



UNIFIED PAYMENT INTERFACE – IMPACT OF UPI IN CUSTOMER SATISFACTION

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ABSTRACT: 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 reviled that there is a positive impact or perception by the customers towards unified payment interface.

Keywords: Unified Payment interface, Digital Payment, Security, Cashless Transactions

INTRODUCTION

Unified Payments Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India facilitating inter-bank transactions. The interface is regulated by the Reserve Bank of India and works by instantly transferring funds between two bank accounts on a mobile platform.

UPI PRODUCT

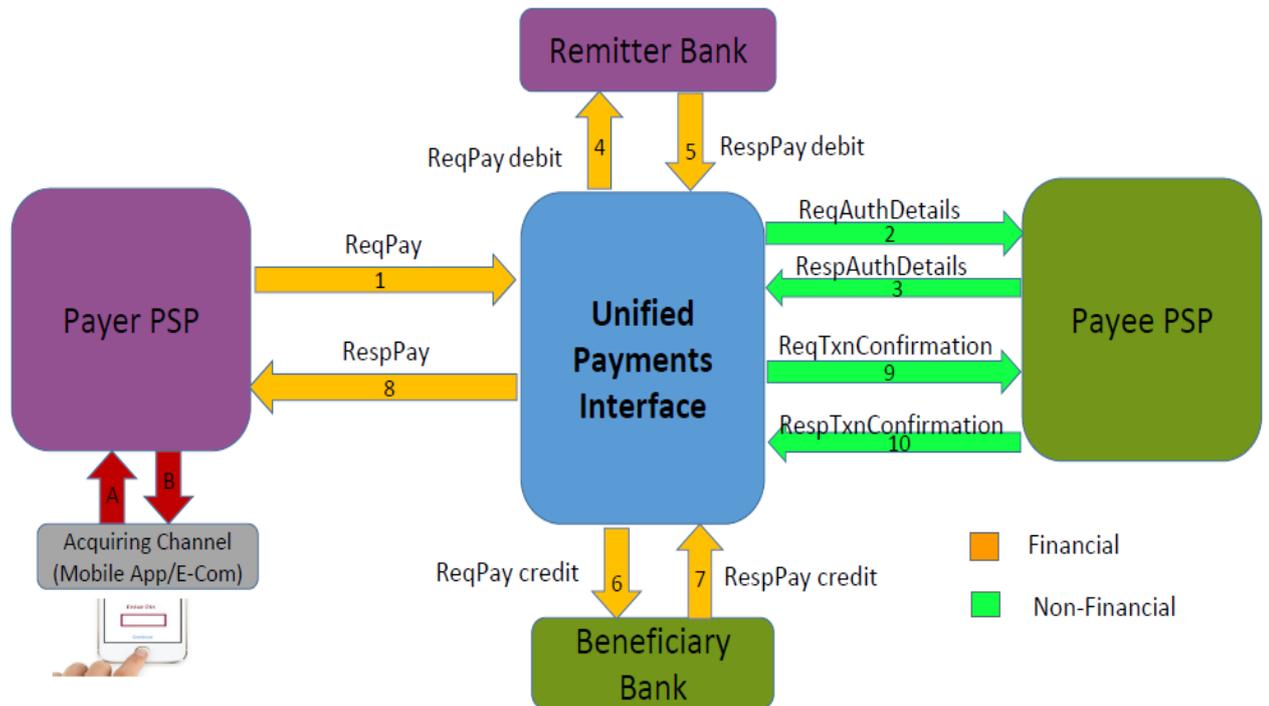
1. Financial Transactions: UPI supports the following financial transactions.

Pay Request: A Pay Request is a transaction where the initiating customer is pushing funds to the intended beneficiary. Payment Addresses include Mobile Number & Mobile Money Identifier (MMID), Account Number & IFSC and Virtual ID.

Collect Request: A Collect Request is a transaction where the customer is pulling funds from the intended remitter by using Virtual ID.

2. Non-Financial Transactions: UPI will support following types of non-financial transactions:

- Mobile Banking Registration
- Generate One Time Password (OTP)
- Set/Change PIN
- Check Transaction Status
- Raise Dispute/Raise query



Pay Money on UPI through Mobile (Source: International Journal of Applied Science and Engineering)

REVIEW OF LITERATURE

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's find out the below review of literature which is relevant for in this study.

Somanjoli Mohapatra (2017) In their study reported that the single interface across all NPCI systems besides creating interoperability and superior customer experience. The UPI seeks to make money transfers easy, quick and hassle free. The proliferation of smart phones, the availability of an online verifiable identity, universal access to banking and the introduction of biometric sensors in phones will proactively encourage electronic payment systems for ushering in a less-cash society in India.

Radhika Basavaraj Kakade, Prof. Nupur A. Veshne (2017) In their study reported that the UPI has made digital transaction for individuals as easy as sending text messages. Service is available 24X7, not like RTGS or NEFT which don't work on holidays or during non-banking hours. This will bring enormous efficiency in the system and help India become a truly cashless economy.

Roshna Thomas, Dr. Abhijeet Chatterjee (2017) The study reported that UPI is a tool with compatible features that can make monetary transactions easy and affordable to the customers though it is difficult to sideline the challenges. A strong Aadhar platform (UID) combined with statistics for the country pertaining to increased financial inclusion, Smartphone adoption and telecom subscription indicate positive prospects for UPI whereas competition from mobile wallets and possible cases of failure from banks to overcome technical errors especially relating to the front-end platform designed by them may negatively impact the scope of this innovative payment tool.

Ravish Rana (2017) In their study reported that adoption of digital payment is influenced by the education level of the customer. If a person has studied beyond matriculation and internet savvy, he or she will be inclined to use the digital payment mode. It was also found that in the areas/region where education level is high such as Delhi NCR and other metropolitan area, the possibility of acceptance of digital payment is much higher. The growth of users of Smartphone and internet penetration in such area also facilitated the adoption of digital payment.

IMPORTANCE OF THE STUDY

Unified payment interface is the one of the recent innovation introduced by national payment corporation of India. After the implementation of UPI there is a dramatic changes in the payment method. Hence it is important to know the benefits and drawback of UPI services and customer perception towards new innovation adopted by the national payment corporation. 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.

OBJECTIVES

- To analyse the impact of UPI in customer satisfaction
- To identify the variance between UPI services and traditional services
- To identify the varies usages of unified payment interface
- To identify there is any relationship between respondents education and occupation towards UPI services

HYPOTHESIS

H1o	There is no impact of UPI in customer satisfaction
H1a	There is an impact of UPI in customer satisfaction
H2o	There is a no variance between customer perception towards UPI services and traditional services
H2a	There is a variance between customer perception towards UPI services and traditional services
H3o	There is a no relationship between occupation of the respondents and using UPI services
H3a	There is a relationship between occupation of the respondents and using UPI services
H4o	There is a no relationship between education of the respondents and using UPI services
H4a	There is a relationship between education of the respondents and using UPI services

DATA ANALYSIS AND INTERPRETATION

To analyse the impact of unified payment interface in customer satisfaction, the researcher used regression analysis.

Table: 1.1

Dependent Variable	Impact of UPI in customer satisfaction
Predictors (Independent Variable)	Cost, Details required, Security, Speed, Procedures, Convenience, Discount & Offers
R Square Value	36.24

F value of the model	3.12
Significance	0.005

In the above table R Square Value = 36.24% which means 36 percentage positive impact on the customers towards UPI services than traditional services. The F value of the model = 3.12 and significant value =0.005 which is less than .05 so the researcher reject the null hypothesis and accept the alternative hypothesis. That means there is a positive impact of UPI services towards customer satisfaction.

H1	H1o	There is no impact of UPI in customer satisfaction	Rejected
	H1a	There is an impact of UPI in customer satisfaction	Accepted

To identify the variance between unified payment interface services and traditional services the researcher used F-Test.

Table: 1.2

Features	Customer Response (Mean Value)	
	Traditional Services	UPI Services
Cost	2.68	3.24
Details required	1.92	3.25
Security	2.45	2.11
Speed	2.56	3.56
Procedures	1.68	3.85
Convenience	2.26	3.33
Discount & Offers	1.32	3.58

Table: 1.3

F-Test Two-Sample for Variances		
	Traditional Services	UPI Services
	Variable 1	Variable 2
Mean	2.12428571	3.274285714
Variance	0.3111619	0.251528571
Observations	7	7
df	6	6
F	0.80835272	
P(F<=f) one-tail	0.40138619	
F Critical one-tail	0.23343402	

From the above F-test table we could see that mean value of the variable 1 is **2.12428571** and mean value of the variable 2 is **3.274285714** and also F-critical value (**0.23343402**) is less than F value (**0.80835272**). Hence the researcher reject the null hypothesis and accept the alternative hypothesis.

H1	H1o	There is a no variance between customer perception towards UPI services and traditional services	Rejected
	H1a	There is a no variance between customer perception towards UPI services and traditional services	Accepted

To analyses the various facilities provided by the UPI, the researcher used Mean statistics.

Table: 1.4

UPI Uses	Customer Respond (Mean Value)
Fund Transfer	3.12
Purchase Transactions	3.48
Bill Payments	3.08
Online Transactions	3.52
Non-Financial Transactions	3.22

From the above table it is clear that, customer mostly approaching UPI facilities due to online transactions, purchase transactions and fund transfer. As per the table we could see that customer interested in UPI and they are providing convenient and flexible services to the customer.

To identify the relationship between Education and occupation of the respondents towards UPI services, the researcher used ANOVA test

Table: 1.5

Characteristics	Education		Occupation	
	F	Sig	F	Sig
UPI Used	2.11	0.001	0.216	0.024
Frequency of using UPI	1.96	.000	0.569	0.146
Convenience in Use of digital payment mode	2.56	0.004	0.056	0.001
Secured Transaction	1.85	0.012	0.751	0.235
Time Saving through digital payment mode	2.67	0.021	0.185	0.041
Acceptance Wallet/digital payment mode	3.01	0.001	0.012	0.314
Price of Using digital payment mode	3.42	.000	0.821	0.189

The result of ANOVA computation shows that no significant differences are perceived respondents on the basis of occupation. This lead to accept the null hypothesis and reject the alternative hypothesis.

H1	H3o	There is a no relationship between occupation of the respondents and using UPI services	Accepted
	H3a	There is a relationship between occupation of the respondents and using UPI services	Rejected

However significant differences are perceived by respondents for majority of attributes of UPI services on the basis of their education. Hence we reject the null hypothesis. This indicted that education play a significant role in acceptance of UPI services. Educated person are more inclined to use the UPI services.

H1	H3o	There is a no relationship between education of the respondents and using UPI services	Rejected
	H3a	There is a relationship between education of the respondents and using UPI services	Accepted

CONCLUSIONS

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. Educated person are more inclined to use the UPI services. The growth of users of Smartphone and internet penetration in such area also facilitated the adoption of UPI services.

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