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Customers Satisfaction towards UPI Payment System (Special Reference to Bengaluru)

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Abstract: : The study aims to evaluate the performance of digital payment platforms, including multiple methods such as debit/credit cards, online banking, mobile wallets, digital payment applications number, and Unified Payment Services Interface (UPI). UPI, a pioneering system that brings together various banking features, money routing, and carrier billing seamlessly in a single mobile application across participating banks, offers customers flexibility for convenient transactions, anytime, anywhere. By leveraging the peer-to-peer request collection mechanism, users can schedule and execute payments according to their requests, making money transfers as simple as sending a text message on a mobile device. This study aims to gain insight into the functional efficiency of UPI applications, privacy understanding, limitations and user satisfaction, shedding light on the service quality provided by the platform, UPI payments offered to the people of Bengaluru.

Index Terms - Electronic payment, Digitalization, Privacy issues, Unified Payment Interface

I. Introduction

Technological developments have reshaped the payments landscape in India, significantly driven by the post-monetization era and government-led initiatives to promote cashless transactions face. Data from the Reserve Bank of India and National Payments Corporation of India shows a significant increase in digital transactions, totaling about 11.8 billion in the first half of the current financial year. The ubiquitous presence of smartphones, which have become an integral part of individuals' online personal, professional, and financial interactions, has particularly catalyzed the digital payments market. The seamless integration of various apps and technologies into daily life through the smartphone ecosystem has further accelerated this trend. Factors such as readily available internet connectivity, easy one-touch access, and strong security measures have driven the adoption of one-touch payment solutions.

Realizing the potential of smartphones and technology in facilitating seamless and cashless financial transactions, the Indian government has introduced an important product, Payment Interface unified (UPI). The Reserve Bank of India and NPCI play a key role in promoting a digital payments culture, emphasizing the need for speed, security, and convenience in the payment system. The RBI's blueprint for a digital transaction economy highlights several prerequisites for an ideal payments system, many of which are met by UPI. Notably, UPI meets criteria such as security, efficiency, interoperability, authorization, accessibility, inclusivity, and compliance with global standards, as outlined in the RBI vision about future payment systems.

Literature Review:

The Unified Payments Interface (UPI) has dramatically changed the digital payments landscape in India, with adoption and usage rates steadily increasing (Baliyan, 2023). The growth of UPI was facilitated by its ease of use and security, making it a preferred payment method over cash (Harikrishnan, 2023). Despite its success, UPI faces challenges, including the need to continuously innovate and manage transaction volumes (Mc, 2023). However, the future of UPI in India looks bright with the potential to further boost the country's vision of a cashless economy (Baliyan, 2023). The development of digital payment platforms has important implications in terms of wellbeing, resilience and interoperability (Chiu, 2021). These platforms challenge traditional payment standards and are likely to replace them in the future (Hjelholt, 2012). The advent of new technologies and changing user needs are driving the development of these systems (Teker, 2022). However, the transition to a cashless economy and the adoption of blockchain and crypto currency are raising concerns about the future of digital payment systems (Teker, 2022). The issue of privacy in digital payments, especially in systems like Bit coin, is of concern to researchers. Chaum (1982) emphasized the need to balance privacy and security in electronic payments. Both Khalilov (2018) and Ben-Sasson (2014) discussed the privacy implications of Bitcoin, then proposed a decentralized anonymous payment system called Zerocash. Androulaki (2013) also highlighted privacy concerns with Bit coin due to its public trading announcement. These studies collectively highlight the importance of addressing privacy issues in digital payment systems.

Objectives:

- To understand the status of UPI payments in India
- To assess the customer satisfaction towards UPI payments

Hypotheses:

H_0 : UPI payments has not created positive satisfaction among users

H_1 : UPI payments has created positive satisfaction among users

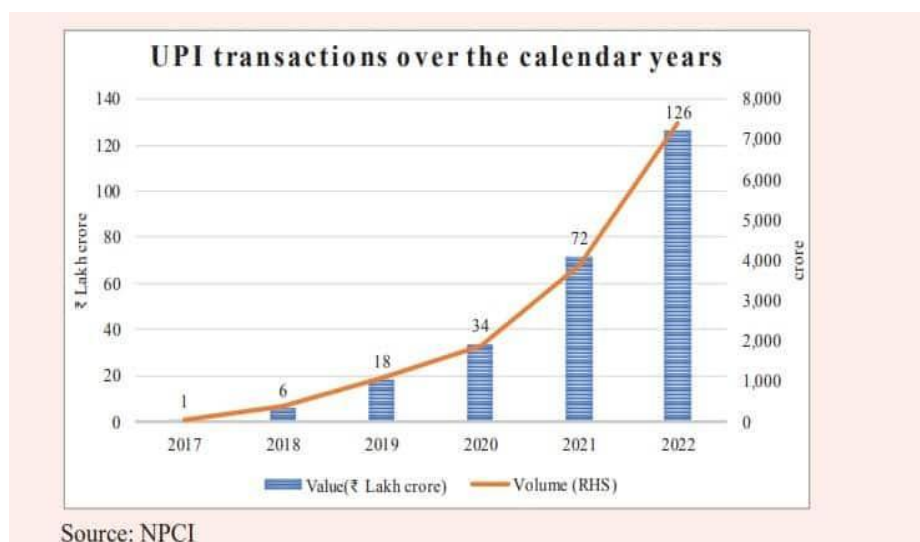
II. RESEARCH METHODOLOGY

The aim of the current study is to assess the customer satisfaction level of UPI users. The study area is confined to Bengaluru urban District of Karnataka state. Questionnaire is used as survey instrument. Convenient sampling adapted to for sample selection. Validated survey instrument utilized to collect data from final 100 respondents. ANOVA used to measure the level of users satisfaction towards UPI.

prices and interest rate, so the more volatility will be there in the market if the behaviors of the investors are more sensitive. Plethora (2002) has tested interest rate sensitivity to stock market returns, and concluded an inverse relationship between interest rate and stock returns. Nguyen (2010) studies Thailand market and found that Interest rate has an inverse relationship with stock prices.

Level of UPI Payments in India:

Figure No 01: Showing Growth of UPI Payments



UPI is becoming increasingly popular as a payment method for online purchases, despite the fact that a significant portion of its transactions are peer-to-peer. Whether payment apps are created by the private sector or the government, it is imperative to encourage people to use cashless payment methods by offering them various incentives. Refunds vary by streamlining, securing and making the payment process transparent, people's lives will become easier.

Customer Satisfaction towards UPI payment

H0: UPI payments has not created positive satisfaction among users

Table No 01: Showing Level of Satisfaction among Users

ANOVA						
Service based satisfaction		Sum of Squares	df	Mean Square	F	Sig.
Fund Transfer	Between Groups	47.432	3	15.144	161.03	0
	Within Groups	9.999	96	0.083		
	Total	54.34	99			
Bill Payments	Between Groups	56.5	3	18.197	333.58	0
	Within Groups	5.203	96	0.056		
	Total	61.903	99			
Recharge	Between Groups	173.69	3	61.23	218.07	0
	Within Groups	28.28	96	0.274		
	Total	212.76	99			
Privacy	Between Groups	4.385	3	1.358	1.151	0.319
	Within Groups	121.575	96	1.236		
	Total	134.96	99			

Source: Primary Data

Based on the findings presented in Table 01, examination of user satisfaction levels with the UPI payment system indicates that 12% of participants express strong concurrence regarding the enhancement of user satisfaction through UPI services. Moreover, 38% of respondents indicate agreement with the notion that utilizing the UPI payment system has broadened their payment choices. Conversely, 28% of participants express neutrality or report experiencing minimal change, while 13% express disagreement. Consequently, the data depicted in the table suggests a general inclination towards satisfaction among users of UPI services. Hence the null hypotheses rejected. There is a positive satisfaction towards UPI payments among users.

FINDINGS

- The predominant choice for conducting transactions among respondents is an online UPI payment gateway.
- Users tend to exhibit a favorable level of satisfaction with the services provided by UPI.

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