

# Customer Behaviour Towards UPI Payments

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## I. INTRODUCTION

An online payment system is an internet-based method of processing economic transactions. Online payment systems typically are run by third-party corporations, such as PayPal, Google, Click2pay. These companies make a profit by taking a small percentage of every transaction, or by signing contract with institutions that need to make a large number of transactions. For example: Uber eats, Airtel prepaid, Red bus etc... That the online payment system was developed by Google to power in-app and tap-to-pay purchase on mobile device, enabling users to make payments with android phones, tablets or watches. The users can make payments effortlessly inside their mobile app or while shopping on any websites on their mobile device. With just a few clicks.

## STATEMENT OF THE PROBLEM

India is a developing economy characterized by middle class population, emerging standard of living, young population with huge opportunities for employment and entrepreneurship, high purchasing power of the people and growth in voluminous business transactions. UPI platform is an e-wallet that is helping in money transactions without having liquid cash and also offering safety to customer's transactions. At present, especially in India there is a growing opportunity for mobile wallet business. The main attractions of these mobile wallets are making fast and quick transactions, time saving, less costly, easy to access etc... It has led to a lot of vendors (small scale to large scale) accepting digital payments. With all the benefits UPI brings, there are some difficulties which are faced by the end users.

## OBJECTIVES OF THE STUDY

- To identify factors influencing UPI for online cash transaction
- To know the purpose of using Google Pay,
- To know the difficulties faced by customers and small retailers from using digital payments

## II. REVIEW OF LITERATURE

**Aswin Shaju (2022)**, in his study making payment is all about convenience, security, and speed. India's payment system evolved from the barter system to cash to card to digital

payment mode. The security is the biggest concern among the consumers and can be considered as a key factor for the adoption of the UPI payments. India is a cash dominant society, even though there is a rapid increase in the using digital payment modes, there is still a lack of awareness among people concerning security, data privacy, etc.

**T M Vishal (2021)**, in his study The Reserve Bank of India (RBI) has been trying hard to make the Indian economy a 'cash free economy'. It is finding ways to reduce the transactions based on cash in the entire financial system. The UPI system seeks to make the transfers of money easy, convenient, hassle-free and safe. As of now, 29 major banks are a part of the UPI system out of which 15 banks have already started integrating the interface into their smart phone apps and this number will multiply very fast as the system gains popularity.

**Priyanka Appu Shetty (2020)**, This research paper started by focusing on the meaning of online or digital payment ,digital wallet in India. This paper then focused on various digital wallets or online payment application in India like Google Pay, PayTm , Phonepe , Mobikwik, etc. A consumer can track all their expenses with online payment. The government of India is taking efforts to encourage the people of India to use digital modes of payments along with the private sector companies.

**Pasupathi and Reka (2019)**, in their article entitled "A Study on Customers' Perception towards Mobile Wallet with Special Reference to Google Pay", with a view to find out the customers' Perception towards Google Pay. A well-Structured questionnaire has been used to collect the data from 150 customers in Tiruchirappalli by adopting simple random sampling method. Data have been analysed using tools like Simple percentage, Chi-square test, ANOVA and Correlation. The study reveals that Majority of the customers are satisfied with overall opinion about Google Pay. It is also found that there is a positive relationship between the overall opinion and mode of payment.

**Shivathanu B. (2019)** in his study adoption of digital payment system in the era of demonetization emphasised on how the digital payment system was used by the people or accepted by the people during demonetization. It was based on a conceptual framework where the sample size was 766.

The data analysed suggested that behavioural intentions and innovation resistance had an impact on the actual usage.

**Dr. Virshree Tungare (2018)**, UPI developed the m-payment technology by facilitating mobile phone to be used as a main payment device for giving and accepting payments. In contrast to all of payment systems it can be say that UPI is the most advanced payment system in the world. UPI payment system allows money transfer between any two bank accounts by using a smart phone.

**Baghla . A (2018)** in his study identified the trends for adopting the digital payment system India. Further the paper talks about how after demonetization people started to use the digital platforms for transactions. How the government initiative to make our economy a cashless one and how consumer will be adopting such system are further discussed. A structured questionnaire was used to collect data and find out the future of digital payment system in India. www.ijcrt.org © 2021 IJCRT | Volume 9, Issue 2 February 2021 | ISSN: 2320-2882 IJCRT2102051 International Journal of Creative Research Thoughts (IJCRT) www.ijcrt.org 416

### SCOPE OF THE STUDY

This research focus on finding the impact of UPI payments among small retailers and customers in Coimbatore city. Recent studies and researches will be used as references in finding out customer preferences among various UPI payment systems. The study does not cover the impacts of other payment systems like cards, IMPS (**Immediate Payment Service**) and other. Also this study does not cover the impacts of UPI payment system on medium and large scale industries.

### SAMPLE SIZE

In this study, Sample selected is 131.

### AREA OF STUDY

The area of study limited to Coimbatore city which is known as Kovai, a city in India.

### POPULATION

Population refers to aggregate of sampling units. Total population for the study is unknown.

### DATA COLLECTION

#### Primary data

Primary data can be defined as the data's collected from the source where the originally originates from and used for the research. This research contains the primary data where the questionnaire is collected from various areas of Coimbatore from the individuals.

#### Secondary data

Secondary data are defined as the data's which are collected by someone and used by the others. It also reduces spending time on the collection of data as the information is already collected. This research also contains the secondary data as the second chapter deals with review of literature.

### LIMITATIONS OF THE STUDY

- The sample size chosen is covered only a small portion of the whole population of online payment towards Google Pay, Coimbatore city.
- Getting responses from the users in between their busy schedule was a very difficult task.
- Accuracy of the study is purely based on the information as given by the users.
- The findings are fine only for the present situation and need not be true for any other situation.

### III. DATA ANALYSIS

Factor	Options	No. of respondents	Percentage
Gender	Male	81	61.8
	Female	47	35.9
	Others	03	6.3
Age	Below 20	55	42
	20-40	58	44.3
	40-60	13	9.9
	Above 60 years	05	3.8
Educational Qualification	Uneducated	04	3.1
	SSLC	08	6.1
	HSC	14	10.7
	UG	88	67.2
	PG	17	13
Occupational status	Private employee	44	33.6
	Public employee	15	11.5

	Agriculturist	08	6.1
	Entrepreneur	15	11.5
	Others	49	37.3
Monthly Income	Below 15000	73	55.7
	15000-30000	33	25.2
	30000-50000	16	12.2
	50000 & Above	09	6.9
Period of UPI payment	Below 2 years	69	52.7
	2-3 years	30	22.9
	3-4 years	15	13
	Above 4 years	17	11.5
Opinion about UPI payment	Very good	51	38.9
	Good	57	43.5
	Neutral	14	10.7
	Poor	04	3.1
Information about UPI	Very poor	05	3.8
	Friends	65	49.6
	Family members	35	26.7
	Neighbour	12	9.2
	Office staffs	13	9.9
Purpose of preferring UPI	Others	06	4.6
	Recharge	36	27.5
	Paying bills	23	17.6
	Money transfer	69	52.7
Cash or online payment	Other	03	2.2
	Cash payment	31	23.7
	Online payment	42	32.1
	Both	58	44.3

**INTERPRETATION**

The above table shows that out of selected respondents, 61.8 % of the respondents are Male, 35.9 % of the respondents are Female and 6.3 % of the respondents are

others. The table reveals majority of the respondents are Male (61.8%).

**IV. FINDINGS**

1. Most of the respondents are Male (61.8%)
2. Most of the respondents are age group between 20-40 (44.3%)
3. Majority of the respondents are from undergraduate degree (67.2%)
4. Most of the respondents are from other occupation (37.3%)
5. Most of the respondents income are below 15000 (55.7%)
6. Majority of the respondents are using UPI application for below 2 years (52.7%)
7. Most of the respondents opinion about using of UPI payment are good (43.5%)
8. Most of the respondents are get to know about UPI through friends (49.6%)
9. Majority of the respondents are preferring UPI payment for the purpose of money transfer (52.7%)
10. Most of the respondents are preferring both cash and online payment (44.3%)

**V. SUGGESTIONS**

Mostly illiterate people are affected by using the online payment application. String the bank details to uncertified applications and OTP with others. Using the unknown applications to get cashback offers and discounts has to be noted. All payment applications had the problem of stuck in transacting the amount, this has to be updated. Using online payment applications will enhance the chance of data theft and malware. These are the bad experience faced by the respondents. Majority of the respondents agree that mobile wallet digital payment provides benefits to individual for purchase of products, improve the quality of decision, helpful in buying products as compared to traditional methods, they offer a wide range of banking services and payment options. They also agree that interaction with mobile wallet is helpful and that they trust the service providers. Huge respondents are highly satisfied with the customer support, service rendered, privacy, security and cashback offers & discounts of the applications.

**VI. CONCLUSION**

At present online payment applications plays an essential role in everyone's saves the valuable time of the consumer and it is the only improvement against the payment habits. There are many unknown and uncertified payment applications in the Those kinds of application has to be look

up. Present study has come to the conclusion, it analysed the various things in online applications. It has made an attempt to understand the customer perception regarding e payment. It has noted that the demographic factor except education does not have much pact on the adoption of the digital payment. Mostly online payment applications are used only in the urban areas. People in all areas are not aware of using these applications. They have to be educated and awareness has been created. All customers had an unbound trust in using these applications. Company has to realize that their marketing effectiveness should satisfy their consumers' needs and wants. Usage of these application should result in the introduction of new technical features.

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