



STUDY ON UNIFIED PAYMENTS INTERFACE-IMPACT OF UPI ON “CUSTOMER SATISFACTION”

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Abstract: The National Payment Corporation of India (NCPI) introduced the Unified Payment Interface (UPI), one of the best innovations in the Indian economy, which has already made progress on the marathon road to digitization. With the use of this new interface, bank account holders will be able to send and receive money using their smartphones with just one identifier—either an Aadhar number, cell number, virtual payment address, or QR code—instead of having to enter any specifics about their bank accounts. Customers may immediately complete both large and small transactions with UPI, and it's completely free. The current paper explores and discusses various aspects of UPI, including its concept, formation, utility, challenges, factors responsible for its adoption, and its impact on the stakeholders of its ecosystem. Although UPI is loaded with a clear vision and superior objectives from the government and the NCPI, it is still far from adoption. The study concludes that UPI is a tool with complementary features that can make financial transactions for customers simple and affordable, yet it is challenging to overcome the problems. A robust Aadhar platform (UID) along with national statistics on increased financial inclusion, smartphone adoption, and telecom subscriptions point to promising futures for UPI, but competition from mobile wallets and potential instances of banks failing to resolve technical issues, particularly those relating to the front-end platform created by them, may have a negative impact on the reach of this cutting-edge payment tool.

Key Words: Consumer Perception, Customer Satisfaction, Unified Payment Interface, Fintech Industry, UPI services, UPI Applications.

1. INTRODUCTION:

National Payments Corporation of India developed the immediate real-time payment system, the Unified Payments Interface (UPI) (NPCI). The interface makes it possible to conduct P2P and P2M transactions between banks. It allows for the immediate transfer of money between two bank accounts using mobile devices. The device must be registered with the bank using the mobile number on it. The recipient's UPI ID can be used to send funds. The Reserve Bank of India regulates it and operates as an open-source application programming interface (API) on top of the Immediate Payment Service (IMPS).

The Unified Payments Interface (UPI) is a system that integrates various bank accounts, smooth fund routing, and merchant payments into a single mobile application (of any participating bank). Additionally, it supports "Peer to Peer" collection requests that may be planned and paid for according to need and convenience.

Table 1.1

Year	No. of Banks live on UPI	Transaction Volume (in Mn)	INR Value (in Cr.)	USD Value (in Billions)
2022	382	74,044.48	12,594,818.73	1,699.71
2021	282	38,744.55	7,159,285.80	966.17
2020	207	18,880.89	3,387,744.72	457.19
2019	144	10,787.54	1,836,638.18	247.86



Year	No. of Banks live on UPI	Transaction Volume (in Mn)	INR Value (in Cr.)	USD Value (in Billions)
2018	129	3,746.32	585,710.45	79.04
2017	67	418.8	57,020.87	7.7
2016	35	2.65	893.07	0.12

Mobile applications to transfer money from and to UPI-capable banks, you can use any UPI app. Together with several other third-party applications, including Google Pay (formerly Tez), Airtel Payments Bank, PhonePe, Paytm, MobiKwik, Amazon Pay, Samsung Pay, and WhatsApp Pay, NPCI controls the BHIM app on its own.

What is a "Digital Payment"?

Digital payments are made using digital channels. Both the payer and the payee use digital methods to send and receive money while making digital payments. It is sometimes referred to as electronic payment. Digital payments are made without the use of hard currency. Digital money exchanges are entirely completed online. Making payments is a quick and advantageous process. If we discuss payments in monetary terms, you must first remove funds from your account. You then use this money to make purchases at stores. A businessperson visits a bank to deposit the money he received from you. This loop is tiresome for both you and the retailer.

Comparing digital payment methods to other forms of trade, such as cash withdrawal, is more advantageous and secure. This kind of payment promotes responsibility and openness, lowers exchange costs, and shrinks the size of the informal or shadow economy. No additional printing costs because the RBI had to spend 7935 crores to print the recently planned money during the demonetization phase.

2. LITERATURE REVIEW:

MS. Mohapatra (2017) found that all NPCI systems had a common interface, improving interoperability and the customer experience. Money transfers should be simple, rapid, and hassle-free with the UPI. The widespread use of smartphones, the accessibility of an online verifiable identity, the advent of biometric sensors in phones, and the widespread availability of financial services will actively push electronic payment systems for the establishment of a less-cash society in India.

Miss. Kakade and Prof.Veshne (2017) say that the UPI has made digital transactions for individuals as simple as texting. Service is available around-the-clock, unlike RTGS and NEFT, which are unavailable on holidays or outside of normal business hours. This will greatly increase system efficiency and aid India's transition to a fully cashless society.

Mr. Philip's study aims to comprehend how clients view unified payment systems in comparison to traditional services, as well as how much UPI services affect customer happiness. We may also conclude that customers have a favorable opinion of UPI and that there is a connection between respondents' levels of education and their use of UPI services.

Mr. Patel and Ms. Datta's study has identified the variables influencing UPI usage. They discovered that application compatibility, competitive advantage, and threats have a favorable effect on the use of UPI. The utilization is adversely affected by perceived risk and consumer profile. Consumer perception of financial risk, transaction costs, etc. Due to a lack of information and other considerations, rural residents do not use UPI for banking and financial transactions.

Mr. Thomas and Dr. Chatterjee say that besides the difficulties, studies show that UPI is a technology with compatible qualities that can make financial transactions for clients simple and affordable. A robust Aadhar platform (UID) along with national statistics on increased financial inclusion, smartphone adoption, and telecom subscriptions point to promising futures for UPI, but competition from mobile wallets and potential instances of banks failing to resolve technical issues, particularly those relating to the front-end platform created by them, may harm the reach of this cutting-edge payment tool.

3. OBJECTIVE STUDY:

- To know customer satisfaction towards UPI
- To identify the various usages of the unified payment interface.
- To analyze the factors motivating the use of UPI over other modes of payment.
- To study the purpose for which UPI has been needed by Youth.
- To analyze the problem faced by the customer while using UPI



4. Research Methodology:

To study customer satisfaction with the UPI secondary data from past research papers and collect responses from customers through questionnaires responses are collected through questionnaires.

Population

Sampling Size – 205

Sampling Method

Questionnaire survey method

Data Collection Instrument

Google form

5. ANALYSIS:

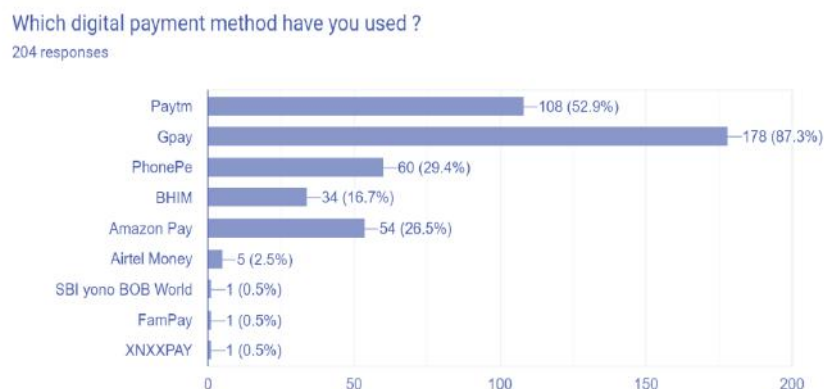
Table: 2.1

Factors	Category	Frequency	Percentage
Gender	Male	97	47.8%
	Female	106	52.2%
Monthly Income	Less than 25000	118	60.6%
	25000 -50000	40	20.6%
	50000-100000	23	11.9%
	100000 and above	13	6.7%
Occupation	Government Employee	8	3.9%
	Private Employee	57	27.8%
	Homemaker	12	5.9%
	Business	24	11.7%
	Professional	10	4.9%
	Student	94	45.9%
Family Type	Joint	81	39.5%
	Nuclear	124	60.5%
Earning Members in Family	1	34	16.6%
	2	98	47.8%
	3	38	18.5%
	4	18	8.8%
	Above 4	17	8.3%

As per the above table, we can say that 52.2% of females are using UPI regularly while 47.8% of males are using UPI. There the people who are using UPI 118 people are who has less than 25000 salaries, 40 people have between 25000 to 50000, 23 people have between 50000 to 100000, and 13 have more than 100000 salaries. Among 205 respondents 8 are government employees, 57 are private employees, 12 are Homemakers, 10 are Professionals and 94 are Students. 81 respondents stay in a joint family and the rest are in a nuclear family. As per research, we can say that most of the students are using UPI digital payment platforms. UPI is the easiest way to pay.

- Which digital payment method have you used?

Graph 1.1





As is obvious, there are numerous UPI payment applications. Yet respondents used the GPay the most. 87.3% of survey participants use GPay. Everyone enjoys it the best. There is Paytm after GPay. 52.9% of respondents said they use Paytm, 29.4% said they use PhonePe, 16.7% said they use BHIM, 26.5% said they use Amazon, 2.5% said they use Airtel Money, and 0.5% said they use SBI YONO, BOB world, or FamPay.

- Which digital payment platform did you find easiest to use?

Table 3.1

Statistics						
		Paytm	Gpay	Phonepe	BHIM	Amazon Pay
N	Valid	205	205	205	205	205
	Missing	1	1	1	1	1
Mean		2.24	2.04	3.17	3.71	3.84
Mode		2	1	3	4	5
Std. Deviation		1.220	1.313	.919	1.000	1.498

The statistical study of the above table shows that Gpay has the top spot among all UPI applications. Paytm comes in second place, followed by Phonepe in third, BHIM in fourth, and Amazon Pay in fifth. Hence, all customers accept Gpay, although the least number of customers use Amazon Pay.

- Which Digital Payment Method offers the best discounts, offers, and Rewards?

Table 4.1

Statistics		
Best in discounts and offers		
N	Valid	202
	Missing	4
Mode		1

Table 4.2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Gpay	119	57.8	58.9	58.9
	Paytm	45	21.8	22.3	81.2
	Phonepe	14	6.8	6.9	88.1
	BHIM	2	1.0	1.0	89.1
	Amazon Pay	22	10.7	10.9	100.0
	Total	202	98.1	100.0	
Missing	System	4	1.9		
Total		206	100.0		

According to statistical information, 1 is the mode value for the responses. 1 stand for Gpay. All other UPI programs come up short of Gpay in terms of discounts, deals, and giveaways. And it is o use and safe. Hence, Gapy is the brand that all customers choose.

- State the purpose of the below services of UPI.

Table 5.1

Statistics						
		State the purpose of using the following. [Recharge]	State the purpose of using the following. [Fund Transfer]	State the purpose of using the following. [Bill Payment]	State the purpose of using the following. [Balance Inquiry]	State the purpose of using the following. [Privacy]
N	Valid	205	205	205	205	205
	Missing	0	0	0	0	0



Mean	1.79	2.01	2.07	2.08	2.02
Mode	1	1	1	1	1

According to the above table, we can guarantee that customers are using all of the UPI digital payment app services and are satisfied with them. As everyone is aware, it offers internet recharge services as well as a funds transfer solution that makes it simple to send money to another person in any circumstance. Customers can also pay their bills using UPI apps. Also, it instantly displays your bank account's balance. Also, it provides privacy when scanning QR codes. UPI apps forbid displaying a mobile number to a total stranger. Moreover, UPI includes two passcodes: the first is used to access the app and the second is used to transfer money. In essence, it is easy to use and safe.

- What is the problem faced while using UPI?**

Graph 2.1

What are the problems faced while using UPI ?
203 responses



According to the replies, even if UPI has its advantages, some of them are still having issues. According to replies, the largest concern is a network issue. It was chosen by 50.2% of the responses. Pending verification is a problem for 28.1% of responses. 12.8% of people have safety and security issues. The bank server may occasionally experience issues. And 0.5% doesn't face any problem.

- Consumer Perceptions towards UPI:**

Table 5.1

		Secured Transaction	Time-saving	Convenience in usage	Easy than the traditional method	Growth of UPI	More disc., Rewards and cashback	Transaction Status	Payments in delay
N	Valid	205	205	205	205	205	205	205	204
	Missing	0	0	0	0	0	0	0	1
Mean		1.85	1.89	1.85	1.84	1.79	1.98	1.86	2.20
Mode		1	1	1	1	1	1	2	1

The preceding table demonstrates that all UPI services receive a single value as a mode. In this analysis, the number 1 denotes a significant agreement. It reads "2" for the transaction status. And 2 stands for "agree." Statical data, therefore, demonstrate that all UPI services satisfy their clients.

**FINDINGS:**

According to the research, 98% of respondents are aware of digital payments. that the majority of respondents are familiar with digital platforms through their friends and family. 51.1% of people learn about it from their friends and relatives. 31.7% of people learned about it from an advertisement, 9.9% from bank employees, and the rest learned about it from other sources. And they have all been used for more than 1 year. As is obvious, there are numerous UPI payment applications. Yet respondents used the GPay the most. 87.3% of survey participants use GPay. Everyone enjoys it the best. There is Paytm after GPay. 52.9% of respondents said they use Paytm. GPay delivers the finest deals and discounts. GPay offers and discounts are the best, according to 57.8% of respondents. For the best deals and discounts, 22.1% of respondents say they choose Paytm. 10.3% of respondents use Amazon Pay. 4.9% of people use PhonePe. 1% of respondents concur with BHIM that its deals and discounts are the best. The majority of respondents strongly support all of the UPI digital payment systems. Recharge, Money Transfer, Bill Payment, Balance inquiry, and Privacy are all covered.

CONCLUSION / SUMMARY:

By providing security and well-being based on money and by advancing the style of life through the adoption of the most recent breakthroughs for technology advancements in our country, computerized installment helps India in all spheres and influences the course of events. Indian culture gains awareness and information as a result of all the tools and arrangements that the Indian government has created. The improvement of India is inspired by the government of India's efforts and policies, such as computerized India, digitalization, demonization, better foundation, and so on. For our country to thrive and develop, Indian culture must also assist the government in obtaining these frameworks and tactics. Change is indeed happening gradually and step by step, but it's impossible to predict how long it will take. According to research, it can be proved that UPI growing in India. It is easy to use and time-saving. UPI gives many more services in one single application. GPay is the most preferable UPI application by customers. After GPay Paytm is in the market. UPI gives more services like discounts, offers, and rewards to the customers so they motivate to use it.

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