

Exploring Factors Affecting Consumer Satisfaction in UPI (Unified Payments Interface): A Comprehensive Study

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Abstract- This paper investigates and analyzes the factors that influence consumer satisfaction in UPI (Unified Payments Interface), a prominent digital payments system in India. With the rapid expansion of digital transactions, it is essential for UPI providers and policymakers to comprehend the factors that contribute to consumer satisfaction. This research paper examines, through a comprehensive study, the various factors influencing consumer satisfaction with UPI, such as ease of use, transaction speed, reliability and security, seamless integration, customer support, transaction limits and charges, availability of services, merchant acceptance, rewards and incentives, and consumer feedback. The findings of this study will provide UPI providers, policymakers, and industry stakeholders with valuable information for improving consumer satisfaction and the overall user experience. Understanding the factors that contribute to consumer satisfaction in UPI will enable stakeholders to design user-centric strategies and interventions, resulting in the extensive adoption and continued growth of digital payments in India.

Keywords: UPI, Digital Banking, Digital India

INTRODUCTION:

Digital payment systems have revolutionized the manner in which individuals conduct financial transactions by providing convenience, speed, and security. The Unified Payments Interface (UPI) is one such system that has acquired significant popularity in India. UPI enables users to instantaneously transfer funds between bank accounts using smart phones as the primary medium. As UPI adoption continues to skyrocket, it becomes crucial to comprehend the factors that influence consumer satisfaction within this ecosystem. Customer satisfaction is an essential metric for gauging the success and longevity of any payment system. Customers who are satisfied are more likely to engage in recurrent transactions, promote the platform, and contribute to its expansion. Consequently, it is crucial for UPI providers, policymakers, and industry stakeholders to investigate the factors that influence consumer satisfaction in UPI.

This research paper's objective is to investigate and comprehend the factors that influence consumer satisfaction in UPI. This study aims to contribute to the existing body of knowledge regarding consumer satisfaction with digital payment systems and to provide UPI providers and policymakers with actionable insights. The findings of this study can ultimately contribute to the growth and development of UPI and India's broader digital payments landscape.

Several factors can influence UPI (Unified Payments Interface) consumer satisfaction. UPI is a popular digital payments system in India that facilitates instantaneous money transfers between bank accounts using mobile devices.

Here are some factors that can impact consumer satisfaction in UPI:

1. **Ease of Use:** Consumers value a user-friendly and intuitive interface that allows them to navigate through the UPI app or platform effortlessly. A well-designed and easy-to-understand UPI system enhances user satisfaction.
2. **Transaction Speed:** The speed of transactions is crucial for consumer satisfaction. UPI's real-time transfer capability ensures that funds are transferred quickly, contributing to a positive user experience.
3. **Reliability and Security:** Consumers trust a payment system that ensures the safety and security of their financial transactions. UPI users expect robust security measures, such as two-factor authentication, encryption, and fraud detection mechanisms, to protect their personal and financial information.
4. **Seamless Integration:** UPI's compatibility with various banks and payment service providers is an essential factor. Consumers appreciate a wide range of options for linking their bank accounts to UPI and the ability to transact with multiple merchants without any hassle.
5. **Customer Support:** Efficient and responsive customer support is vital for resolving issues and addressing user concerns. Consumers value timely assistance in case of transaction failures, account-related queries, or any other technical difficulties they might encounter.
6. **Transaction Limits and Charges:** Consumers appreciate UPI systems that offer reasonable transaction limits and minimal or transparent transaction charges. Flexibility in transaction limits allows users to meet their payment needs, while transparent charges help consumers avoid any unexpected costs.
7. **Availability of Services:** UPI's availability across different platforms, such as mobile apps, web interfaces, and even feature phones, can contribute to consumer satisfaction. The ability to access UPI services anytime and anywhere enhances user convenience.

8. Merchant Acceptance: The availability of UPI as a payment option at a wide range of merchants and service providers positively impacts consumer satisfaction. Consumers value the convenience of being able to make payments using UPI across various establishments.

9. Rewards and Incentives: UPI providers often offer rewards, cashback, or discounts to users for making transactions. These incentives can contribute to consumer satisfaction, as they feel rewarded for their usage and are more likely to continue using UPI.

10. Consumer Feedback and Continuous Improvement: Consumers appreciate UPI providers who actively seek feedback, address user concerns, and continuously improve their services based on user input. Regular updates, bug fixes, and feature enhancements based on consumer feedback can lead to higher levels of satisfaction.

Overall, a combination of factors such as ease of use, transaction speed, security, customer support, availability, and user-centric improvements can significantly impact consumer satisfaction in UPI

Objectives of Study:

- To identify & analyze the key factors that influence consumer satisfaction in UPI.
- To analyze consumer satisfaction in UPI

Hypothesis:

H0: There is no consumer satisfaction using UPI.

H1: There is consumer satisfaction using UPI.

Research Methodology of the Study:

Primarily Primary Data are evaluated and analyzed critically for this study. The principal sources consist of UPI users. A study is conducted in the sampled regions to determine its impact, and a thorough questionnaire is designed to capture pertinent information from the primary source for the researchers' guidance. With the aid of the questionnaire, in-depth discussions were conducted with specific sources of primary data in order to comprehend their perspectives, thoughts, and attitudes, which would aid in providing the researchers with any useful recommendations.

Research Area:

Researchers chose UPI users from Amravati and its suburbs. Seventy users of UPI have been sampled for research. The researcher gathers information from both Primary and Secondary sources. Seventy questionnaires were distributed to respondents by the researcher.

REVIEW OF LITERATURE

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) launched by the national payment corporation of India (NCPI) is one of the most excellent, modernized, and cost-effective innovations that has the potential to leave an indelible mark on the Indian economy, which has already made significant strides towards digitization. In the past few years, India's payment systems have endured significant change. The implementation of mobile and card-based payment systems are two essential components of this initiative. In this study, the researcher seeks to determine the customer's preference for unified payment interface as well as the effect unified payment interface has on customer satisfaction.

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 Issue6, April 2019: With the introduction of telegraphic mode of payment in the 1920s, e-banking (the use of electronic mediums such as telephones, mobiles, the internet, etc.) for banking services emerged in the United Kingdom and the United States. By 1960, electronic fund transfers and credit cards were prevalent in these nations. The concept of web-based finance began in the 1980s. Traditional banking in India, namely branch banking, was converted to e-banking in the 1990s, with ICICI bank being the first to introduce internet banking services. Currently, the majority of banks in India offer e-banking services or products, such as ATM, mobile banking, tele-banking, electronic clearing services, and smart cards, among others. Mobile banking is the concept of offering banking services through mobile applications and internet banking. The expansion of the internet and advancements in communication and technology have compelled banks in India to introduce mobile banking services in order to compete. All of the selected independent variables (Security, Perceived simplicity of use, Customer service, Transaction speed) were found to have a positive correlation with the dependent variable customer satisfaction. The significant relationship between speed and customer service demonstrates a positive relationship.

Limitations of the study:

- Additional variables could be introduced for the purpose of a comprehensive study.
- The study is founded on data from a limited time period.

Data Analysis

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

Testing of Hypothesis

Sample mean (\bar{x}): 1.24

Population standard deviation (σ): 0.43191

Sample size (n): 70

Hypothesized population mean (μ): 1.5

To calculate the Z-test statistic, we can use the formula:

$$Z = (\bar{x} - \mu) / (\sigma / \sqrt{n})$$

Substituting the values, we get:

$$Z = (1.24 - 1.5) / (0.43191 / \sqrt{70})$$

Calculating the above expression, the Z-test statistic is approximately -2.462.

To find the p-value associated with this Z-test statistic, we can consult a standard normal distribution table or use a statistical calculator. Assuming a two-tailed test, the p-value can be calculated as:

$$p\text{-value} = 2 * (1 - \Phi(|Z|))$$

Where Φ represents the cumulative distribution function of the standard normal distribution.

Using the Z-test statistic -2.462, the calculated p-value is approximately 0.0137.

Therefore, with a significance level of 0.05, since the p-value (0.0137) is less than the significance level, we would reject the null hypothesis. This suggests that there is evidence to conclude that the sample mean is significantly different from the hypothesized population mean.

FINDINGS:

The results of the z-test confirm the hypothesis that UPI users express consumer satisfaction. The statistical analysis reveals a significant difference in consumer satisfaction, indicating that UPI meets the requirements and expectations of its users.

CONCLUSION

Consumer satisfaction is of the utmost importance in today's fast-paced world, and factors such as usability, transaction speed, rewards, and incentives play a crucial role in achieving it. UPI (Unified Payments Interface) has excelled in these areas, providing consumers with an effortless experience. With its user-friendly interface and intuitive layout, UPI enables even technologically naïve users to navigate without difficulty. In addition, the lightning-fast transaction speed of UPI eliminates the annoyance of waiting for payments to be processed, thereby enhancing consumer convenience. In addition, the inclusion of rewards and incentives adds an additional layer of delight, encouraging consumers to select UPI for their payment requirements. Undoubtedly, UPI's extraordinary performance in these areas has contributed to its extraordinary consumer satisfaction.

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