A STUDY ON CUSTOMER AWARENESS AND SATISFACTION OF UPI TRANSACTION WITH SPECIAL REFERENCE TO KELAMBAKKAM BLOCK

Mrs.D.SONALI
III B.COM
School of Arts and Science
Vinayaka Mission's Research Foundation (Deemed to be University)
Chennai – 603 104
&
Dr.R.KAMARAJ.,Ph.D.,
Assistant Professor, Department of Commerce
School of Arts and Science
Vinayaka Mission's Research Foundation
Deemed to be University– Chennai. 603 104.
kamaraj019@gmail.com

Abstract

The simplicity, security, and efficiency of Unified Payments Interface (UPI) transactions have made them indispensable in contemporary banking and trade. These platforms provide immediate monetary transfers between bank accounts, streamline online payment processes, and foster financial inclusivity by extending access to financial services to individuals who lack access to conventional banking facilities. In addition, UPI transactions play a significant role in the process of digitizing the economy by diminishing reliance on physical currency and facilitating smooth transactions across diverse platforms and services. The utilization of UPI transactions has become a fundamental aspect of contemporary banking and commerce, providing exceptional levels of simplicity, security, and efficiency.. UPI transactions are facilitating the shift towards a cashless society, promoting economic growth, and enabling individuals and businesses to engage in the digital economy through improved security measures and an innovative framework. This reference examines the level of customer awareness and satisfaction about UPI transactions, specifically focusing on the Kelambakkam Block.

Keywords: Unified Payments Interface, Banking, Online Payments, Transactions and 24/7 availability.

Introduction

The Unified Payments Interface (UPI) is a distinctive payment solution that facilitates instantaneous settlement of funds between two bank accounts. The primary benefit of utilizing UPI is the elimination of the necessity to recall your bank account information while conducting a cash transfer. The UPI payment system provides a convenient and safe method for financial management. Here are some essential: Immediate: The movement of funds occurs directly between accounts in real-time, hence eliminating the need for intermediaries such as banks. UPI offers round-the-clock access, distinguishing it from traditional banking institutions by enabling transactions at any time and from any location. UPI provides several essential functions. Users have the ability to retrieve their balances and transaction history, as well as send and receive funds. In order to transfer funds, individuals require an account number, the Indian Financial System Code (IFSC), the recipient's

mobile number, and a virtual ID or Aadhaar number (similar to a Social Security number).

STATEMENT OF THE PROBLEM

The digital payment landscape in India has undergone significant advancements in recent years, characterized by the emergence of several payment platforms and applications. The launch of the Unified Payments Interface (UPI) in 2016 has emerged as a highly notable advancement in this particular domain. The UPI, an instantaneous payment system, has been established by the National Payments Corporation of India (NPCI) to facilitate instantaneous transfers of funds between bank accounts through mobile devices. UPI has had substantial growth since its inception, achieving a transaction volume of over Rs.4 trillion in January 2022, with over 2 billion transactions. In light of the increasing prevalence of UPI, it is imperative to comprehend its influence on the acceptance and utilization of digital payment systems inside the Indian context. The objective of this study is to examine the influence of Unified Payments Interface (UPI) on the acceptance and utilization of digital payments in India. The study will specifically evaluate the factors that affect consumer behavior and the difficulties faced by consumers inside the UPI system.

REVIEW OF LITERATURE

The literature review can be classified as a form of review article. In this context, a literature review can be defined as an academic document that provides an overview of existing knowledge, encompassing significant findings, as well as theoretical and methodological advancements pertaining to a specific subject matter. Literature reviews are considered secondary sources and do not present novel or inventive experimental research. Typically linked to scholarly literature, these reviews are typically found in academic journals and should not be mistaken for book reviews, which may also be published in the same journal. Literature reviews serve as a fundamental foundation for research across a wide range of academic domains.

The current literature review has four key sections that mostly pertain to the research endeavor.

1. The Awareness of UPI Transactions
2. The Preference for UPI Transactions
3. The satisfaction of UPI transactions.

4. Features of UPI Transaction

The Unified Payments Interface (UPI) is a real-time payment system that has been established by the National Payments Corporation of India (NPCI), as observed by **Bharath (2023).** The interface enables transactions between banks in both peer-to-peer (P2P) and person-to-merchant (P2M) settings. This technology is employed on mobile devices to facilitate immediate fund transfers between two bank accounts.

In their study, **Pushkala and Pappeswari (2021)** proposed that UPI facilitates direct payment from a customer's bank account to many retailers, encompassing both online and offline platforms. This eliminates the need for manual input of MasterCard card information, IFSC code, or net banking/wallet passwords. The National Payments Corporation of India (NPCI) has designed the interface. Its objective is to streamline and provide a unified interface for all NPCI systems, while also ensuring compatibility and enhancing the client experience.

According to the findings of **Sowbarnika and Vasanthakumar (2019)**, UPI has emerged as a prominent E-Banking technology in India during the digital era, garnering a favorable degree of consumer satisfaction. The survey also indicates that UPI users possess a robust favorable image of banking technology, as evidenced by their adoption and utilization of such technology.

In their study, **Yuvarani and Vanitha (2019)** observed that Google Pay and PhonePe have significantly transformed the landscape of digital payments in India, emerging as pivotal platforms for facilitating online transactions. Nevertheless, both possess potential for enhancement. Ultimately, the primary objective of users in relation to Payment applications is to expedite the payment process while minimizing the time investment, given that they are already allocating financial resources.

Thangajesu Sathish and Sornaganesh (2023), the act of making payment is mostly driven by considerations of convenience, security, and speed. The payment system in India has progressed from the barter system to currency, into card payments, and finally to digital payment methods. The primary apprehension among consumers and a crucial determinant for the acceptance of UPI

payments is security. India is predominantly reliant on cash transactions, despite the growing adoption of digital payment methods. However, there remains a lack of awareness among individuals regarding security, data

OBJECTIVES OF THE STUDY

1. To know the UPI transaction in India.
2. To study the awareness about the UPI transaction in Kelambakkam Selected Respondents.
3. To identify the customer satisfaction of UPI transaction in Kelambakkam Selected Respondents.

SCOPE OF THE STUDY

This research focuses on gathering factual information about the performance and customer satisfaction of UPI transactions, specifically in the Kelambakkam neighborhood. This study focuses only on examining customer satisfaction with UPI transactions, specifically in the context of Kelambakkam and its beneficiaries.The analysis of the operational performance of UPI transactions and its impact on customer satisfaction, as well as its influence on socio-economic development, is conducted through the distribution of interview schedules to gather primary data. This study focuses exclusively on the perspectives of young individuals regarding consumer satisfaction with customer views.

METHODOLOGY OF RESEARCH

The research technique is a crucial component of the research process, since it determines the framework and design of the study. Research technique encompasses several elements, including the research's nature, data source, and the tools used for data collecting, sampling, and data analysis.

Nature of Research

The current research investigation adopts a descriptive approach, including both primary and secondary data sources.

Methods of sampling

The researchers employed a Stratified Random Sampling technique to recruit participants for the study on Customer Satisfaction towards UPI Transaction, specifically focusing on the Kelambakkam region.

During the initial phase, a total of eight villages were discovered inside the Kelambakkam region. In the second stage of the investigation, a sample size of 140 respondents (30%) was selected. In the third

privacy, and other related concerns. Consequently, they tend to prefer making payments using cards or cash rather than utilizing UPI applications.

phase, a sample of 20 participants was selected from each hamlet. The sample respondents were selected using proportionate stratified random sampling techniques.

Data Sources

Both primary and secondary data were necessary for the study. Structured interview schedules were utilized to acquire primary data from respondents involved in UPI transactions. Additionally, secondary data was obtained from the RBI Report.

Sampling Size

Sampling size calculator was applied to determine the sample size of the research study;

Table Number 1.1 Sampling Size

S. No	Name of the Village	No. of Questionnaire Issued	No. of Questionnaire Received
1.	Padur	25	20
2.	Thaiyur	25	20
3.	Kazhipattur	25	20
4.	Chenganmal	25	20
5.	Vijaya shanthi	25	20
6.	Kalavakkam	25	20
7.	Koman Nagar	25	20
Grand Total		175	140

Source: Primary Data
Population Size : 1,45,735
Confidence level : 95%
Confidence Interval: 4.36
Sampling Size : 140

Analytical Statistical Tools

The researcher has employed the subsequent instruments for the purpose of analysis: The data analysis involved the application of advanced and suitable statistical procedures, including descriptive statistics for Percentage analysis, Trend Percentages, Chi-square test, t-Test, one-way ANOVA, Correlation, Multiple Regression Analysis,

Factor Analysis, and Structural Equation Modelling (SEM).

Pilot Study

Prior to the commencement of data gathering, a preliminary research was conducted. The pilot study has a sample size of 30 respondents from the study area. The interview schedules were updated and redesigned based on the feedback provided by the respondents, taking into consideration the specific needs and relevance of the study.

Research Field

The research is conducted in Kelambakkam, located in the Chengalpattu district. For the purpose of data collecting and analysis, it is regarded as 'universe'.

Limitations of the Study

The scope of the investigation is limited to Kelambakkam. For this specific study, a sample size of 140 first degree students was chosen using both probabilistic and non-probabilistic methods. One limitation of this study is the inability to encompass all instances of online UPI transactions. Nevertheless, this constraint would not have substantial ramifications on the study's validity, objective, and conclusions due to the enormous sample size and the many marketing techniques employed to engage clients from various locations.

RESULTS AND DISCUSSION

Table Number – 1.1

Demographic Profile of the Respondents

Demographic Profile			
Demographic Profile (N = 140)	Description	Frequency	Percentage
Gender	Male	94	67.15
	Female	46	32.85
Marital Status	Single	84	60.00
	Married	56	40.00
Nature of Family	Nuclear Family	45	32.14
	Joint Fam-ily	95	67.85
Place of Living	Urban	92	65.71
	Semi-Urban	38	27.14
	Rural	11	07.85
Age of the Respondents	25-30	13	9.28
	31-36	39	27.85
	37-42	88	62.85
Educational Qualification	Under Graduate	94	67.14
	Post Graduate	47	33.57
Nature of Education	Arts/Humanities	15	10.02
	Science	9	06.42
	Engineering	65	46.42
	Management	52	37.14
Descriptive Statistics (Age)			
Mean	Std. Deviation	Minimum	Maximum
19.560	1.527	25	42

Table 1.1 shows that the majority of respondents are male (67.15%), single (60%), belong to a joint family (67.85%), live in urban areas (65.71%), are between the ages of 37 and 42 (62.85%), have an undergraduate degree (67.14%), are in engineering (46.42%), and are self-financing/private (66.12%). The review included personnel with ages ranging from 25 to 42 years, with a mean age of 19.560 and a standard deviation of 1.527, as indicated by descriptive data.

Table Number – 1.2

Significant Difference of Customer Perception towards UPI Transactions

Customer Perception Factor (CPF)		Mean	SD	t-test/F value	P value	Inference
Awareness Factor	Social media	22.782	2.634	3.587	0.763	S
	News paper	21.112	3.741			
	Word of mouth	24.324	3.033			
	Advertiseme	23.41	3.01			

	nt	3	0			
Satisfaction Factor	Convenience	26.478	2.555	3.896	0.313	S
	Time Saving	24.032	3.638			
	Price	23.114	2.132			
	Secured	25.235	2.990			

Risk Factor	2.104	0.127	0.087	1.057	0.00 00
Multiple R- value	0.842				
R square value	0.633-				
F- value	35.437				
p- value	0.000				

Note: [**] Denotes significant at 1 % level. [*] Denotes significant at 5 % level.

The R-squared coefficient of determination

The Customer Perception of UPI Transactions does not show any significant variation in the awareness factor (t=3.587, P= 0.763). Therefore, based on the selected significance level of 5%, the null hypothesis has been accepted. When evaluating the customer's perception of UPI transactions, basic information reveal similar viewpoints on issues related to awareness.

The Customer Perception regarding UPI Transactions does not show a significant change in the Satisfaction Factor (t=3.896, P= 0.313). Therefore, based on the selected significance level of 5%, the null hypothesis has been accepted. When evaluating the satisfaction factor (SF) of the Online Shopping group, it is seen that Transactions demonstrate similar viewpoints regarding satisfaction factors.

Table Number 1.3
Customer Satisfaction towards UPI Transactions in the Multiple Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	T	P value
	B	**Std. Error**	**Beta**		
(Constant)	24.534	1.323	-	4.124	0.001
Awareness Factor	3.421	0.063	0.086	13.432	0.000
Satisfaction Factor	5.246	0.127	0.146	8.413	0.000
Knowledge Factor	4.642	0.178	0.034	5.134	0.000

R-Square, also known as the coefficient of determination is a statistical metric that quantifies the degree to which the estimated regression model accurately represents the variability seen in the dependent variables. Quantification refers to the degree to which the regression equation derived from the fitted sample can explain the observed variability.

The R square value is 0.633. The projected Standardized Risk Profile (SRP), which includes the independent variables of Awareness Factor (X1), Satisfaction Factor (X2), Knowledge Factor (X3), and Risk Factor (X4), explains over 83% of the variation in Customer Satisfaction with UPI Transactions. The R-square value demonstrates statistical significance at a significance level of 1%. The F-value obtained from the calculation is 35.437, and it is associated with a p-value of 0.01.

The mathematical equation denoting multiple regressions can be expressed as follows: The summation of the independent variables 24.534, 3.421X1, 5.246X2, 4.642X3, and 2.104X4 yields the value of Y. The coefficient of X2, as stated, is 5.246. This value indicates the partial impact of the Satisfaction Factor, taking into consideration the influence of other independent factors. An affirmative indication in the estimation implies a favorable observable impact. The results suggest a direct correlation between the Satisfaction Factor and Customer Satisfaction towards UPI Transactions, with a relationship coefficient of 5.246 units for every one unit increase in the Satisfaction Factor. The coefficient of value that was assessed demonstrates statistical significance at a significance level of 1%.

Figure No. 1
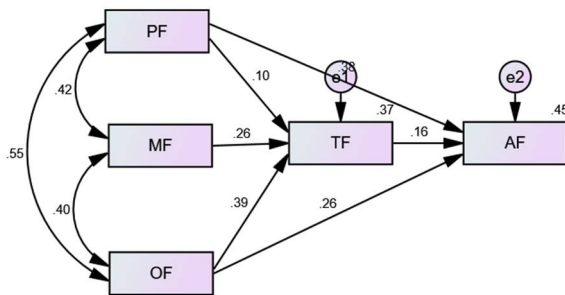**Structural Equation Modeling on Impact of Customer Satisfaction towards UPI Transaction**

Table Number 1.4
Variables in the Structural Equation Model Analysis

Measured Variables		Latent Variable	S W	US W	S. E.	C. R.	P
RF	<---	PF	0.436	0.124	0.034	1.246	0.100
RF	<---	MF	0.327	0.400	0.090	4.456	0.005
RF	<---	OF	0.124	0.646	0.104	6.214	0.005
KF	<---	PF	0.412	0.346	0.082	6.520	0.005
KF	<---	MF	0.243	0.245	0.075	4.170	0.005
KF	<---	OF	0.172	0.174	0.082	2.787	0.005

Note: **Denotes significant at 1% level. *Denotes significant at 5% level

After accounting for the Price factor, Risk factor, and knowledge factor, the unstandardized coefficient of 0.436 signifies the partial impact of performance qualities on Customer Satisfaction towards UPI Transactions. The computed findings indicate a positive influence, as seen by the presence of a positive sign. This means that a one-unit increase in Risk Factors would lead to a 0.436 increase in the impact of Customer Satisfaction with UPI Transactions towards online buying. At a significance level of 1%, the coefficient value exhibits statistical significance.

Recommendations

The primary aim of implementing a digital payment system is to facilitate paperless and cashless transactions within the nation. Consequently, it becomes imperative to coordinate awareness programs aimed at encouraging Indian citizens to adopt digital payment systems. In addition to the utilization of Google Pay and Pay BHIM applications, it is imperative to disseminate information about the remaining apps to the general public and promote their adoption. Continue implementing cash back incentives to incentivize users to utilize digital payment systems.

The primary purpose of the digital payment system is to facilitate the transfer of funds. Precautions must be implemented to facilitate further financial and banking operations. Universities have the ability to use digital payment applications as a means for students to settle their college tuition and examination expenses. If the transactions fail as a result of connectivity or technical issues, they must be resolved promptly.

CONCLUSION

The UPI represents a notable progression in the realm of payment systems, particularly in relation to cost-effectiveness, consumer convenience, settlement efficiency, and security measures. UPI is a mobile application that enables users to transfer funds across different bank accounts. The payment procedure is instantaneous and easy to use. UPI facilitates the direct transfer of funds from a customer's bank account to many merchants, encompassing both online and offline transactions. According to the report, individuals are increasingly cognizant of digital payment systems and opt for UPI applications due to their user-friendly interface and robust security measures. The majority of individuals utilize Google Pay and PhonePe as platforms for transferring funds. Based on the respondents' satisfaction with the digital payment method, they express a recommendation to utilize the services of their acquaintances and relatives. The rise in user numbers contributes to the realization of the Government's 'Digital India' initiative.

The scope of future research

This study aims to get insights into customer perceptions of digital payments, with a specific focus on UPI-based applications like BHIM. An inherent limitation of this study is the limited sample size of 140 respondents. Furthermore, the participants included in the study were well-educated and residing in the metropolitan region of Kelambakkam city.

Additional research can be undertaken on a rural population characterized by a lower level of education and computer proficiency among the respondents. This sample may also have additional challenges related to infrastructure, such as limited access to smartphones and inadequate internet connectivity. These characteristics could perhaps provide a fresh perspective to this investigation.

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