

A Study on Public's Preference on Digital Payments and UPI Apps

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Abstract

The UPI system allows users to transfer finances between bank accounts incontinently, without the need for traditional payment styles like cash or checks. The ease of use and convenience of UPI apps have made them popular among consumers, and they've snappily come a favoured system of payment. still, with multiple UPI apps available in the request, consumers are faced with the challenge of choosing the stylish app that suits their requirements. also, enterprises similar as security, specialized glitches, and payment failures can affect the public's preference for digital payments and UPI apps. Therefore, the purpose of this research project is to examine public preferences for UPI apps and digital payments, as well as the factors influencing these preferences. The study will also look at the many UPI apps that are out now, their areas of expertise, and the benefits of utilising UPI apps for online payments. This study aims to gather important information for businesses and policymakers by providing a thorough understanding of the public's preference for digital payments and UPI apps.

Keywords: UPI, Digital Payment, Public Preference, Banking.

Introduction

The advancement of technology has led to the evolution of digital payments, which has made it more convenient and secure for consumers to transact with businesses. With the introduction of Unified Payment Interface (UPI), digital payments have become even more accessible and user-friendly. It is also essential to consider the impact of these digital payment methods on the economy and society as a whole. For instance, digital payments have the potential to reduce the circulation of black money and promote financial inclusion by enabling individuals who do not have access to traditional banking systems to participate in the economy.

The UPI system allows users to transfer funds between bank accounts instantly, without the need for traditional payment methods like cash or checks. The ease of use and convenience of UPI apps have made them popular among consumers, and they have quickly become a preferred method of payment. However, with multiple UPI apps available in the market, consumers are faced with the challenge of choosing the best app that suits their needs. Additionally, concerns such as security, technical glitches, and payment failures can affect the public's preference for digital payments and UPI apps.

Hence, this research project aims to analyze the public's preference for digital payments and UPI apps, including the factors that influence

their choices. The study will also examine the different UPI apps available in the market, their specialties, and the advantages of using UPI apps for digital payments. By gaining insights into these areas, this study hopes to provide a comprehensive understanding of the public's preference for digital payments and UPI apps and provide useful insights for businesses and policymakers.

Objectives

- To investigate the impact of government policies and incentives on the adoption of digital payments and UPI apps.
- To explore the extent of interoperability among different digital payment providers and its impact on user preference.
- To analyze the role of social norms and cultural values in shaping public preference for digital payments and UPI apps.
- To assess the potential for digital payments and UPI apps to promote financial literacy and education among the public

Methodology

This study has been conducted only through primary data and secondary data. To acquire the primary data questionnaire were used with different people in the target population. The sample size was set at 100 respondents from various occupations and income levels. The purposive sampling method was used. The respondents were selected from different occupations. The questionnaires were designed to assess respondents' knowledge of digital payments and their preferences on it. The questionnaire was administered to the selected respondents, and the data collected was analyzed. The data collected were edited, codified and tabulated according to the needs of the study. The data were further used for statistical analysis to draw inferences and conclusions about the opinions on digital payments, its causes, 7 and its impact on modern world. The response were analyzed and interpreted with the help of statistical tools such as percentile analysis, mean score analysis and garret ranking. The influences of the analysis are presented with the help of graphical and tabular representation.

Developing the Questionnaire

- Defining research objectives clearly to guide questionnaire development.
- Formulating unbiased questions aligned with research goals, utilizing both closed and open-ended formats.
- Pre-testing the questionnaire with a small group to ensure clarity and validity.
- Distributing the questionnaire using Google Forms via email, social media, or other relevant channels.

Literature Review

- Identifying relevant academic sources through databases and search engines.
- Critically evaluating sources for credibility, methodology, and objectivity.
- Analyzing literature to identify key themes, trends, and gaps in knowledge.

Data Analysis

- Analyzing data using statistical software (SPSS) to calculate frequencies, percentages, and correlations.

Integration and Reporting

- Integrating findings from analysis to draw comprehensive conclusions.
- Discussing implications and proposing recommendations for future research or action.

Literature Review

“Factors influencing consumer adoption of mobile payment in India” by Nandy and Dash (2019) This review paper analyzes the factors that influence consumer adoption of mobile payments in India. It highlights the importance of trust, security, and convenience in shaping consumer behavior towards digital payments. The authors suggest that increasing awareness and building trust among consumers is crucial for the growth of digital payment adoption in India.

“Digital payment adoption in India: A literature review” by Raut and Khadse (2018) This review paper provides an overview of the growth of digital payment adoption in India and examines the factors that have contributed to its success. The authors identify the government’s push towards digital payments, increasing smartphone penetration, and the availability of affordable internet as key drivers of adoption. The paper also highlights challenges such as low literacy rates and lack of awareness among rural populations

“A study on the acceptance of digital payment systems in India” by Jain et al. (2017) This empirical study explores the factors that influence the acceptance of digital payment systems in India. The authors identify perceived usefulness, perceived ease of use, and perceived risk as key factors affecting consumer behavior. The study suggests that building trust and improving security measures can increase consumer adoption of digital payments.

“Mobile payment adoption in India: An empirical study” by Patil and Bhaskar (2017) This empirical study investigates the factors that influence mobile payment adoption in India. The authors identify trust, convenience, and security as key factors affecting consumer behavior towards mobile payments. The study suggests that building trust and improving security measures can increase consumer adoption of mobile payments

“A review of digital payment systems in India” by Singh and Kumar (2020) This review paper provides an overview of digital payment systems in India and examines their growth trajectory. The authors highlight the importance of government initiatives such as demonetization and the Digital India campaign in driving adoption. The paper also discusses challenges such as low literacy rates and lack of awareness among rural populations.

“Factors influencing the adoption of mobile payments in India” by Tripathi and Kumar (2018) This review paper analyzes the factors that influence the adoption of mobile payments in India. The authors identify trust, security, and convenience as key factors affecting consumer behavior. The paper suggests that improving security measures and building trust among consumers can increase adoption of mobile payments.

“Adoption of digital payment systems in India: An empirical study” by Goyal and Aggarwal (2018) This empirical study examines the factors that influence the adoption of digital payment systems in India. The authors identify perceived usefulness, perceived ease of use, and perceived risk as key factors affecting consumer behavior. The study suggests that increasing awareness and building trust among consumers can increase adoption of digital payments.

Data Interpretation and Analysis

Reason for using Digital Payment Methods

Reason	Frequency	Percentage (%)
Security	35	35
Cashback offers	26	26
Convenience	25	25
Faster transaction	14	14
Total	100	100

Security was the most commonly selected reason among the 100 respondents, with 35 respondents (35%) indicating that they choose digital payments for its security. Cashback offers were the second most commonly selected reason, with 26 respondents (26%) indicating that they choose digital payment method for the availability of cashback offers or rewards. Convenience was selected by 25 respondents (25%) as a reason for choosing digital payment method. Faster transaction was the least commonly selected reason, with 14 respondents (14%) indicating that they choose digital payment method based on its speed.

Preference on Digital Payment Methods

Preferred Method	Frequency	Percentage (%)
UPIapps	44	44
Mobilewallets	28	28
Net banking	14	14
Debitor Creditcard	14	14
Total	100	100

Out of the 100 individuals, UPI apps were the most preferred method, with 44 respondents (44%) indicating that they prefer using UPI apps to make digital payments. Mobile wallets were the second most preferred method, with 28 respondents (28%) preferring to use mobile wallets. Net banking and Debit or Credit cards were equally preferred by 14 respondents (14%) each.

Trust On Digital Payment Methods

Trust	Frequency	Percentage (%)
Somewhat trust	51	51
Neutral	21	21
Completely trust	19	19
Idon'ttrustat all	9	9
Total	100	100

The majority of respondents, 51 (51%) indicated that they somewhat trust the digital payments 21 respondents (21%) selected the neutral option, 19 respondents (19%) indicated that they completely trust the digital payments. Only 9 respondents (9%) indicated that they do not trust digital payments at all.

Satisfaction on the Usage of UPI Apps

Satisfaction Level	Frequency	Percentage (%)
Some what satisfied	43	43
Very satisfied	31	31
Neutral	16	16
Some what dissatisfied	9	9
Very dissatisfied	1	1
Total	100	100

Out of the 100 individuals, 43 of them reported being somewhat satisfied with their use of UPI apps, representing 43% of the total respondents. 31 individuals reported being very satisfied, also representing 31% of the total respondents. Additionally, 16 individuals reported feeling neutral, representing 16% of the total respondents. 9 individuals reported feeling somewhat dissatisfied, representing 9% of the total respondents. Finally, only 1 individual reported being very dissatisfied, representing 1% of the total respondents.

Findings

- Out of the 100 individuals, UPI apps were the most preferred method of digital payments, with 44 respondents (44%) indicating that they prefer using UPI apps to make digital payments. Mobile wallets were the second most preferred method, with 28 respondents (28%) preferring to use mobile wallets. Net banking and Debit or Credit cards were equally preferred by 14 respondents (14%) each.
- Out of the respondents, Transaction speed was ranked as the most important feature in an UPI app, with 46 respondents (46%) indicating that it was important to them. Ease of use was the second most important feature, with 30 respondents (30%) ranking it as important. Security was ranked as important by 16 respondents (16%). Cashback offers were the least important feature, with only 8 respondents (8%) considering it important.
- Out of the 100 individuals, 38 of them reported using Google Pay, representing 38% of the total respondents. 31 individuals reported using Phonepe, also representing 31% of the total respondents. Additionally, 22 individuals reported using Paytm, representing 22% of the total respondents. 7 individuals reported using BHIM, representing 7% of the total respondents. Finally, only 2 individuals reported using Mobikwik, representing 2% of the total respondents.
- 52 people out of 100 people have agreed with that UPI apps are highly recommended, representing 52% of the total respondents. 13 respondents strongly agreed, representing 13% of the total respondents. On the other hand, 15 respondents disagreed, representing 15% of the total respondents. Finally, 20 respondents strongly disagreed with the recommendation of UPI apps representing 20% of the total respondents

Recommendations

Satisfaction with digital payments: You could examine the level of satisfaction among Indian consumers with various digital payment options, including UPI apps, mobile wallets, and other modes of digital payment.

Convenience and accessibility: You could investigate the extent to which Indian consumers find digital payments to be convenient and accessible, including factors such as ease of use, availability of payment options, and acceptance of digital payments at merchants.

Security and trust: You could explore the factors that affect Indian consumers' perceptions of security and trust in digital payments, including the reliability of UPI apps, the security of transactions, and the level of protection offered for personal and financial data.

Adoption of digital payments: You could explore the factors that drive the adoption of digital payments in India, including demographic factors such as age, gender, and income, as well as psychological factors such as trust and perceived usefulness.

Payment habits: You could investigate the payment habits of Indian consumers, including the types of transactions for which they prefer digital payments, the frequency of digital payments, and the average transaction value.

Conclusion

After analyzing the data and findings from this project on public preference for UPI apps and digital payments, several conclusions can be drawn.

Firstly, UPI apps have become increasingly popular among Indian consumers due to their ease of use, convenience, and availability of various payment options. The adoption and usage of digital payments have also increased significantly in recent years, driven by factors such as government initiatives, the availability of affordable smartphones, and the growth of e-commerce.

Secondly, the security and trust of digital payments are crucial factors in determining consumer behavior and preferences. Indian consumers are concerned about the security of their personal and financial data, and therefore, there is a need for UPI apps and digital payment platforms to provide robust security measures to build trust among consumers.

Finally, the COVID-19 pandemic has accelerated the adoption and usage of digital payments in India, as consumers have increasingly shifted towards contactless payments to avoid physical contact. This trend is likely to continue in the future, and businesses and policymakers need to adapt to this new reality by providing digital payment options and increasing awareness and education around digital payments.

In conclusion, the findings of this project highlight the importance of UPI apps and digital payments in India's rapidly evolving payment landscape. With continued growth and innovation in this area, digital payments are likely to become an increasingly important part of India's economy and society in the years to come.

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