

A Study on Customer Awareness and Utilization of UPI Payment Services

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Unified Payments Interface (UPI) has become an important digital payment facility in India, providing customers with a quick and convenient method for transferring money and making various payments through mobile devices. This research evaluates users' knowledge of UPI facilities, their transaction habits and their views on the ease of making digital payments. The study adopts a descriptive research design. Primary data were collected from 233 valid respondents through a structured questionnaire using convenience sampling. A total of 250 questionnaires were distributed, of which 235 were collected and 233 valid responses were considered for the final analysis. The collected responses were examined using percentage analysis, descriptive statistics, chi-square test, ANOVA and correlation analysis. The study examines customers' awareness of UPI features, utilization patterns, monthly transaction value and problems faced while using UPI services. The findings indicate that customers have varying levels of awareness and utilization of UPI services. A significant positive relationship was found between age and monthly UPI transaction value. Significant associations were also found between occupation and place of residence and between income and place of residence. The study suggests increasing customer awareness, improving digital literacy and providing simple instructions regarding safe and effective use of UPI services.

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Introduction

The rapid development of digital technology has brought significant changes in the financial services sector. Digital payment methods have become an important part of everyday

transactions by providing customers with easy and quick ways to transfer money and make payments. Among the various digital payment facilities, Unified Payments Interface (UPI) has gained considerable importance in India. UPI enables customers to transfer money directly

between bank accounts using mobile devices. It can be used for person-to-person transfers, merchant payments, online shopping, utility bill payments and other financial transactions. The ease of use, accessibility and quick processing of UPI have contributed to its increasing adoption among customers. Customer awareness plays an important role in the effective use of UPI payment services. Knowledge about UPI features, transaction procedures, security practices and payment facilities may influence customers' utilization behaviour. Therefore, the present study focuses on examining customer awareness of UPI payment services, along with their perceptions of convenience, security, trust and satisfaction. The study also identifies the major problems faced by customers while using UPI services.

Statement of the Problem

The increasing availability of digital payment facilities has changed customers' payment behaviour. UPI provides easy method for transferring money and making payments through mobile devices. However, the level of awareness and actual utilization of UPI may differ among customers. Some customers may use UPI frequently for various transactions, whereas others may use it only occasionally. Differences may also exist in customers' knowledge of UPI features, security practices and transaction procedures. Concerns relating to security, trust, technical problems and transaction failures may also influence customer usage.

Hence, the present study attempts to examine customer awareness of UPI payment services and to understand customers' perceptions regarding awareness, convenience and utilization of UPI services.

Objectives of the Study

1. To measure the level of customer awareness about UPI payment services.
2. To examine the utilization pattern of UPI payment services among customers.
3. To study customers' perception towards the convenience of UPI payments.

4. To identify the major problems faced by customers while using UPI payment services.

Research Methodology

Research Design

The study adopts a descriptive research design. The design is used to describe customers' awareness and perceptions of convenience regarding UPI payment services towards UPI payment services.

Area of the Study

The study is conducted among customers who use or have awareness of UPI payment services.

Population of the Study

The population consists of customers who use digital payment services, particularly UPI, for personal and commercial transactions.

Sample Size

A total of 250 questionnaires were distributed among the respondents. Out of these, 235 questionnaires were collected. Two questionnaires were rejected due to incomplete or improper responses. Hence, 233 valid questionnaires were considered for the final analysis.

Sampling Technique

The study uses convenience sampling technique. Respondents are selected based on their availability and willingness to participate in the study

Source of Data

The study uses both primary and secondary sources of data.

Primary Data

Primary data were obtained directly from respondents through a structured questionnaire.

Secondary Data

Secondary information may be obtained from books, journals, research articles, reports, websites and other relevant sources relating to digital payments and UPI services.

Data Collection

The questionnaire will be distributed among 250 respondents. The respondents will be requested to provide their responses based on their experience and perception of UPI payment services.

Statistical Tools

The collected responses were examined using appropriate statistical techniques. Percentage analysis was used to summarize the demographic and study-related responses. Chi-Square Test was used to examine the association between selected categorical variables. One-Way ANOVA was used to identify significant differences among multiple groups. Correlation Analysis was used to examine the relationship between age and monthly UPI transaction value.

Data Analysis and Interpretation

Table 1: Gender-wise of Respondents

Gender	Frequency	Percentage
Male	132	56.65
Female	101	43.35
Total	233	100.00

Source: Primary data

The gender distribution reveals that men account for 56.65 percent of the sample, compared with 43.35 percent women. Male participants therefore represent the larger share of the surveyed group.

Table 2: Age wise Distribution

Age Group	Frequency	Percentage
Less than 20 years	15	6.44
21 to 30 years	49	21.03
31 to 40 years	61	26.18
41 to 50 years	69	29.61
More than 50 years	39	16.74
Total	233	100.00

Source: Primary data

Table 2 indicates that the majority of the respondents belong to the 41 to 50 years age group (29.61 percent), followed by 31 to 40 years (26.18 percent) and 21 to 30 years (21.03 percent). Respondents less than 20 years constitute 6.44 percent, while 16.74 percent are more than 50 years.

Table 3: Occupation of the respondents

Occupation	Frequency	Percentage
Student	99	42.49
Private Employee	86	36.91
Government Employee	34	14.59
Business	5	2.15
Other	9	3.86
Total	233	100.00

Source: Primary data

Table 3 reveals that students constitute the majority of the respondents (42.49 percent), followed by private employees (36.91 percent) and government employees (14.59 percent). Business respondents account for 2.15 percent, while 3.86 percent belong to other occupations.

Table 4: Income of the respondents

Income	Frequency	Percentage
Less than ₹. 20,000	46	19.74
₹. 20,001 to ₹. 40,000	89	38.20
₹. 40,001 to ₹. 60,000	51	21.89
More than ₹. 60,000	47	20.17
Total	233	100.00

Source: Primary data

Table 4 shows that the majority of the respondents (38.20 percent) have a per month income of ₹. 20,001 to ₹. 40,000. This is followed by respondents earning ₹. 40,001 to ₹. 60,000

(21.89 percent), more than ₹. 60,000 (20.17 percent) and less than ₹. 20,000 (19.74 percent).

Table 5: Place of Residence

Place	Frequency	Percentage
Urban	101	43.35
Rural	79	33.91
Semi-urban	53	22.75
Total	233	100.00

Source: Primary data

Table 5 indicates that the majority of the respondents (43.35 percent) reside in urban areas, followed by rural areas (33.91 percent) and semi-urban areas (22.75 percent).

Table 6: Per month UPI transaction value

Particulars	Frequency	Percentage
Less than ₹. 5,000	76	32.62
₹. 5,001 to ₹. 10,000	94	40.34
₹. 10,001 to 20,000	17	7.30
₹. 20,001 to ₹. 50,000	25	10.73
More than ₹. 50,000	21	9.01
Total	233	100.00

Source: Primary data

Table 6 reveals that the majority of the respondents fall in the ₹. 5,001 to ₹.10,000 per month UPI transaction category (40.34 percent), followed by less than ₹. 5,000 (32.62 percent), ₹. 20,001 to ₹.50,000 (10.73 percent), more than ₹.

50,000 (9.01 percent) and ₹. 10,001–Rs.20,000 (7.30 percent).

Table 7: UPI application

Particulars	Frequency	Percentage
Google Pay	68	29.18
PhonePe	51	21.89
Paytm	42	18.03
BHIM	37	15.88
Bank UPI App	28	12.02
Other	7	3.00
Total	233	100.00

Source: Primary data

Table 7 reveals that Google Pay is the most commonly used UPI application (29.18 percent), followed by PhonePe (21.89 percent), Paytm (18.03 percent), BHIM (15.88 percent) and Bank UPI Apps (12.02 percent). Other applications account for 3.00 percent of the respondents.

Table 8: Failed UPI transaction

Particulars	Frequency	Percentage
Yes	146	62.66
No	87	37.34
Total	233	100.00

Source: Primary data

According to the survey responses, 62.66 percent of respondents reported at least one unsuccessful UPI transaction, whereas 37.34 percent stated that they had not encountered this issue. Thus, the majority of the respondents have faced failed UPI transactions.

Table 9: Awareness and Utilization of UPI

S. No.	Particulars	SA	A	N	D	SDA	Total
1.	I know how to make payments using UPI.	35	59	43	49	47	233
		15.02	25.32	18.45	21.03	20.17	100.00
2.	I am aware that UPI can be used for bill payments.	30	67	51	27	58	233
		12.88	28.76	21.89	11.59	24.89	100.00

3.	I am aware of the transaction limits applicable to UPI payments.	77	48	47	27	34	233
		33.05	20.60	20.17	11.59	14.59	100.00
4.	I use UPI for shopping and merchant payments.	36	21	26	57	93	233
		15.45	9.01	11.16	24.46	39.91	100.00
5.	I use UPI for paying utility bills and other services.	25	46	30	36	96	233
		10.73	19.74	12.88	15.45	41.20	100.00

Source: Primary data

Table 9 indicates that the largest proportion of respondents agreed that they know how to make payments using UPI (25.32 percent) and that UPI can be used for bill payments (28.76 percent). Regarding awareness of transaction limits, 33.05 percent strongly agreed. However, the largest proportion of respondents strongly disagreed

with using UPI for shopping and merchant payments (39.91 percent) and for paying utility bills and other services (41.20 percent). Overall, the findings indicate varying levels of awareness and utilization of UPI services among the respondents.

Table 10: Convenience of UPI

S. No.	Particulars	SA	A	N	D	SDA	Total
1.	UPI makes digital payments quick and easy.	42	54	59	31	47	233
		18.03	23.18	25.32	13.30	20.17	100.00
2.	UPI is easy to use.	23	32	29	54	95	233
		9.87	13.73	12.45	23.18	40.77	100.00
3.	UPI reduces the need to carry cash.	45	60	19	45	64	233
		19.31	25.75	8.15	19.31	27.47	100.00
4.	UPI allows me to make payments at any time	34	39	67	38	55	233
		14.59	16.74	28.76	16.31	23.61	100.00

Source: Primary data

Table 10 shows that the largest proportion of respondents were neutral regarding whether UPI makes digital payments quick and easy (25.32 percent). Regarding ease of use, 40.77 percent strongly disagreed. Similarly, 27.47 percent strongly disagreed that UPI reduces the need to

carry cash. For making payments at any time, 28.76 percent of respondents were neutral. Overall, the findings indicate that respondents have varied perceptions regarding the convenience of UPI payments.

Table 11: T-test for Gender with Awareness and Usage of UPI

	Gender	N	Mean	S.D.	t	Sig. (2-tailed)
I know how to make payments using UPI.	Male	132	3.25	1.27	2.869	0.005*
	Female	101	2.77	1.25		

I am aware that UPI can be used for bill payments	Male	132	2.81	1.40	3.322	0.001*
	Female	101	3.41	1.29		
I am aware of the transaction limits applicable to UPI payments.	Male	132	2.25	1.44	3.659	0.001*
	Female	101	2.92	1.32		
I use UPI for shopping and merchant payments.	Male	132	2.84	1.39	3.115	0.002*
	Female	101	3.40	1.30		
I use UPI for paying utility bills and other services.	Male	132	3.80	1.37	2.785	0.006*
	Female	101	3.27	1.52		

Source: Compute from primary data

It is observed that there is a significant difference between male and female respondents regarding all five statements, as the significance and p values are less 0.05. The 't' values are 2.869, 3.322, 3.659, 3.115 and 2.785 to the above respective variables indicate not significant at five percent level. Hence, the stated hypothesis is rejected.

Further, the male respondents have a higher mean score for knowing how to make payments

using UPI (3.25) and for using UPI to pay utility bills and other services (3.80), while female respondents have a higher mean score (3.41) for awareness of UPI bill payments. awareness on transaction limits (2.92) and using UPI for shopping and merchant payments (3.40). Hence, gender has a significant difference in awareness and usage of UPI services.

Table 12: Chi-Square for occupation and Place of Residence

		Place of Residence			Total
		Urban	Rural	Semi-urban	
Occupation	Student	53	20	26	99
	Private Employee	36	38	12	86
	Government Employee	9	13	12	34
	Business	2	3	0	5
	Others	1	5	3	9
Total		101	79	53	233

Source: Compute primary data

Table 12 shows that the majority of respondents were students (99), followed by private employees (86). Regarding place of residence, the majority of respondents were from urban areas (101), followed by rural areas (79).

Table 13: Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	24.814 ^a	8	0.002*
Likelihood Ratio	27.423	8	0.001*
Linear-by-Linear Association	4.803	1	0.028*
N of Valid Cases	233		
a. 6 cells (40.0 percent) have expected count less than 5. The minimum expected count is 1.14.			

Source: Compute Primary data

Table 13 shows that the Pearson Chi-Square value is 24.814 with a significance value of .002, indicating a statistically significant association between occupation and place of residence among the respondents.

Table 14: Chi-Square for income and Place of Residence

		Place of Residence			Total
		Urban	Rural	Semi-urban	
Income	Less than ₹. 20,000	14	15	17	46
	₹. 20,001 to ₹. 40,000	45	27	17	89
	₹. 40,001 to ₹. 60,000	16	26	9	51
	More than ₹. 60,000	26	11	10	47
Total		101	79	53	233

Source: Compute Primary data

Table 14 shows that the majority of respondents belonged to the ₹. 20,001 to ₹.40,000 income group (89). Regarding place of residence, the majority of respondents were from urban areas (101), followed by rural areas (79).

Table 15: Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	17.581 ^a	6	.007
Likelihood Ratio	16.822	6	.010
Linear-by-Linear Association	3.093	1	.079
N of Valid Cases	233		
a. 0 cells (0.0 percent) have expected count less than 5. The minimum expected count is 10.46.			

Source: Compute Primary data

Table 15 shows that the Pearson Chi-Square value is 17.581 with a significance value of .007, indicating a statistically significant association between income and place of residence among the respondents.

Table 16: ANOVA for Per Month UPI Transaction Value and Awareness and Utilization of UPI

	Income	N	Mean	Std. Deviation	Std. Error	F	Sig.
I know how to make payments using UPI.	Less than ₹. 5,000	76	2.88	1.42	0.16	.466	.761
	₹. 5,001 to ₹. 10,000	94	3.14	1.22	0.13		
	₹. 10,001 to ₹. 20,000	17	3.12	1.41	0.34		
	₹. 20,001 to ₹. 50,000	25	3.12	1.13	0.23		
	More than ₹.50,000	21	3.05	1.07	0.23		
	Total	233	3.04	1.28	0.08		
	Less than ₹. 5,000	76	3.26	1.37	0.16	2.432	.048*

I am aware that UPI can be used for bill payments.	₹. 5,001 to ₹. 10,000	94	3.18	1.36	0.14		
	₹. 10,001 to ₹. 20,000	17	2.71	1.26	0.31		
	₹. 20,001 to ₹. 50,000	25	2.92	1.55	0.31		
	More than ₹.50,000	21	2.33	1.24	0.27		
	Total	233	3.07	1.38	0.09		
I am aware of the transaction limits applicable to UPI payments.	Less than ₹. 5,000	76	2.66	1.20	0.14	2.691	.032*
	₹. 5,001 to ₹. 10,000	94	2.33	1.51	0.16		
	₹. 10,001 to ₹. 20,000	17	3.41	1.37	0.33		
	₹. 20,001 to ₹. 50,000	25	2.68	1.57	0.31		
	More than ₹.50,000	21	2.19	1.44	0.31		
	Total	233	2.54	1.42	0.09		
I use UPI for shopping and merchant payments.	Less than ₹. 5,000	76	3.30	1.33	0.15	2.652	.034*
	₹. 5,001 to ₹. 10,000	94	3.18	1.36	0.14		
	₹. 10,001 to ₹. 20,000	17	2.71	1.26	0.31		
	₹. 20,001 to ₹. 50,000	25	2.92	1.55	0.31		
	More than ₹.50,000	21	2.33	1.24	0.27		
	Total	233	3.08	1.37	0.09		
I use UPI for paying utility bills and other services	Less than ₹. 5,000	76	3.20	1.27	0.15	4.175	.003*
	₹. 5,001 to ₹. 10,000	94	3.99	1.49	0.15		
	₹. 10,001 to ₹. 20,000	17	3.00	1.58	0.38		
	₹. 20,001 to ₹. 50,000	25	3.40	1.47	0.29		
	More than ₹.50,000	21	3.67	1.39	0.30		
	Total	233	3.57	1.46	0.10		

Source: Compute Primary data

Table 16 shows that there is no significant difference among the monthly UPI transaction-value groups with respect to knowledge of making UPI payments ($p = 0.761$). However, significant differences are found in awareness of bill payments ($p = 0.048$), awareness of

transaction limits ($p = 0.032$), use of UPI for shopping and merchant payments ($p = 0.034$) and use of UPI for utility bills and other services ($p = 0.003$). Therefore, the null hypothesis is accepted for knowledge of making UPI payments and rejected for the other four variables.

Table 17: Correlation between Age and Monthly UPI Transaction Value

		Age	Per month UPI transaction value
Age	Pearson Correlation	1	0.324
	Sig. (2-tailed)		0.001*
	N	233	233

Per month UPI transaction value	Pearson Correlation	0.324	1
	Sig. (2-tailed)	0.001*	
	N	233	233
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Compute Primary data

Table 17 shows a positive correlation between age and per month UPI transaction value, with a Pearson correlation value of 0.324. The significance value is .000, indicating that the relationship is statistically significant. The correlation results indicate a positive association between respondents' age and their monthly UPI transaction-value category ($r = 0.324$, $p < 0.001$).

Suggestions

1. **Increase customer awareness:** Banks and UPI service providers should conduct awareness programmes to educate customers about UPI features, transaction procedures and safety measures.
2. **Improve security awareness:** Customers should be educated not to share their UPI PIN, OTP or other confidential banking details with others.
3. **Promote digital literacy:** Special awareness programmes can be conducted for customers who have limited knowledge of digital payment technologies.
4. **Provide simple instructions:** UPI applications should provide clear and easy-

to-understand instructions in regional languages to help customers use UPI services confidently.

Conclusion

The study examined customer awareness and utilization of UPI payment services among 233 respondents. The findings indicate that respondents have varying levels of awareness regarding UPI features and transaction procedures. Google Pay was the most commonly used UPI application among the respondents, while a considerable proportion of respondents reported experiencing failed UPI transactions.

The study also found that the largest proportion of respondents reported a monthly UPI transaction value between Rs. 5,001 and Rs. 10,000. Significant associations were found between occupation and place of residence and between income and place of residence. A significant positive correlation was also found between age and monthly UPI transaction value. The correlation analysis also revealed a positive and statistically significant relationship between age and monthly UPI transaction value.

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