A STUDY ON FINTECH WITH REFERANCE TO CONSUMER PREFERANCE AND SATISFACTION TOWARDS UPI PAYMENT SYSTEM

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Abstract: Unified Payments Interface is an instant real-time payment system developed by National Payments Corporation of India. The interface facilitates inter-bank peer-to-peer and person-to-merchant transactions.It is used on mobile devices to instantly transfer fund between two bank accounts. National Payments Corporation of India was established by the Reserve Bank of India and Indian Banks Association. NPCL International Payments Limited, a wholly owned subsidiary of National Payment Corporation Limited. NPCL International Payments Limited is tasked with responsibility of exporting National Payment Corporation of India Limited's indigenously developed offerings and technological acumen to foreign markets,revolutionizing the global payments landscape. The primary focus is to promote internationalization of Rupay and UPI along with few more offerings of NPCL. The United Payments Interface has made it entry in domestic and international payment markets as major instrument to promote Digital India Policy of the Government. UPI initiative of India is internationally accepted in other countries namely Nepal, Bhutan, Singapore, Malaysia, UAE, France, United Kingdom, Oman and Europe. In this background, the present research article attempts to analyze customers'preference in domestic transactions for UPIs usage through platforms/Apps such as PhonePe, Paytm, Google Pay, BHIM App, Mobikwik, Uber, Chillr, Paytm Payments bank. The research article also attempts to find problems encountered by customers in domestic transactions while using UPIs Apps. The research article draws its inputs from primary and secondary sources. A structured questionnaire is prepared to elicit responses of the customers. For Secondary sources, recourse is made to publications in books, journals and reports of government and non-government agencies.

KEYWORDS : Unified Payment System (UPI), National Payments Corporation Of India (NPCI) International Payments Limited (NIPL).Reserve Bank of India (RBI)

I. INTRODUCTION

UPI IS revolutionary real time payment developed by national payments corporation of India (NPCI) The interface facilitates inter-bank peer-to-peer (P2P) and person-to-merchant (P2M) transactions .It is used on mobile devices to instantly transfer funds between two bank accounts. It runs as an open source application programming interface (API) on top of immediate Payment Service (IMPS),[and is regulated by the Reserve Bank of India (RBI). UPI model was introduce in back in april 2016. Only after 8 months of short span government of India announced the demonetisation and in post demonetisation period has paid important role in the growth of digital payments in India. Also government of India has support the cashless transaction From 8 June 2022, RBI allowed linking RuPay credit cards with UPI. Customers can now make credit card payments using UPI, in the absence of a physical card. NPCI is working on a real-time feature that will reduce the 24 hours time period taken by banks to unblock funds over time-out or transaction decline to 30 seconds. The service was officially launched on 20 September 2022.As part of financial inclusion initiative, NPCI with fintech start-up Naffa Innovations with their product ToneTag in 2021 started working on developing a voice-based payment service for feature phone users in low connectivity zones over UPI payment ecosystem under Interactive Voice Response (IVR) project. The system will use Dual Tone Multi-Frequency (DTMF) signalling technology with two-factor authentication (2FA) flow for peer-to-peer (P2P) transaction. From September 2020 to June 2021, it was under beta testing while awaiting RBI approval for large scale deployment.

REVIEW OF LITERATURE

1) K. Devi and Devadutta Indoria (2021) in their study brings out advent of technologies such as Electronic Data Interchange (EDI) and Electronic Funds Transfer(EFT) in promotion of ecommerce and innovation in instruments facilitating users' access to business information and business transactions.

2)Ashish Baghla (2018) in his study of 110 respondents through structured questionnaire and drawing inputs from secondary sources found that government efforts in making Indian economy is showing sign of success. There are constraints in achieving target of making entire economy cashless in near future.

3) K. Suma Vally and K. Hema Divya (2018) explored Customers' perception on DigitalPayment in India and recommended measures to induce customers' awareness on benefits of e-banking coupled with security aspects.

4)Sana Khan and Ms. Shreya Jain (2018) in their study of 100 respondents through astructured questionnaire found users acceptance of e-payments expanding. The study alsobrings out problems faced by Students in e-payments.

Objectives of the study

1) To study customers' preference in domestic transactions for UPIs usage through various platforms/Apps.

2) To study problems faced by customers in payments/ transactions while using UPIs.

RESEARCH METHODOLOGY

Research design**:** This is a descriptive study based on the primary and secondary data.

Data Collection: Primary source by structured questionnaire

Secondary data from various publications by the central or the state government or by any organizations, journals, books, magazines, newspapers and published reports

Sample Size: 149 respondents in Vadodara City.

Method of Sampling: Convenience Sampling

SOURCE OF DATA :

Data for the study was collected from primary as well as secondary sources.

1. Primary Sources of Data Collection –

For this research primary source of data collection was done by survey method. The survey was conducted through Structured Questionnaire which was asked to the respondents. The questionnaire was prepared keeping in mind the objectives of the study and also the hypothesis of the study. The questions asked to the respondents were close end so that the respondents could answer quickly without any problem. The questionnaire was prepared with the help of Google forms.

The questionnaire was divided in to 2 main parts i.e the age, gender and other details of the respondents and the questions relating to the topic.

2. Secondary sources of Data Collection:-

Secondary sources are the data that is already available on various platforms. We have obtained secondary data by various publications by the central or the state government or by any organizations, journals, books,, magazines, and even newspapers, reports published by various organizations, schools, universities etc.

This data we collection is used to gain more knowledge of the topic of our research by collecting articled by authors who have previously researched on the topic that we have selected. In this study secondary data was collected through various websites, online journals, which helped in completing the review of literature. Secondary source of data collection was useful to understand the research topic more accurately.

HYPOTHESIS :

H0: There is no relationship between UPI payments and customers' satisfaction.

H1: There is relationship between UPI payments and consumer satisfaction.

ANALYSIS AND RESULT

Customers' perception and satisfaction towards the UPI

Particular	5	4	3	2	1	Total
Acceptance by merchants	58	49	23	14	5	149
Cost saving	45	30	38	19	17	149
Time saving	65	36	21	10	17	149
Accessibility	49	45	27	11	17	149
Security	33	57	28	14	17	149
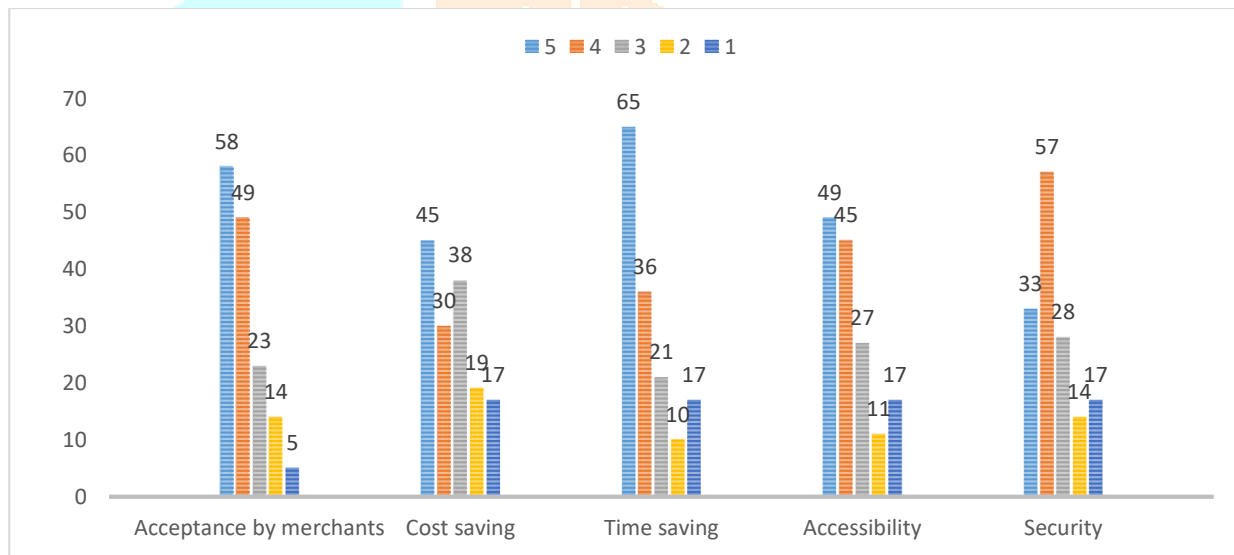
preference on UPI apps

UPI Application used		
UPI Apps	Frequency	Percentage
Google pay	97	65.1
Phone pe	24	16.1
Paytm	15	10.1
BHIM	2	1.3
Amazon pay	3	2.0
Other	8	5.4
Total	149	100

Source: Internal Analysis from Structured Questionnaire
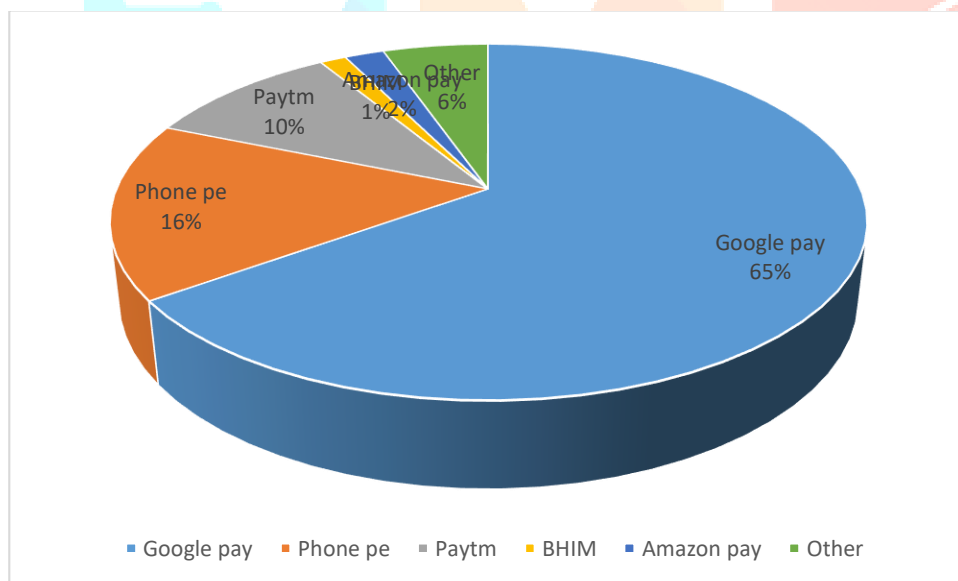
FINDINGS :

1. Many people are prefer the UPI over the cash transaction as it is easy in use as well as time saving

2. People do prefer the UPI over the cash because it is easy to carry a smart phone than cash, as we can lose track of cash

3. Our survey has observe the most preferred Application is Google pay followed by the phone pay, both Google pay and phone pay combine are having the more than 81 % share in the survey while other applications are having 19 % share in survey

4. Amazon pay is the application which offer the most number of cash backs and offers

5. Security concern is very high amongst respondents of UPIs. The security trust is higher in phone pay and Google pay than other applications

6. Users with multiple UPI Applications are getting the cash backs, rewards and offers.

7. There is a need to create customers' awareness for the use of UPIs platforms/apps,

CONCLUSION :

The Null hypotheses are rejected as customers' satisfaction is higher for all UPIs platforms/Apps. UPI users are quite satisfied with the overall usage of Unified Payment Interface (UPIs) Application.

LIMITATION OF STUDY :

This study is limited to target respondents in one location. This study is therefore inadequate to find application in measuring satisfaction of people in different locations in States of India.

SUGGESTION :

1: Policy makers need to create awareness for usage of UPIs to customers in payments and transactions.

2: More stringent regulatory provisions are required to curb misuse of technology by the wrongdoers to create trust in minds of users of UPIs.

3: Technology literacy amongst users of UPIs will be required to promote UPIs usage in public domain.

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