

A STUDY ON CUSTOMER UTILISATION OF UNIFIED PAYMENT INTERFACE APPLICATIONS WITH SPECIAL REFERENCE TO POLLACHI TALUK

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Abstract

An important area that all consumers and customers need to be aware of is digital payment which is essential in the current era. Reasons like Digital India and mechanization of electronic documentation are huge. Nowadays physical payment method is becoming important due to various reasons like time and security. It enabled e-payment methods like internet banking and this was again simplified on Android mobile phones. Keeping this concept in mind, a research work was developed based on consumer behavior towards UPI (Unified Payment Interface). The data used in the study is primary in nature which has been collected through issue of structured questionnaire. A sample of 300 respondents are belonging Pollachi Taluk has been selected through convenient sampling technique. Simple percentage analysis and chi-square test are applied in analysing the gathered data

Key Words:

Unified Payment Interface – Digital Payment - Customer Utilisation etc ...

Introduction:

Unified Payment Interface (UPI) is one of the best innovations in e-payments launched by National Payments Corporation of India (NPCI). Digital payment system gained more importance after demonetisation. The government launched the app-based United Payments Interface (UPI) for transacting across multiple banks. On April 11, 2016 in Mumbai, RBI Governor Dr. Raghuram G Rajan was the first to introduce UPI in India. A digital payment system is an electronic transaction made at the point of sale of services and products through internet banking or mobile banking using a smart phone or card. UPI is a form of payment system through which any customer with a bank account can send and receive money through a UPI-based app. To use UPI services, one must have a valid bank account and a registered mobile number linked to the same bank account. The service allows a user to link more than one bank account to the UPI app on their smartphone and seamlessly initiate fund transfers, receive funds and carry out balance inquiries online and offline on a 24/7 basis and 365 days a year. There will be no transaction charges for using UPI. This interface is controlled by RBI, the apex bank.

In today's digital age the use of internet has increased tremendously. Today's customers use digital devices to spend less time in banking. This digital payment is easy to handle and use with no risk to remittance funds. We all have seen how technologies are growing in the modern world. At this stage online payment apps have also been introduced and have become a hit among customers. Majority of people living in urban areas have adapted to this digital payment system. A very small number of people living in rural areas are still unaware of the importance and services of these online payment apps.

Review of Literature

The studies undertaken earlier with regard to customer's utilisation in UPI transaction of different organizations are reviewed in the following paragraph.

Sunny Gupta and Dinesh Chand (2021) conducted a study titled "Consumer Attitudes towards Integrated Payment Interface". Maximum number of people use UPI for fund transfer, mobile recharges or cashback, female respondents were adamant about using technologies and cashback alone cannot be considered as a motivating factor for consumers to use UPI on a daily basis. The study concluded that mobile phones are used more for making and accepting payments and respondents have a positive attitude towards UPI transactions.

Sukanya and Subbulakshmi (2021) in their study observe that customers are quite satisfied with service of UPI application, the developer has to improve their service strategies so that customer's expectations can be satisfied. Improvement can be still to be made in the security levels while using the UPI apps.

Venkata Siva Kumar and Kavya (2020) in their paper, 'Role of Integrated Payment Interface in Digital Banking Services - An Empirical Study on User Perceptions', studied the awareness of different age groups and industries towards using UPI services. They opined that UPI users have different views on using UPI banking services and users from different industries find UPI services better than traditional banking services.

Shivani Maheshwari (2019) titled "UPI - Future Payment System" discusses the structure of UPI and states month wise income features. 105 million as reported by the National Corporation of India (NPCI) till November 17, the study found. The study concluded that UPI payments not only generate peer-to-peer transactions but also merchant transactions.

Priyanka. S. Kotecha (2018) in their research paper titled "Empirical Study of Mobile Wallets in India", they found that digital remittances are the main transactions for most of the merchants. The future of digital payments.

Statement of the Problem

Online payment has been used more in recent years due to convenience, quick transaction, time saving, attractive sales promotion offers etc. Despite these factors, there are various transactional and non-transactional issues with which the Internet user is often uncomfortable. Act as inhibitors. However, the future of online payments looks bright and promising. This is especially true in the context of consumers in smaller cities, where online payments are still new, and consumers are less familiar and often more sceptical about it. Therefore, this study aims to investigate the usage of customers towards online payment apps and also to analyze the problems and difficulties faced by customers in online payment apps.

Objectives of the Study

The following are the objectives of the study

- ❖ To identify the customer utilisation of Unified Payment Interface applications
- ❖ To analyse the variables contributing to customer utilisation in UPI transactions

Research Methodology

The study is mainly based on primary data and the data required for the study have been collected through issue of structured questionnaire. The questionnaire contains questions relating to the personal details and factors influencing the customer's utilisation towards UPI applications. A sample of 300 customers in pollachi taluk has been selected by adopting convenient sampling technique. The statistical tools like simple percentage analysis and chi-square test are used to analyse the collected data.

Findings of the Study

(i) Age and Level of Utilisation of UPI users

This section deals with the computation of level of significant association between the age and level of utilisation of UPI users, the following hypothesis has been framed and tested. The analysis has been done by employing Chi-square test.

H₀: There is no association between the Age and the level of utilisation of UPI users

TABLE - 1
AGE AND LEVEL OF UTILISATION

Age	Level of Utilisation			Total
	Low	Medium	High	
18-25 years	28 (28.57%)	52 (53.06%)	18 (18.37%)	98 (32.67%)

26-40 years	21 (26.25%)	31 (38.75%)	35 (40.7%)	87 (29%)
41-55 years	28 (32.56%)	23 (26.74%)	28 (35%)	79 (26.33%)
Above 55 years	12 (33.34%)	7 (19.44%)	17 (47.22%)	36 (12%)
Total	89	113	98	300

df = 6 Chi-Square Value = 24.197 Table value at five per cent level = 12.592

From the table it could be inferred that, the percentage of respondents with high level of utilisation is found to be high in the 26-40 years of age group. The percentage of respondents with low level of utilisation is also found to be high in the above 55 years of age. Comparing the percentage, it is found that percentage is high with respondents in the age group of 26-40 years. Thus it is evident that aged respondents have more utilisation by UPI system when compared to others. However, as the calculated chi square value is higher than the table value at five percent, the null hypothesis is rejected. Hence there is exists a significant association between the age and level of utilisation of UPI users.

(ii) Educational Qualification and Level of utilisation of UPI customer's

In order to examine whether there exist a significant association between the Educational Qualification and Level of utilisation of UPI users, the following hypothesis has been framed and tested.

H₀: Educational qualification does not influence the level of utilisation of UPI users.

TABLE - 2
EDUCATIONAL QUALIFICATION AND LEVEL OF UTILISATION

Level of Education	Level of Utilisation			Total
	Low	Medium	High	
Up to HSC	24 (32%)	24 (32%)	27 (36%)	75 (25%)
Graduate	33 (30.27%)	48 (44.04%)	28 (25.69%)	109 (36.33%)
Post Graduate	16 (32.65%)	19 (38.78%)	14 (28.57%)	49 (16.33%)
Diploma	6 (20%)	10 (33.33%)	15 (40.54%)	30 (10.33%)
Professional	10 (27.03%)	12 (32.43%)	14 (46.67%)	36 (12%)
Total	89	113	98	300

df = 8 Chi-Square Value = 17.193 Table value at five per cent level = 15.507

The percentage of respondents with low level of utilisation is high with those of post graduates. The percentage of respondent's high level of utilisation is high with respondents who have utilise the Professional holders. Therefore, it can be said that the professional holders are highly utilised. However, as the calculated χ^2 value is higher than the table value at five percent level, Hence there is exists a significant association between the educational qualification and level of utilisation of UPI users. Therefore, the null hypothesis is rejected.

(iii) Occupation and Level of utilisation of UPI users

In order to examine whether there exist a significant association between the Occupation and Level of utilisation of UPI users, the following hypothesis has been framed and tested.

H₀: Occupation does not influence the level of utilisation of UPI users.

TABLE - 3
OCCUPATION AND LEVEL OF UTILISATION

Occupation	Level of Utilisation			Total
	Low	Medium	High	
				143

Govt	12 (31.58%)	12 (31.58%)	14 (36.84%)	38 (12.67%)
Private	19 (25.33%)	35 (46.67%)	21 (28%)	75 (25%)
Business	11 (31.43%)	14 (40%)	8 (61.54%)	33 (11%)
Agriculture	13 (29.55%)	8 (18.18%)	23 (52.27%)	44 (14.67%)
House Wife	15 (31.97%)	15 (31.97%)	17 (36.16%)	47 (15.67%)
Retired	3 (23.08%)	2 (15.38%)	10 (28.57%)	15 (5%)
Students	16 (33.33%)	27 (56.25%)	5 (10.42%)	48 (16%)
Total	89	113	98	300

df = 12 Chi-Square Value = 32.982 Table value at five per cent level = 21.026

From the table it could be inferred that, the percentage of respondents with low level of utilisation is high with those of Students. The percentage of respondents with high level of utilisation is high with respondents who are the business persons. Therefore, it can be said that the business persons are highly utilised. As the calculated χ^2 value is higher than the table value at five percent level, the null hypothesis is rejected. Hence, it is inferred that there exists significant association between occupation and level of utilisation of UPI users.

Conclusion

Customer is the king and they are looking for a seamless and convenient way to pay online and UPI is the best option for customers for automated transactions. From cash to online payment apps such as Google Pay, Phone Pay, Paytm, Amazon and Beam App, and now e-commerce and mobile banking, there has been an evolution. Age, educational qualification and occupation are significant factors in using UPI users. The study concludes that people are more aware of the digital payment system and are using UPI apps as they are user-friendly and secure.

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