax's vision is to make financial compliance for every Indian taxpayer simple, transparent and easy. Its mission is to use technology to help save time, cut down costs, and increase accuracy of tax filing. This is an essential improvement to enhance voluntary compliance and financial literacy in the country.

2.2.1 History

ClearTax was founded in 2011 by Archit Gupta, who graduated from an IIT in computer science and also received a degree in computer science in the United States. After returning to India, Archit saw that filing income tax was time-consuming, cumbersome, and complicated for most taxpayers. His idea was to create a platform for individuals to file taxes within minutes without any significant technology skills. In the beginning, ClearTax was known for free tax-filing software that individuals used. The game-changer for ClearTax came in 2017 with the introduction of Goods and Services Tax (GST) in India. Businesses were suddenly required to file monthly GST returns, which meant demand for any digital tool for compliance increased overnight. ClearTax released GST compliance services and quickly became one of the most trusted and scaling platforms for SMEs.

Since then, ClearTax has added investments, portfolios, business incorporation, and advisory services. The company has also caught the attention of global venture capital investors such as Sequoia Capital, Y Combinator, and Elevation Capital.

2.2.2 Departments

ClearTax operates through several departments involving expertise in a particular area:

- Taxation and Compliance Department – consists of leaders in direct and indirect taxation who create services for income tax, GST, and corporate compliance.
- Product and Technology Department – builds the ClearTax platform and implements new features and is focused on ensuring security through technology.
- Sales and Marketing Department – is responsible for driving customer acquisition through campaigns, partnerships, and inside sales.
- Customer Support Department – provides assistance to users in real-time through call, email, and chat to ensure all issues are resolved smoothly.
- Finance and Operations Department – governs internal financial management of the company and investments and acts to ensure operational efficiency (OP).
- Human Resources Department – has a significant role in training and retaining talent, especially because fintechs rely heavily on talent and skilled professionals.

2.2.3 Organisational Structure

ClearTax is guided by a startup-style flat organization structure. Unlike other "normal" companies with many layers of hierarchy, ClearTax encourages an open and co-operative culture with a "can-do" attitude being overall. At the top is the Founder and CEO with senior leaders managing product, technology, finance, compliance, and marketing. Teams are small and are almost all cross-functional. This lean, flat corporate structure enables ClearTax to be flexible in terms of innovation and enables them to work diagrams and risk- taking with customer expresses. For example, if there is a change in tax regulation or a quick change in customer needs, ClearTax can image 25 much quicker than a "normal" provider could respond, with all of its processes and the antiquated histories.

2.3 Range of Products and Services

ClearTax has significantly grown its service offering since starting. It offers many services including:

- Income Tax Return (ITR) Filing - Offers an easy-to-use step-by-step platform for individuals, self-employed, and salaried employees to file taxes online without manual paperwork.
- GST Solutions - Offers automated GST return filing, invoice creation, and also reconciliation service which is hugely beneficial for SMEs that must file GST every month.
- Investment Services - Allows users to invest in mutual funds, plan tax-saving investments, track their portfolios.
- Business Compliance Services - Helps entrepreneurs register their companies, file TDS, and maintain compliance.
- Advisory Services - Provides professional financial advisory, tax planning, and business advisory service for special cases.

The amount of services ClearTax provides to its customers makes ClearTax not only a tax filing portal but also a holistic financial partner.

2.4 Product Profile

ClearTax offers a variety of products and services that facilitate taxation, compliance, and financial management for families, businesses, and professionals. Its product suite combines technology-enabled products with financial expertise, which has made it one of the most trustworthy offerings in the tax-tech ecosystem in India.

1. Income Tax Filing Solutions

- Step-by-step ITR filing for individuals (employees, self-employed, freelancers, NRIs).
- CA-assisted filing and premium plans for complex cases.
- Ability to upload Form 16, import data, and automated error-check.
- Added value support, such as refund tracking, tax-saving suggestions, and advisory.

2. GST Compliance Product

- GST registration and registration for businesses and for filing returns.
- GST software which allows businesses to prepare invoices, reconciliation, and generate e-way bills.
- E-invoicing solutions for enterprises to ensure compliance with government norms.
- Advanced reporting solutions for SMEs and corporates to quicken their processes in GST operation.

3. Business Compliance & Company Incorporation Products

- Company, LLP, and partnership registration.
- ROC filings, TDS return filings, PF/ESI registration, statutory compliance issues, and more.
- Advisory services and legal support for startups and small businesses.

4. Investment and Wealth Management products

- Direct Mutual Fund investment platform, including ELSS funds for tax savings.
- Tax planning tools that I will utilize in regards to planning and maximizing savings in Section 80C, 80D, etc.

- Portfolio management to manage, track and monitor investments and returns.

5. Professional and Enterprise Solutions

- Tax filing / compliance software for chartered accountants and tax practitioners.
- Bulk return filing tax systems for enterprises who manage large amounts of employees.
- API access for corporates who require customized compliance management for tax.

Key Features of the Products

- User-Friendly Interface: The user-friendly screen-oriented interface streamlines tax filing and manages complex tax filing processes step-by-step.
- Automation & Error-Checks: Auto-fill, pre-validation and AI error checking functions can assist and help minimize tax filing mistakes.
- Cloud-Based Platform: Multiplatform access creates flexibility across devices and is highly secure when it comes to data retention.
- Customer Support: Customer support includes online visual and textual guides as well as chat support and consultative support from a CA.
- Affordability of Plans: The plans include both free basic filing and paid premium plans to cater to a wider range of users.

Achievements and Recognition

- First technology company from India to get funding from Y Combinator in Silicon Valley.
- Recognized as one of the fastest-growing fintech companies in India.
- We have several financial institutions and corporations to partner with us to enhance our offerings.
- Contributed significantly to the increased awareness of e-filing in India, especially with the transition to mandatory e-filing for certain categories of taxpayers.

2.5 Major Competitors

ClearTax is operating in a space where competitors exist in the form of digital and online players, and traditional service providers:

- TaxBuddy – Provides online tax-filing and advisory services. It is gaining traction and has a growing customer base.
- myITreturn – One of the first digital platforms to file the ITR in India.
- Government E-Filing Portal – Is free, but it has challenges related to user- friendliness.
- Traditional Chartered Accountants (CAs) – are strong competitors. With established client relationships and often referring to their clients as friends, CAs often offer valuable savings with their personalized financial advice.

Due to the variety of competitors, it is important for ClearTax to differentiate itself on technology, customer service, and cost.

2.6 Future Plans

In the long run, ClearTax has a goal of becoming a full-fledged financial technology ecosystem. The business has articulated its plan to:

- Scale up AI-driven tax advisory services to deliver tailored insights to users.

- Increase accountability in semi-urban and rural geographies through awareness campaigns, low-cost service offerings and tax advisory services.
- Initiate direct integrated services for its users, allowing them to handle tax filing, compliance, and investments all in one access point.
- Make meaningful strides into data security and transparency, with the strong belief that building trust with its users is essential in the financial services arena.

These various objectives illustrate that ClearTax is not sitting on its laurels, and rather eschewing the notion of being digitally taxation first, to the more expansive financial services platform going forward.

2.7 SWOT Analysis

Strengths

- Strong brand equity and first mover advantage in the digital taxation space.
- Strong service platform with various offerings across tax filings, GST, compliance, and investment.
- Designed for users, using advanced technology.
- The company has a strong backing from reputable global investors including Sequoia Capital and Y Combinator.

Weaknesses

- Revenue is seasonal and heavily reliant on tax filing periods.
- Dependence on internet access and user digital literacy.
- Limited offline access when compared to traditional CAs.

Opportunities

- Increased digitalisation and government push towards e-filing.
- Market opportunities for rural markets and digital inclusion programs.
- Increased demand from SMEs for affordable compliance.
- Potential to grow into an AI-driven financial advisory service and personalised tax planning.

Threats

- Highly competitive market with other fintech startups and government portals to compete with.
- Data privacy and cybersecurity, which will be central to user experience/credibility and onboarding users.
- Some perceived reluctance for taxpayers to move from their trusted traditional CAs.
- Changes in tax laws are frequent, meaning continued product updates and uncertainty.

2.8 Conclusion

ClearTax has changed the way in which Indians view and deal with taxation. The company has gone from being a startup focused purely on income tax filing, to a full-fledged fintech company offering compliance, investment and advisory services that has become a trusted financial partner for millions of users.

ClearTax's major strengths come from its technology innovation, simple user interface and breadth of service offering. However, risks around data security, reliance on digital literacy and competition from traditional service providers pose significant challenges ahead. The clear opportunity to expand to AI-driven services and rural markets can only help ClearTax maintain and extend its growth trajectory and make a more significant impact in the wider financial technology arena of India.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

Research methodology has always been a guideline, or framework, that informs a study from its beginning to the end of the process. It lays out the way the research problem is explored systematically, logically, and reliably. The methodology in this project was proposed to investigate the financial implications of digital tax filing platforms with a case study of ClearTax. The methodology considers several aspects of research study - first, the type of research, second, the sampling procedure which describes the sampling procedure to obtain data, three, the data collection procedure, and finally, the statistical methods that represent the analysis of the data.

The research study relies solely on primary data collected from taxpayers who utilize digital platforms to file their income tax returns, as is the case in the primary data collected. Furthermore, data will be collected from taxpayers on ClearTax using a structured questionnaire and thereafter using descriptive statistics and simple inferential statistics, this methodology ensures that the objectives of the study will be achieved.

3.2 Type of Research

The study is descriptive. It is descriptive because it describes the user perceptions and experiences by use of statistics and graphs.

3.3 Sampling Technique

The study utilized convenience sampling. Convenience sampling, or haphazard sampling, is a nonprobability sampling method. In convenience sampling, the researcher accepts those respondents who are accessible, available, and willing to participate in the study. It

is often used when the researcher has time and resource issues with the sampling process. While using convenience sampling, the researcher is able to gather responses from a target group in a quick manner.

The questionnaire was distributed electronically to taxpayer respondents that had relevant experience in filing returns online.

3.4 Sample Size

In overview, 150 respondents comprise the sample. This number was decided upon after considering feasibility, and the necessity of having enough responses to have some meaningful insights gleaned from an analysis of the data. The sample of 150 provided a reasonable level of accuracy and manageability in order to statistically ascertain user perception and experiences with the ClearTax platform.

3.5 Sample Design

This study was only concerned with people who would file taxes using a digital platform, particularly ClearTax. The questionnaire was intended to only ask for relevant information and users experience, levels of satisfaction, level of cost benefit, and suggestions.

3.6 Instrumentation Technique

A personalized instrument for data collection was mainly a structured survey. The structured survey consisted mainly of closed-ended questions and Likert scale items. The questions were designed

primarily to collect data on the main variables such as:
- Perceived convenience of using ClearTax
- Cost- benefit vs traditional filing
- Perceived accuracy and reliability
- Trust and data security
- Overall satisfaction and areas for improvement

The structured approach facilitated uniformity in responses and offered the opportunity for the data to be quantified and reapplied statistically.

3.7 Actual Collection of Data

Data were collected through the systematic distribution of the questionnaire in digital form to the target respondents, who were taxpayers and had been exposed to e-filing platforms. Participation was completely voluntary, and only valid responses were included in the survey. In total, useful responses, valid and complete, were received and used in the analysis.

3.8 Tools Used for Data Analysis

There were a variety of statistical tools used

1. Google Forms (for distributing and collecting the questionnaire digitally).
2. Graphs and Charts - we used bar graphs, pie charts, and column graphs to display data visually to help with interpretation because that is an easier way to read data visually.

This study was able to include numerical accuracy using descriptive statistics along with the visual representation of data to help provide some clarity in interpreting the data.

3.9 Limitations

4 Convenience sampling may limit generalizability, as the sample was based on accessibility instead of random sampling.

5 While there is a sample size of 150 respondents, it is a relatively small sample size when considering limits of generalizability to the larger taxpayer population.

6 Data was collected specifically on questionnaires; therefore, only the self-reported perspectives were assessed, which, at times, may have a degree of bias based on unique experiences.

7 The time frame of the study limited the ability to conduct a longer longitudinal study to examine if potential costs were long-term financial impacts.

Chapter – 4: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the main analysis and interpretation of the primary data gathered from respondents via the structured questionnaire created for the study entitled “Behavioural Data Analysis of ITR Users in ClearTax.” The purpose of this analysis is to gain insights into the behavioural patterns, perceptions, and decision-making tendencies of taxpayers who file their Income Tax Returns (ITRs) through digital platforms, with a specific emphasis on ClearTax.

The study seeks to understand how behavioural factors such as trust, ease of use, satisfaction, perceived convenience, digital literacy, and willingness to recommend influence the adoption and continued usage of ClearTax. For this purpose, 150 valid responses were collected from individual taxpayers with varying experiences in digital tax filing. The responses have been systematically organized and presented using tables, charts, frequencies, and percentages to highlight behavioural trends, preferences, and divergences among different segments of users.

The analysis relies on descriptive statistics supported by interpretive commentary, enabling the study to identify both positive behavioural drivers (e.g., trust, repeat usage, recommendations) and behavioural barriers (e.g., hesitation, perceived risk, dissatisfaction). Comparisons are also made between satisfied and dissatisfied respondents to highlight the psychological and behavioural differences that influence loyalty and adoption within ClearTax.

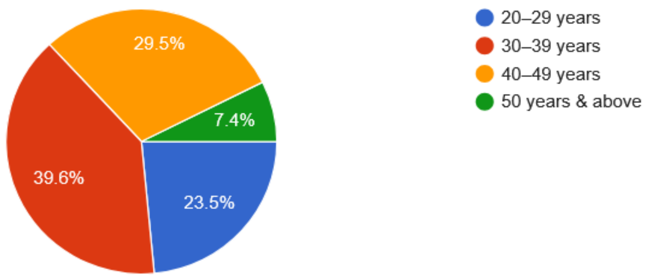
The interpretations presented in this chapter are directly aligned with the study's objectives, thereby ensuring that the findings remain consistent with the overall research framework. By examining behavioural factors across dimensions such as trust, user engagement, satisfaction, ease of use, willingness to pay, and recommendation intentions, this chapter provides a holistic perspective of how taxpayers perceive and behave towards ClearTax as a digital tax filing platform.

This analysis will serve as the foundation for developing conclusions and recommendations, offering practical insights for ClearTax to enhance customer engagement, retention, and overall behavioural loyalty.

4.2 Analysis of and Graphical Representation of Survey Responses

Q1. What is your age group?

Value	Frequency
20–29 years	35
30–39 years	59
40–49 years	45
50 years & above	11
Total	**150**

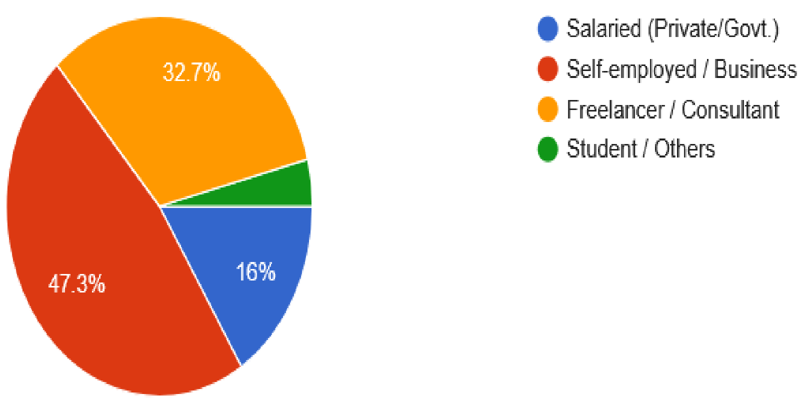


Interpretation:

- The age distribution of respondents in the study "Behavioural Data Analysis of ITR Users in ClearTax" reveals important trends regarding users of digital tax filing platforms. The data shows that the largest group of users, 59 respondents, is between 30 and 39 years old, making up the main segment. This suggests that people in their early to mid-career stages, who likely have stable incomes and regular tax obligations, make up the primary user base of ClearTax
- The second largest group, with 45 respondents, is between 40 and 49 years old. This highlights that experienced professionals and mid-level income earners are also turning to online tax filing for its convenience and efficiency. At the same time, 35 respondents are in the 20 to 29 years age group. This shows an increasing awareness and comfort with technology among younger, tech-savvy taxpayers, who may be filing taxes for the first time.
- Only 11 respondents are aged 50 and above, indicating relatively lower usage among older individuals. This might be due to limited digital skills or a preference for traditional offline tax filing with Chartered Accountants.
- Overall, the analysis shows that ClearTax's main users are middle-aged professionals, aged 30 to 49, which highlights the platform's effectiveness for working individuals with moderate to high incomes who are familiar with digital tools.

Q2. What is your employment status?

Option	**Frequency**
Salaried (Private/Govt.)	24
Self-employed / Business	71
Freelancer / Consultant	49
Student / Others	6
ToTal	**150**

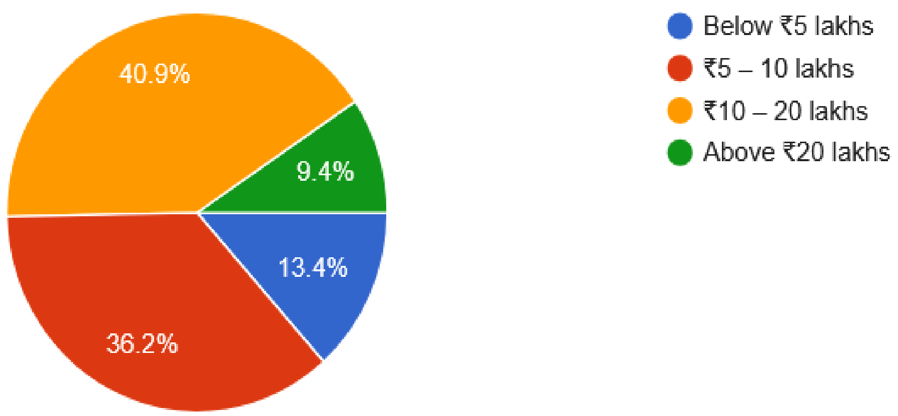


Interpretation:

- The employment status distribution among respondents shows the diverse professional backgrounds of ClearTax users. Most respondents, 71 in total, are self-employed or business owners. This indicates that entrepreneurs and independent professionals make up a large segment of users. ClearTax is clearly favored by those managing their own finances and needing flexible, efficient tax filing solutions.
- Forty-nine respondents identified as freelancers or consultants, highlighting the platform's attraction to independent earners with irregular incomes. They often rely on easy-to-use digital tools for tax compliance. Twenty-four respondents are salaried (either in private or government jobs), which shows some adoption among those with fixed incomes who may already have organizational tax support.
- Only six respondents identified as students or in other categories, suggesting that non-earning individuals engage with the platform minimally. Overall, ClearTax's user base largely consists of self-employed and freelance professionals looking for convenience, accuracy, and control over their tax responsibilities.

Q3 What is your annual income bracket?

Option	Frequency
Below ₹5 lakhs	20
₹5 – 10 lakhs	54
₹10 – 20 lakhs	61
Above ₹20 lakhs	14
Total	**149**



Interpretation:

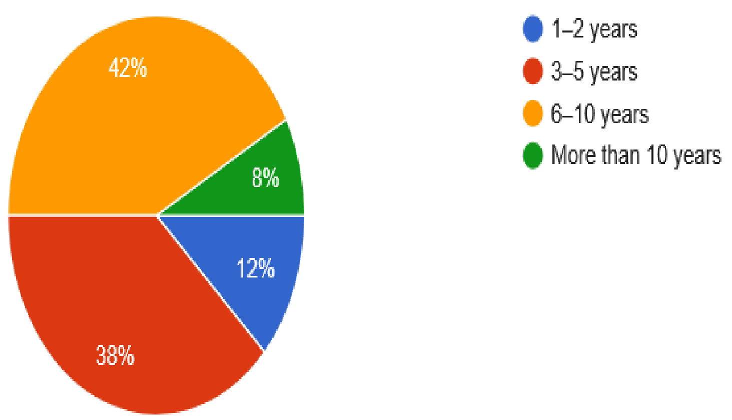
- The analysis of respondents' annual income levels shows that ClearTax mainly serves middle-income and upper-middle-income individuals. The largest group, consisting of 61 respondents, falls within the ₹10 to 20 lakhs income bracket. This indicates that most users are financially stable professionals or business owners with significant taxable income who want reliable and efficient tax filing services.

- The next largest category includes 54 respondents who earn between ₹5 and 10 lakhs. This suggests that moderate-income earners also find ClearTax helpful for simplifying their tax processes and ensuring compliance. Twenty respondents reported incomes below ₹5 lakhs, representing young professionals, freelancers, or early-stage entrepreneurs with relatively lower earnings.

- Additionally, 14 respondents earn more than ₹20 lakhs annually. This suggests that high-income individuals, although fewer in number, also trust ClearTax for its accuracy and confidentiality. Overall, the platform strongly appeals to mid-income groups, demonstrating its accessibility, affordability, and effectiveness for both salaried and self-employed taxpayers

Q4. How many years have you been filing ITR?

Option	Frequency
1–2 years	18
3–5 years	57
6–10 years	63
More than 10 years	12
Total	**150**



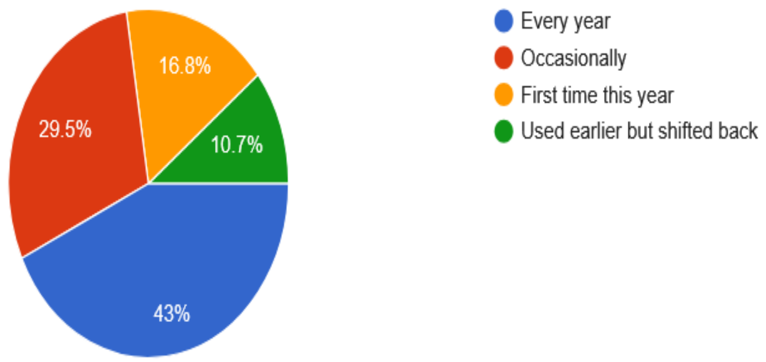
Interpretation:

- The data on respondents' experience in filing Income Tax Returns (ITR) shows that most are experienced taxpayers who understand the filing process. The largest group, with 63 respondents, has been filing ITR for 6 to 10 years. This indicates that ClearTax is popular among users who appreciate efficiency and precision in digital tax filing. These users likely value ClearTax's automation, accurate calculations, and record management features.
- The group with 3 to 5 years of experience includes 57 respondents. They represent moderately experienced taxpayers who may have switched from manual or assisted filing methods to digital platforms like ClearTax for convenience.

- A smaller group of 18 respondents has been filing ITR for only 1 to 2 years. This reflects a growing segment of new taxpayers or young professionals using online filing for the first time.
- Finally, 12 respondents have been filing for over 10 years, showing that even long-term, experienced taxpayers trust ClearTax's credibility and digital skills. Overall, ClearTax appeals to both experienced and new users, highlighting its reliability and ease of use for all experience levels.

Q5. How often do you file your ITR on ClearTax?

Option	**Frequency**
Every year	64
Occasionally	44
First time this year	25
Used earlier but shifted back	16
Total	**149**



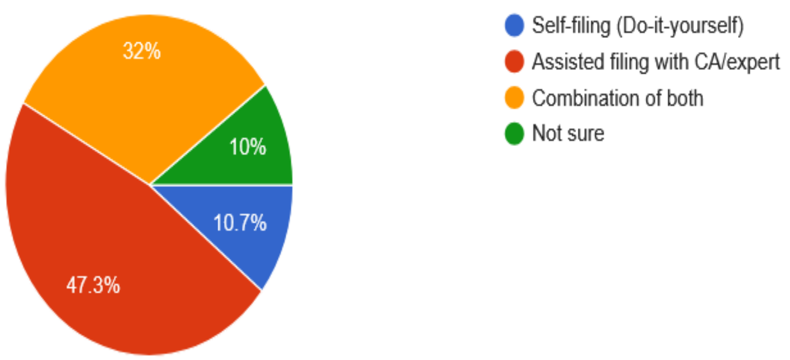
Interpretation:

- Data shows that 64 users, or the majority of respondents, file their annual tax returns on ClearTax, according to the data, demonstrating a high level of loyalty and satisfaction with the dependability and effectiveness of the platform.
- 44 respondents said they occasionally use ClearTax, indicating that even though they are aware of its advantages, they might switch between it and other options depending on cost or convenience.
- A growing user base and rising confidence in digital tax filing solutions are reflected in the 25 respondents who are using ClearTax for the first time this year.
- In the meantime, 16 respondents had previously used ClearTax but had switched back to other options, perhaps as a result of cost, service expectations, or a need for a particular feature. Although there is potential for improvement in maintaining long-term engagement, the data generally demonstrates ClearTax's high retention rate.

Q6. Which filing method do you prefer?

Option	**Frequency**
Self-filing (Do-it-yourself)	16

Assisted filing with CA/expert	71
Combination of both	48
Not sure	15
Total	**150**



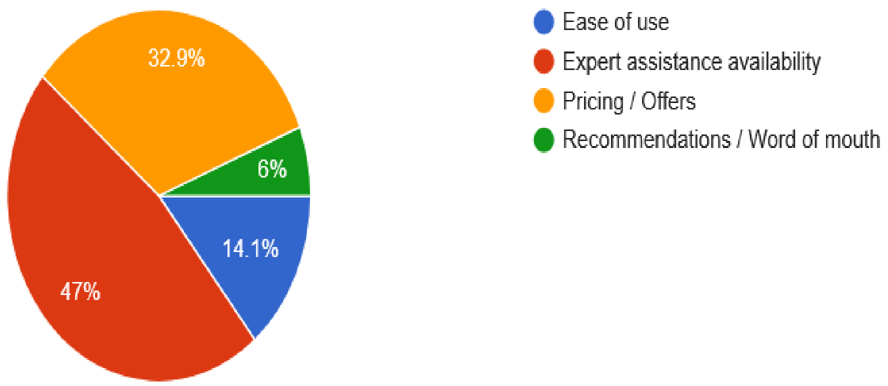
Interpretation:

- The preferences for filing methods among respondents provide important insights into user behavior and trust regarding tax filing. Most respondents, 71 in total, prefer assisted filing with a Chartered Accountant (CA) or expert. This indicates that many users depend on professional help to ensure accuracy and follow the rules. It shows that people believe expert assistance lowers the chance of mistakes and makes complex tax calculations easier, especially for business owners and high-income individuals.
- In addition, 48 respondents prefer a mix of self-filing and expert help. This suggests a growing number of semi-independent users who start the filing process themselves but want expert confirmation to ensure accuracy.
- Only 16 respondents opt for self-filing (do-it-yourself), indicating some users may lack confidence or time to manage their income tax return (ITR) alone.
- Finally, 15 respondents are unsure, highlighting the need for more awareness and education on the benefits of different filing options. Overall, these results emphasize ClearTax's ability to offer both guided and hybrid filing experiences that cater to various user preferences.

Q7. What is the most important reason you chose ClearTax?

Option	**Frequency**
Ease of use	21
Expert assistance availability	70
Pricing / Offers	49
Recommendations / Word of mouth	9

Total	**149**

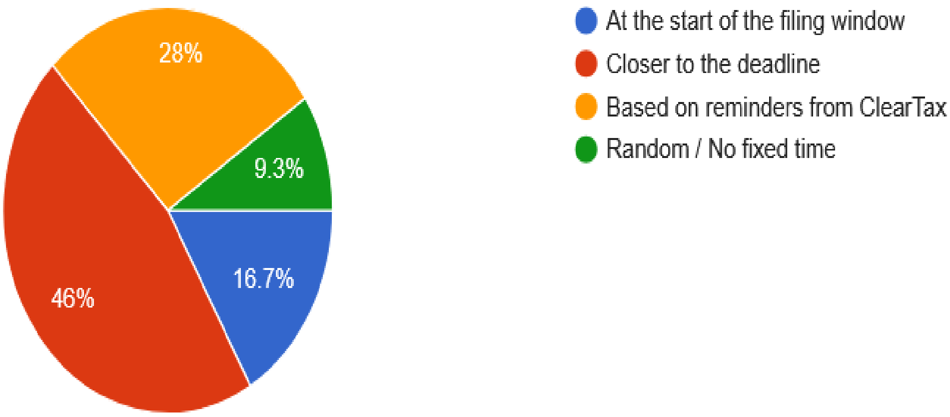


Interpretation:

- Survey results show that expert assistance availability is the most influential factor in selecting ClearTax, with 70 respondents identifying it as their primary reason. This finding suggests that users prioritize professional guidance and rely on the expertise of ClearTax's tax specialists. The data further indicate a preference for accuracy, compliance assurance, and reduced filing stress through services supported by tax professionals.
- A total of 49 **respondents** selected pricing or offers, indicating that affordability and service packages are significant factors in user decision-making. Competitive pricing appears to be particularly relevant for self-employed individuals and freelancers who seek cost-effective tax solutions.
- Twenty-one respondents identified ease of use as a key factor, emphasizing the importance of a user-friendly digital interface that simplifies the tax filing process for individuals without specialized expertise.
- Only nine respondents cited recommendations or word of mouth, indicating that personal referrals have a limited impact compared to functional and service-based factors. In summary, expert support and value-based pricing are the primary strengths influencing user preference and satisfaction with ClearTax.

Q8. How do you usually decide when to file your ITR?

Option	**Frequency**
At the start of the filing window	25
Closer to the deadline	69
Based on reminders from ClearTax	42
Random / No fixed time	14
Total	**150**

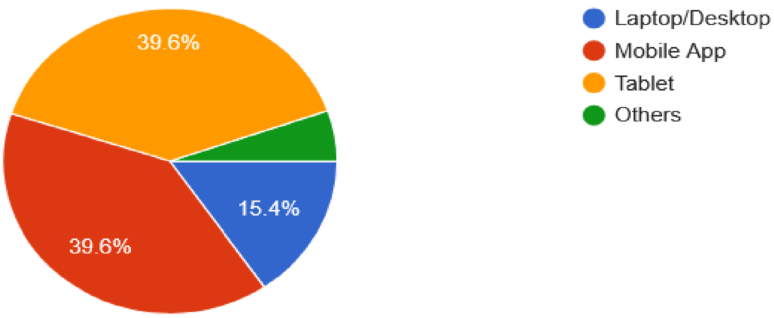


Interpretation:

- According to the data, 69 users, or the majority of respondents, prefer to file their ITR closer to the deadline, suggesting a propensity to put off filing even when aware of the procedure. Workload, procrastination, or waiting for all required paperwork could be the cause of this.
- 42 respondents said they depend on ClearTax reminders, demonstrating how well the platform works to encourage prompt action and encourage user compliance.
- Proactive behavior and systematic tax planning are evident in the fact that only 25 respondents file at the beginning of the filing window.
- A smaller sample of 14 respondents file at random or without a set time, indicating erratic behavior or a lack of systematic tax preparation. The majority, in general, rely on due dates or electronic reminders, highlighting the significance of ClearTax's alerts and intuitive scheduling tools.

Q9. Which device do you primarily use for filing?

Option	Frequency
Laptop/Desktop	23
Mobile App	59
Tablet	59
Others	8
Total	**149**

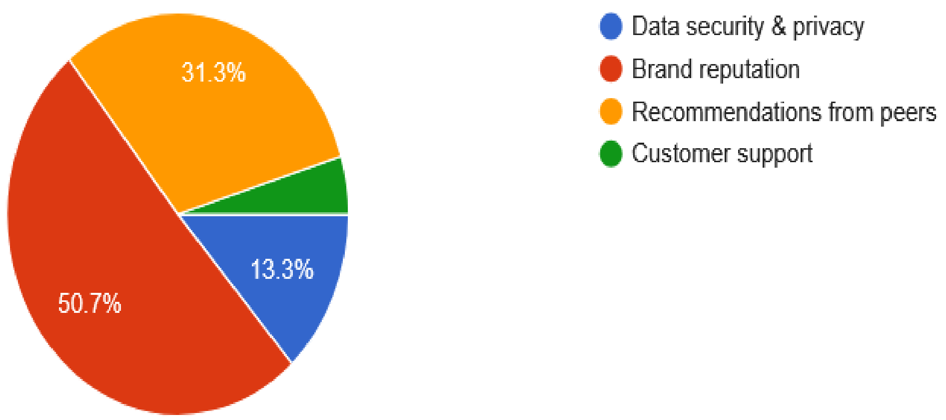


Interpretation:

- According to the responses, the majority of ClearTax users are on mobile devices. With 59 respondents each, mobile apps and tablets are equally popular, underscoring the expanding trend of digital convenience and accessibility while on the go. These devices are probably preferred by users due to their portability, simplicity of use, and capacity to file ITR at any time and from any location.
- However, 23 respondents use laptops or desktops, indicating that some users still favor traditional computing devices, perhaps for document uploads, detailed data entry, or the comfort of a larger interface.
- There was little reliance on alternative methods, as only 8 respondents reported using other devices. In light of the trend toward flexible, tech-driven tax filing, ClearTax's cross-device compatibility and mobile-optimized interface are essential for satisfying user preferences.

Q10. What influences your trust in ClearTax the most?

Option	**Frequency**
Data security & privacy	20
Brand reputation	76
Recommendations from peers	47
Customer support	7
Total	**150**



Interpretation:

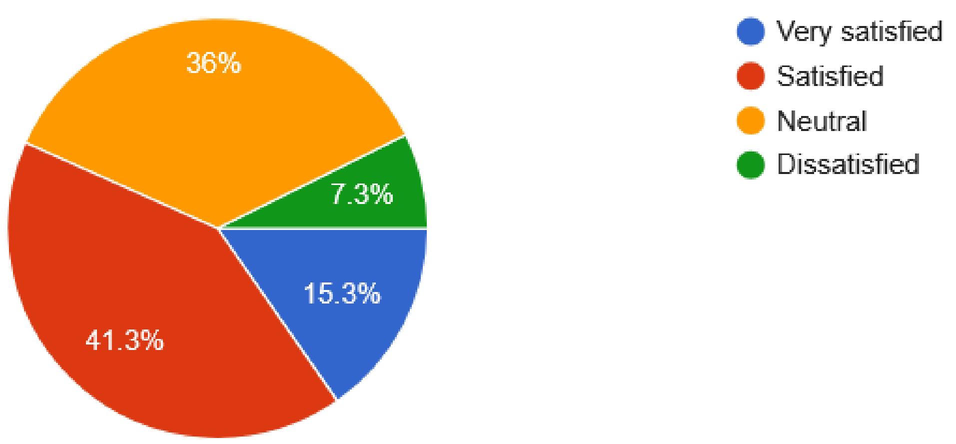
- According to the survey, 76 respondents indicated that ClearTax's brand reputation is the most important factor affecting their level of trust. This implies that when selecting a digital tax filing service, users give the platform's legitimacy and dependability top priority.
- Based on peer recommendations, 47 respondents said they trust ClearTax, suggesting that social proof and word-of-mouth are important factors in boosting confidence, particularly among new or hesitant users.
- Twenty respondents cited privacy and data security as the most important factors, emphasizing

how crucial it is to protect sensitive financial data in online transactions.

- Just seven respondents said they place the highest value on customer service, indicating that although help is valued, users primarily rely on the platform's reputation and peer approval to build trust.

Q11. How satisfied are you with the user interface of ClearTax?

Option	Frequency
Very satisfied	23
Satisfied	62
Neutral	54
Dissatisfied	11
Total	**150**



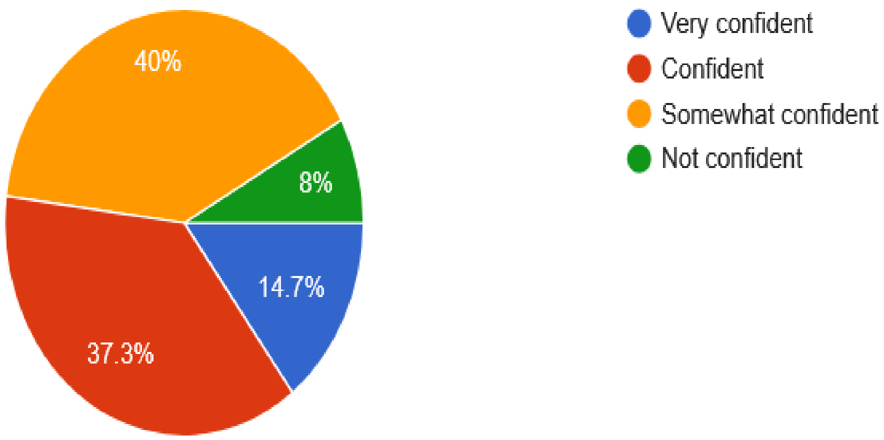
Interpretation:

- According to data on user satisfaction, most people have a favorable opinion of ClearTax's interface. 62 respondents, or the majority, expressed satisfaction, indicating that most users find the platform to be user-friendly, intuitive, and appropriate for filing taxes quickly.
- A sizable percentage of users report a very smooth and user-friendly interface that improves their overall filing experience, as evidenced by the 23 respondents who expressed high levels of satisfaction.
- 54 respondents expressed no opinion, indicating that although the interface works well, there might be room for enhancements, like making some features simpler or offering more assistance to new users.
- Eleven respondents, or a small portion, voiced dissatisfaction, citing sporadic difficulties or usability expectations that were not met. Though small improvements could increase user satisfaction even more, ClearTax's interface is generally effective.

Q12. How confident are you about the accuracy of tax filing through ClearTax?

Reliability (Rating)	Frequency
Very confident	22
Confident	56
Somewhat confident	60

Not confident	12
Total	**150**



Interpretation:

- Despite varying degrees, the responses show that users generally have positive confidence in the accuracy of tax filing through ClearTax. 56 respondents expressed confidence, indicating that the majority of users have faith in the platform's ability to manage compliance and computations accurately.
- 22 respondents expressed great confidence in ClearTax's dependability, error-free processing, and features supported by experts.
- The cautious optimism of 60 respondents suggests that they may rely on ClearTax, but they will still double-check information or consult a professional for complex filings.
- Twelve respondents, a smaller group, expressed uncertainty, underscoring the necessity for ClearTax to strengthen trust even more through assurance messages, verification tools, and transparency. In general, most users have moderate to high confidence in the platform.

Q13. How often do you require customer support while filing?

Option	Frequency
Always	23
Frequently	71
Occasionally	45
Never	11
Total	**150**

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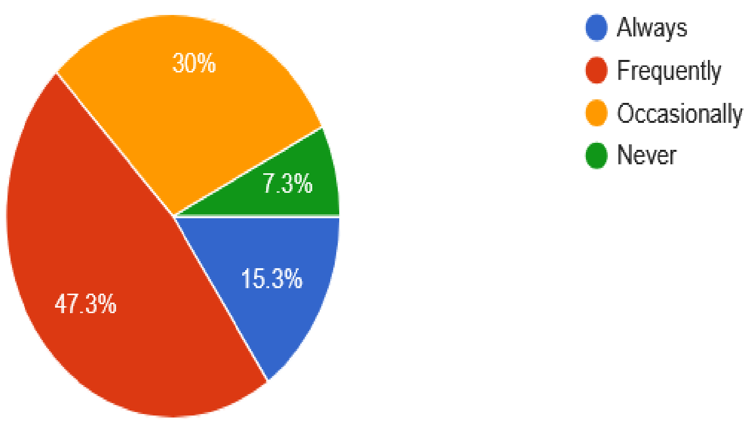
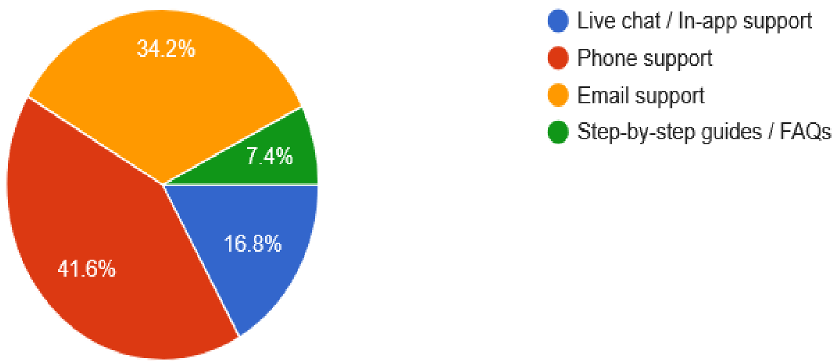


Interpretation:

- According to the data, a sizable percentage of users regularly turn to ClearTax's customer service. Many users value guidance for answering questions, elucidating processes, or managing complex tax scenarios, as evidenced by the 71 respondents who said they frequently needed support.
- Although the platform is generally user-friendly, 45 respondents indicated that they occasionally need help with particular problems or special situations.
- Twenty-three respondents said they always need help, indicating a smaller group that might not be as adept at digital filing or need ongoing professional assistance.
- Just 11 respondents said they never require assistance, indicating a user base that is self-assured and able to use the platform on their own. All things considered, these findings highlight how crucial responsive, approachable customer service is to improving user satisfaction and trust.

Q14. What type of support do you prefer while filing?

Option	**Frequency**
Live chat / In-app support	25
Phone support	62
Email support	51
Step-by-step guides / FAQs	11
Total	**149**

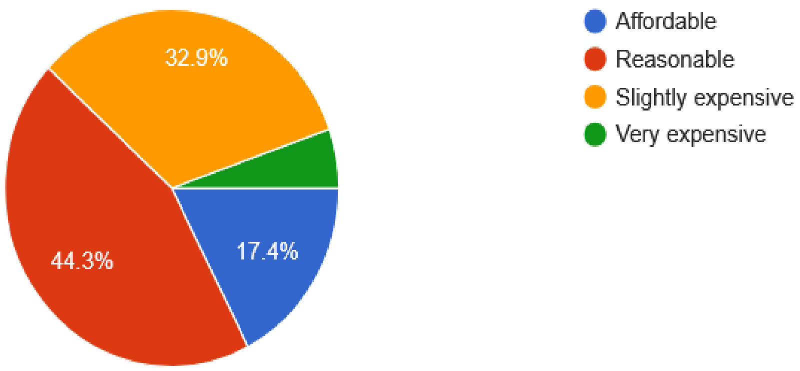


Interpretation:

- The responses indicate that phone support is the most preferred method while filing ITR, with 62 respondents selecting it. This implies that when it comes to answering complicated questions or getting tailored advice, users value direct, real-time interaction with experts.
- A sizable percentage of users value thorough, documented responses that they can consult again if necessary, as evidenced by the 51 respondents who said they prefer email support.
- Because they can get quick, real-time help without ever leaving the platform, 25 respondents prefer live chat or in-app support.
- Only a small portion of respondents—11 in total—rely on self-help resources for filing, as evidenced by their preference for detailed instructions or frequently asked questions.
- All things considered, the data emphasizes how crucial responsive, multi-channel support is to meeting a range of user preferences and guaranteeing a seamless filing experience.

Q15. What is your perception of ClearTax pricing?

Option	Frequency
Affordable	26
Reasonable	66
Slightly expensive	49
Very expensive	8
Total	**149**



Interpretation:

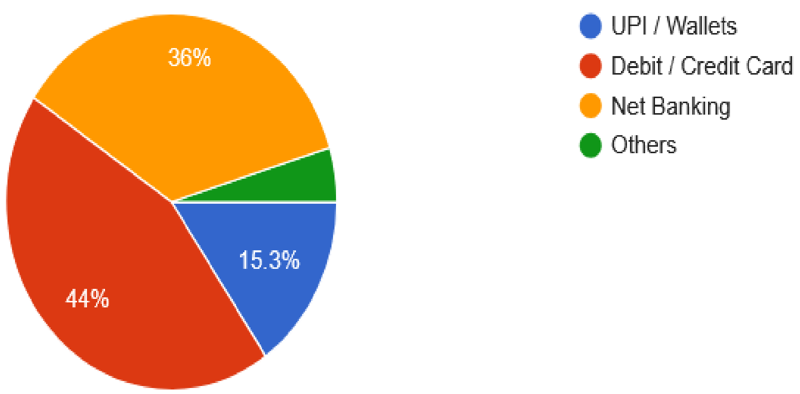
- With 66 respondents choosing ClearTax, the results indicate that the majority of users think its prices are fair. This suggests that most people believe the platform's costs are reasonable given the benefits and services it offers, such as professional support and an intuitive user interface.
- Although they use ClearTax for its accuracy and convenience, 49 respondents think the pricing is a little high. This suggests that cost is still a factor, particularly for users with mid-incomes or those who work for themselves.
- 26 respondents think it's affordable, which indicates that they are happy with the cost of the

services provided. This opinion is probably influenced by deals or the effectiveness of digital technology.

- Just 8 respondents think it's very expensive, suggesting that most people don't care much about the cost. For the majority of users, ClearTax is seen as a cost-effective solution that strikes a balance between reasonable pricing and high-quality service.

Q16. How do you usually pay for ClearTax services?

Option	Frequency
UPI / Wallets	23
Debit / Credit Card	66
Net Banking	54
Others	7
Total	**150**



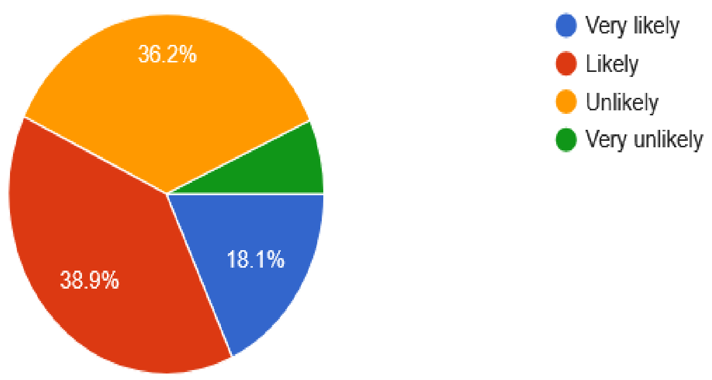
Interpretation:

- According to the data, 66 respondents chose to pay with a debit or credit card, making it the most popular method for using ClearTax services. This implies that when making purchases online, consumers favor the ease, security, and familiarity of card payments.
- A sizable percentage of users prefer direct bank transfers, probably because it's easier to track payments and keep financial records, as evidenced by the 54 respondents who use Net Banking.
- Tech-savvy users are increasingly using fast, mobile-based payment methods, as evidenced by the 23 respondents who pay using UPI or digital wallets.
- Only seven of the respondents use other payment methods, indicating little dependence on them. All things considered, ClearTax accepts a wide range of payment preferences, with users most frequently selecting digital and card-based options.

Q17. How likely are you to recommend ClearTax to others?

Option	Frequency
Very likely	27

Likely	58
Unlikely	54
Very unlikely	10
Total	**149**

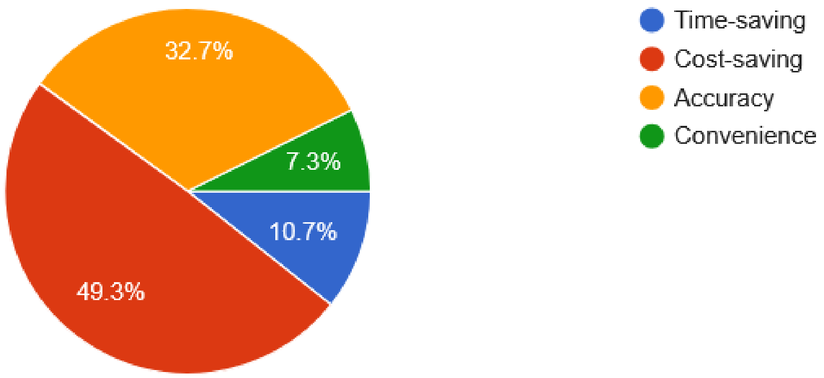


Interpretation:

- User sentiment is moderately positive, according to responses about the likelihood of recommending ClearTax. 58 respondents said they would probably suggest the platform to others, indicating that they are generally satisfied with its features, dependability, and ease of use.
- A sizable portion of users value ClearTax's accuracy, professional support, and convenience, as evidenced by the 27 respondents who are highly likely to recommend it.
- 54 respondents, however, expressed a low likelihood of recommending it, pointing out areas where the user experience, cost, or support might fall short of expectations.
- Ten respondents are much less likely to suggest ClearTax, suggesting discontent or a preference for other platforms. Although ClearTax has a moderate level of advocacy overall, there is room to improve user engagement and experience in order to boost referrals

Q18. What motivates you the most to use digital ITR filing?

Option	**Frequency**
Time-saving	16
Cost-saving	74
Accuracy	49
Convenience	11
Total	**150**

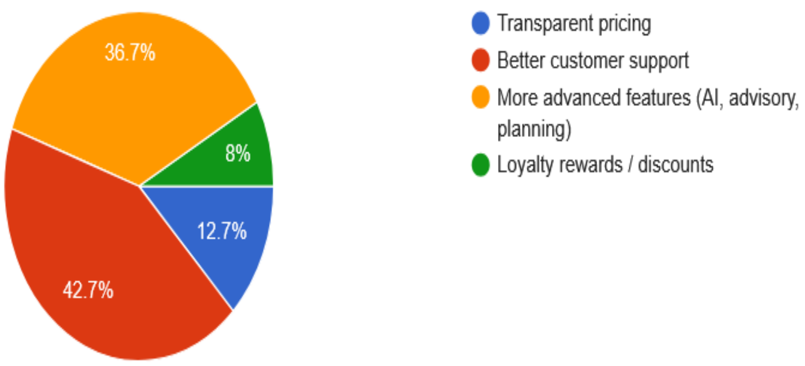


Interpretation:

- The data clearly shows that cost-saving is the main motivation for using digital ITR filing, with 74 respondents selecting it. This indicates that users are primarily driven by the affordability and value offered by online platforms compared to traditional offline tax filing through professionals.
- 49 respondents are motivated by accuracy, reflecting confidence in technology's ability to minimize human errors and ensure compliance with tax regulations.
- 16 respondents value time-saving, suggesting that quick processing and instant access to records make digital filing appealing.
- Only 11 respondents cited convenience, showing that while ease of use is appreciated, financial and accuracy benefits are stronger motivators. Overall, affordability and reliability are the key drivers encouraging users to adopt digital ITR filing platforms like ClearTax.

Q19. What would make you use ClearTax more regularly?

Option	**Frequency**
Transparent pricing	19
Better customer support	64
More advanced features (AI, advisory, planning)	55
Loyalty rewards / discounts	12
Total	**150**

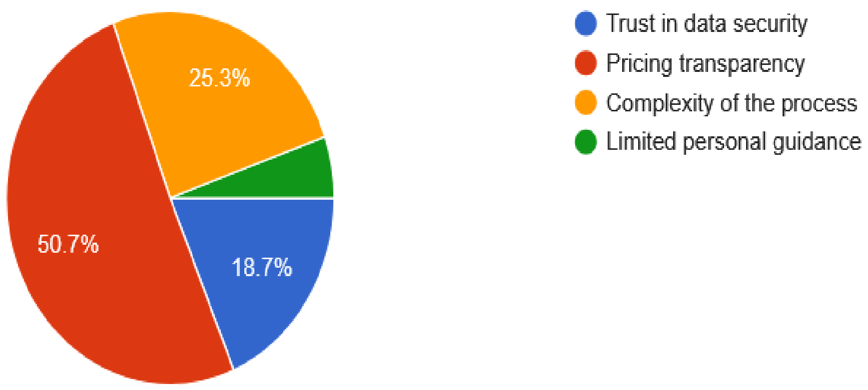


Interpretation:

- According to the results, 64 respondents cited improved customer service as the most important factor in boosting regular ClearTax usage. This suggests that prompt, efficient, and tailored support can greatly increase user loyalty and satisfaction.
- Growing interest in intelligent, value-added digital solutions is reflected in the preference of 55 respondents for more sophisticated features like AI-driven advisory or tax planning tools.
- Clarity in cost structure and service inclusions could further foster trust, according to 19 respondents who want transparent pricing.
- Service quality is more important than promotional offers, as evidenced by the fact that only 12 respondents are motivated by loyalty rewards or discounts. All things considered, improving customer service and adding cutting-edge features would greatly promote more regular ClearTax usage.

Q20. What do you consider as the biggest barrier in using ClearTax?

Option	**Frequency**
Trust in data security	28
Pricing transparency	76
Complexity of the process	38
Limited personal guidance	8
Total	**150**



Interpretation:

- According to the responses, 76 respondents cited pricing transparency as the largest obstacle to using ClearTax. This implies that in order to increase trust and satisfaction, customers should look for more precise information regarding service fees, add-on costs, and package specifics.
- Despite the platform's digital convenience, 38 respondents said that the process' complexity was difficult to understand, suggesting that some users might have trouble navigating or comprehending the filing steps.
- Data security is a concern for 28 respondents, which reflects a persistent reluctance to share private financial information online.
- The majority of users are happy with the amount of help they receive, as evidenced by the fact that only 8 respondents mentioned receiving little personal guidance. All things considered, increasing pricing clarity and streamlining procedures may boost user acceptance and confidence.

4.3 Conclusion

Important information about the preferences, motives, and viewpoints of people utilizing digital tax filing platforms in India can be found in the study "Behavioural Data Analysis of ITR Users in ClearTax." The analysis unequivocally shows that ClearTax has developed into a reliable and effective digital platform, especially among independent contractors, business professionals, and middle-class individuals between the ages of 30 and 49. These users are drawn to it because of its user-friendly interface, professional assistance, and affordability, all of which make the difficult process of filing an income tax return simpler.

The results show that users mainly choose ClearTax for its accuracy and cost-effectiveness, proving that digital filing systems are viewed as viable substitutes for conventional manual filing. Furthermore, building user confidence and trust is greatly aided by professional advice and brand reputation. Notwithstanding these advantages, certain behavioral obstacles still exist, most notably worries about data privacy, customer service responsiveness, and pricing transparency.

The fact that most users depend on reminders and file closer to the due date suggests that ClearTax's proactive communication has a big impact on filing habits. The prevalence of tablet and smartphone users emphasizes how crucial it is to keep a strong, mobile-friendly platform experience.

Overall, the study finds that although ClearTax effectively satisfies user expectations in terms of simplicity, effectiveness, and knowledgeable support, filling in the gaps in transparency and customer interaction will be essential to maintaining long-term user loyalty. ClearTax will become the top digital tax filing platform in India by enhancing security communication, providing individualized support systems, and implementing AI-driven advisory tools.

CHAPTER 5:
SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

5.1 Summary of the Study

ClearTax was the focus of the study "Behavioural Data Analysis of ITR Users in ClearTax," which sought to investigate the perceptual, experiential, and behavioral aspects of taxpayers' use of digital ITR filing platforms. The study investigated user motivation for embracing online tax filing, cost perception, user satisfaction, and trust. 150 respondents with a range of ages, professions, and income levels were given a structured questionnaire.

The descriptive analysis was backed up by interpretations based on percentages and graphs. According to the study, the majority of ClearTax users are between the ages of 30 and 49 and are mostly independent contractors or business professionals. Accuracy, professional support, and cost savings were found to be the main reasons people used ClearTax. Customer service and pricing transparency flaws, however, continue to be major issues.

5.2 Findings of the Study

The main highlights of the research are summarized below:

- The **majority of users (30–49 years)** belong to middle-income categories (₹5–20 lakhs) and show strong adoption of digital tax platforms.
- **Self-employed and freelance professionals** form the largest user segment, seeking affordable and flexible tax filing options.
- **Expert assistance** and **ease of use** are the most influential factors driving platform preference.
- **Brand reputation** plays a central role in building trust, while concerns about **pricing transparency** and **data security** persist.
- Most users file **closer to the deadline**, showing dependence on reminders and customer support.
- The **user interface** and **accuracy** of filing received positive feedback, but **customer service** requires improvement.
- **Cost-saving** emerged as the strongest motivator for using digital ITR platforms.
- Users expect **AI-enabled features**, better **customer interaction**, and **transparent pricing** to enhance loyalty and frequency of use.

Overall, ClearTax was received very positively, as a good platform for tax filing, but continued improvement is needed to keep user trust and gain new customers.

5.3 Recommendations

On the basis of the findings, the following recommendations are made:

- **Enhance Transparency in Pricing:** Simplify and clearly communicate pricing structures, including add-on costs, to build user trust.

- **Strengthen Customer Support:** Provide 24/7 multichannel support through phone, chat, and in-app assistance to address user concerns effectively.
- **Leverage Artificial Intelligence:** Introduce AI-driven advisory tools, personalized tax planning, and predictive guidance for greater convenience.
- **Increase Awareness Programs:** Conduct webinars, email campaigns, and digital literacy initiatives to attract first-time taxpayers.
- **Improve Data Security Communication:** Clearly outline data protection measures to reassure users about privacy and security.
- **Introduce Loyalty & Reward Programs:** Offer discounts or referral rewards to encourage repeat usage and recommendations.

5.4 Conclusions from the study

The study concludes that digital platforms like ClearTax have significantly reshaped India's tax compliance ecosystem by offering time-efficient, cost-effective, and user-friendly solutions. ClearTax's strength lies in its expert-backed filing system, brand credibility, and convenience. However, behavioural barriers such as trust in pricing, data privacy concerns, and limited customer engagement need attention.

Overall, the findings confirm that users view ClearTax positively but expect greater transparency and enhanced support for sustained satisfaction and loyalty. Continuous innovation, improved user experience, and personalized digital assistance will be key to ClearTax's long-term success in the evolving fintech landscape.

5.5 Direction for Future Research

- Comparative studies across multiple digital tax platforms to identify competitive advantages.
- Longitudinal research tracking changes in user behaviour over multiple filing cycles.
- Behavioural analysis segmented by demographics such as income, region, and occupation.
- Examination of AI and automation's role in influencing taxpayer confidence.
- Investigation into digital literacy's impact on adoption and satisfaction in e-filing platforms

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ANNEXURE – I: Questionnaire

1. What is your Age Group?

- 20–29 years
- 30–39 years
- 40–49 years
- 50 years & above

2. What is your Employment Status

- Salaried (Private/Govt.)
- Self-employed / Business
- Freelancer / Consultant
- Student / Others

3. What is your annual income bracket?

- Below ₹5 Lakhs
- ₹5-10 Lakhs
- ₹10-20 Lakhs
- Above ₹20 Lakhs

4. How many years have you been filing ITR?

- 1 - 2 Years
- 3 - 5 Years
- 6 - 10 Years
- More than 10 Years

5. How often do you file your ITR on ClearTax?
- Every year
- Occasionally
- First time this year
- Used earlier but shifted back

6. Which filing method do you prefer?
- Self – filing (Do - it - yourself)
- Assisted Filing with CA/Expert
- Combination of both
- Not Sure

7. What is the most important reason you chose ClearTax?
- Ease of use
- Expert assistance availability
- Pricing/Offers
- Recommendations/ Word of Mouth

8. How do you usually decide when to file your ITR?
- At the start of the filing window
- Closer to the Deadline
- Based on reminders from ClearTax
- Random / No fixed time

9. Which device do you primarily use for filing?
- Laptop/Desktop
- Mobile App
- Tablet
- Others

10. What influences your trust in ClearTax the most?
- Data Security & Privacy
- Brand reputation
- Recommendations from peers
- Customer Support

11. How satisfied are you with the user interface of ClearTax?
- Very Satisfied
- Satisfied
- Neutral
- Dissatisfied

12. How Confident are you about the accuracy of tax filing through ClearTax?
- Very Confident
- Confident
- Somewhat Confident
- Not Confident

13. How often do you require customer support while filing?
- Always
- Frequently
- Occasionally
- Never

14. What type of support do you prefer while filing?
- Live Chat / In-app support
- Phone Support
- Email Support
- Step-by-step guides / FAQs

15. What is your perception of ClearTax pricing?
- Affordable
- Reasonable
- Slightly expensive
- Very Expensive

16. How do you usually pay for ClearTax Services?
- UPI / Wallets
- Debit / Credit Card
- Net Banking
- Others

17. How likely are you to recommend ClearTax to others?
- Very likely
- Likely
- Unlikely
- Very unlikely

18. What motivates you the most to use digital ITR filing?
- Time-saving
- Cost-saving
- Accuracy
- Convenience

19. What would make you use ClearTax more regularly?
- Transparent Pricing
- Better customer support
- More advanced featires (AI , Advisory, Planning)
- Loyalty rewards / discounts

20. What do you consider as the biggest barrier in using ClearTax?
- Trust in Data Security
- Pricing Transparency
- Complexity of the process
- Limited personal guidance