



## To Study the Consumer Satisfaction on UPI (Unified Payments Interface) with Special Reference to Hyderabad and Suburbs

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### Abstract

The Unified Payments Interface (UPI) as the one of great innovation in the history of E payments by National Payments Corporation of India (NPCI) a Umbrella origination of Reserve bank of India. Unified Payments Interface (UPI) is a system that powers multiple bank accounts into a single mobile application (of any participating bank) (NPCI, 2019). UPI first launched in India by Dr. Raghuram G Rajan, Governor, RBI at Mumbai on 11th April 2016. In this study made an attempt to understand the perception of the customers towards unified payment services and traditional services and how far impacted the UPI services in customer satisfaction. From this study it is clear that customer has a positive attitude towards unified payment interface services and there is relationship between education of the respondents and usage of UPI services.

**Keywords:** UPI, Consumer Satisfaction

### Introduction

This interface designed in such a way that it allows bank account holder to receive and send the money from their smartphone or computer with single identifier which can be mobile number, VPA (virtual payment address) or a QR code without entering bank account details. UPI transaction are free of cost and consumer allow to do small as well as big transactions using UPI. Increase in the smartphone adoption, telecom subscription and combination of Aadhar platform (UID) to UPI for KYC (Know Your Customer) indicate the positive prospects for UPI. On other hand E payments market is flooded with the E-Wallets which prove to be the tough competition to UPI. This innovative E payment tool facing some negative impact due to failure of banks to overcome technical errors during the payments. In June 2019 UPI has clocked in 754.54 Mn transactions (Khatri B, 2019). As per NITI Aayog's "Digital Payments (2018 edition)", India's digital payments industry are estimated to grow by value of \$1 Tn by 2023

### Unique feature of UPI(NPCI, 2019)

- Immediate payments using smartphones round the clock 24\*7 and 365 days
- Single mobile application to access different bank accounts
- Very strong feature of seamless single click payment
- Provide Virtual address to the customer which increases the security level as consumer not required to enter the details such as, bank account number details ; Card no IFSC etc
- Single Application or In-App Payments to merchants
- Effective mobile app complaint system

### Objectives of the Study

1. To study the UPI (Unified Payments Interface) structure Implementation
2. To analyse the Consumer Satisfaction on UPI (Unified Payments Interface)

### Hypotheses of the Study

- $H_0$  The proportion of respondents whose positive perception towards "UPI (Unified Payments Interface)" is 50%
- $H_1$  The proportion of respondents whose positive perception towards "UPI (Unified Payments Interface)" is more than 50%

### Scope of the Study

After demonetization on November 8th, 2016, India saw an increased use of different internet payment systems for money transfer through various devices. NPCI (National Payments Corporation India) launched Bharat interface for Money (BHIM) an application run on UPI (Unified Payment Interface) in December 2016 to cater the growing online payment needs. The different modes of digital payments saw a drastic change in usage in the last 2 years. Though technological innovations brought in efficiency and security in transactions, many are still unwilling to adopt



and use it. Earlier studies related to adoption, importance of internet banking and payment systems attributed it to some factors which are linked to security, ease of use and satisfaction level of customers. The purpose of this study is to unfold some factors which have an influence on the customer satisfaction of UPI. The analysis gives an understanding, that factors which can influence the intensity of customer satisfaction of UPI application are speed of transaction, perceived ease of use, security and customer service. Though all the factors are related to customer satisfaction, the intensity of relationship is stronger for speed of transaction

#### **Research Methodology of the Study**

The study is based on critical evaluation and analysis of basically Primary Data. The primary sources include user of UPI. A study is undertaken in the sampled regions to see its impact for which a detailed questionnaire is prepared to collect relevant information from the primary source for the guidance of the researchers. With the help of the questionnaire, detailed discussions were made with the certain sources of primary data to understand their views, thinking and attitude which would help to give the researchers useful recommendations, if any. The questionnaire is processed with the help of statistical tools like tabulations, grouping, percentages, averages, testing of hypothesis etc.

As far as consumers' satisfaction is concerned, following factors are taken into consideration viz, easiness of usage, comparatively less complex applications, transparency with safety and security, proper prevention against financial fraud etc

#### **Research Area**

Researchers selected user of UPI from Hyderabad and Suburb. Sample sizes of 100 user of UPI have been taken under study. Researcher collects data through Primary and Secondary sources. Researcher distributed 100 questionnaires among the respondents.

#### **Review of literature**

**A Study on Customer Satisfaction of Bharat Interface for Money (BHIM) by Anjali R in International Journal of Innovative Technology and Exploring Engineering (IJITEE) , ISSN: 2278-3075, Volume-8 Issue-6, April 2019:** It was in 1920's that e-banking (the use of electronic medium such as telephones, mobiles, internet etc.) for banking services came into being in UK and US with the introduction of telegraphic mode of payments. The usage of electronic fund transfers and credit cards was popular in these countries by 1960. The concept of web based mode of banking started in 1980's. Indian mode of traditional banking namely branch banking got switched to e-banking in 1990's with ICICI bank being the first mover to launch the internet banking services. Now most of the banks in India offer e-banking services or products which include ATM, mobile banking, tele-banking, electronic clearing services, and smart cards etc. Offering banking services through mobile applications and internet banking is the concept of mobile banking. The proliferation of internet and development of communication and technology has forced banks to compete with each other and introduce mobile banking services in India. The study identified that all the independent variables selected (Security, Perceived ease of use, Customer service, Speed of transaction) have a positive relationship with the dependent variable customer satisfaction. The intensity of relation is strong for speed and customer service which shows a positive relationship. Speed is identified to be the strongest predictor of customer satisfaction which implies that customers well accept the instant mode of bank to bank transaction which is done in seconds. Transactions of Rs1-Rs1000 is more than higher value from which we can imply that people are still not ready to transact money of higher value. Apart from BHIM other used applications for transactions are Google Pay, Phone Pe and Paytm. Although these factors are found to be having a strong relation with customer satisfaction of BHIM it is not assured that these are the only determinants of customer satisfaction as there was lack of secondary data. Due to insufficient literature on BHIM application the literature part of this paper is not so rich. It can be concluded that BHIM application is one of the best move by the government of India for instant bank to bank transaction and it is being accepted and loved by a large number of people in India.

**Unified Payment Interface – Impact Of UPI In Customer Satisfaction by Bijin Philip in Research Guru: Online Journal of Multidisciplinary Subjects (Peer Reviewed), Volume-12, Issue-4, March-2019 (ISSN:2349-266X):** The Unified Payment Interface (UPI) introduced by the national payment corporation of India (NCPI) is one of the most excellent, modernized and cost effective innovation that is capable of making a remarkable mark upon Indian economy which has already taken its strides in the marathon towards digitilaization. Payment systems in India have undergone rapid changes during the past few years. The adoptions of mobile and card payment systems are two key components of this initiative. In this study the researcher aims to identify the customer preference towards unified payment interface and to know the impact of unified payment interface in customer satisfaction. The



researcher used Mean, F-Test, ANOVA and Regression analysis for analysing and interpreting the data. In this study revealed that there is a positive impact or perception by the customers towards unified payment interface.

**Limitations of the study**

1. Further variables could be added for the purposes of detail study.
2. The study is based on limited time period data.

**Data Analysis**

Researcher prepared the questionnaire for respondents and distributed it among them. After receiving the questionnaire researcher analyse the questionnaire.

**Table No1 : Information of questionnaire**

Sr. No	Respondent	Questionnaire distributed	Questionnaire received	Questionnaire rejected (due to incomplete, wrongly filled etc)	Net Sample size for study
1	User of UPI	100	95	4	91

**Testing of Hypothesis**

$H_0$  The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is 50%

$H_1$  The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is more than 50%

**Mathematically**

Null Hypothesis	Alternative Hypothesis	P	S.D.	Z cal	Z table	p value	Decision
The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is 50%	The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is more than 50%	0.75	0.05	5.62	1.64	0.0000	Reject $H_0$ (i.e. $p < 0.5$ )

\*Here level of significance is 0.05

Thus, our null hypothesis “The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is 50%” is rejected. Alternatively we accept our alternative hypothesis “The proportion of respondents whose positive perception towards “UPI (Unified Payments Interface)” is more than 50%”

**Findings**

1. The most interesting factor came out of study, that the respondents were more serious concern about ‘transparency with safety and security’ as compared to other one
2. The more important issue is come out from this analysis in which there is an interesting results found is; there is need to verify exact user in order to avoid fraud

**Conclusion**

In the concern of customer satisfaction about the UPI, there is quite satisfaction about the usage, implementation and its further consequences.

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