"A study on customer's insight towards UPI, with special reference to Lunglei district"

A report submitted to Department of Commerce, Higher And Technical Institute, Mizoram (HATIM) for the academic year 2022-23

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CERTIFICATE

This is to certify that the dissertation entitled "A study on customer's insight towards UPI, with special reference to Lunglei District" submitted to the Mizoram University for the award of the degree of Bachelor of Commerce, is a record of research work carried out by Padma Thapa, Roll No. 2123BCOM038, IV Semester B.Com. She has fulfilled all the requirements laid down in the regulations of Mizoram University. This dissertation is the result of her investigation into the subject. Neither the dissertation as a whole nor any part of it was ever submitted any other University for any degree.

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DECLARATION

I, **"Padma Thapa",** hereby declare that the subject matter of this dissertation is the record of work done by me, that the contents of this dissertation did not form to anybody else, and that the dissertation has not been submitted by me for any research degree in any other university or institute. This is being submitted to the Mizoram University for the degree of Bachelor of Commerce.

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Thank you,

Padma Thapa

LIST OF CONTENTS

NO.	CONTENTS	PAGE NO.
	CERTIFICATE	i
	DECLARATION	ii
	ACKNOWLEDGEMENT	iii
	LIST OF CONTENTS	iv-v
	LIST OF TABLES	vi
	LIST OF FIGURES	vii
CHAPTER-I	INTRODUCTION	1-9
1.1	CONCEPTUAL FRAMEWORK	
	1.1.1 INRODUCTION OF UPI	
	1.1.2 FEATURES OF UPI	
	1.1.3 HOW UPI WORKS	
	1.1.4 SENDING MONEY Vs RECEIVING MONEY	
	1.1.5 WAYS TO TRANSFER MONEY THROUGH UPI APPS	
	1.1.6 UPI TRANSACTION LIMIT, FEES AND CHARGES	
	1.1.7 UPI APPS	
1.2	LITERATURE REVIEW	
1.3	RATIONALE OF THE STUDY	
1.4	STATEMENT OF THE PROBLEM	
1.5	OBJECTIVES OF THE STUDY	
1.6	RESEARCH METHODOLOGY	
	1.6.1 POPULATION OF THE STUDY	
	1.6.2 SAMPLE SIZE	
	1.6.3 SOURCES OF DATA	
	1.6.4 DESIGN OF THE QUESTIONNAIRE	
	1.6.5 PERIOD OF THE STUDY	
	1.6.6 DATA ANALYSIS PROCEDURE	
1.7	LIMITATION OF THE STUDY	

NO.	CONTENTS	PAGE NO.
CHAPTER -II	ANALYSIS AND INTERPRETATION OF DATA	10-25
CHAPTER-III	RESULTS AND DISCUSSION	26-29
	FINDINGS OF THE STUDY	
	DEMOGRAPHIC FACTORS	
3.1	AWARENESS OF THE CUSTOMERS TOWARDSUPI APPS	
3.2	PURPOSE FOR USING UPI APPS	
3.3	CUSTOMER'S PREFERENCE TOWARDS UPI APPS	
3.4	BENEFITS AND CHALLENGES FACED BY THE CUSTOMERS	
3.5	OPINION ON SERVICES OF UPI	
CHAPTER-IV	CONCLUSIONS AND SUGGESTIONS	30
	BIBLIOGRAPHY	
	APPENDIX	

LIST OF TABLES

TABLE NO.	CONTENTS	PAGE NO.
2.1	DEMOGRAPHIC PROFILE OF THE RESPONDENTS	10
2.2	DURATION OF USING UPI APPS	12
2.3	AWARENESS OF UPI SCHEME	13
2.4	AWARENESS OF THE UPI APPS	14
2.5	PURPOSE FOR USING THE UPI APPS	16
2.6	MOST PREFERRED UPI APPS	18
2.7	BENEFITS OF USING UPI APPS	19
2.8	PROBLEMS FACED WHILE USING UPI APPS	22
2.9	OPINION ON SERVICES OF UPI	24

LIST OF FIGURES

FIGURE NO.	CONTENTS	PAGE NO.
2.2	DURATION OF USING UPI APPS	12
2.3	AWARENESS OF UPI SCHEME	13
2.4	AWARENESS OF THE UPI APPS	14
2.5	PURPOSE FOR USING THE UPI APPS	16
2.6	MOST PREFERRED UPI APPS	18
2.7	BENEFITS OF USING UPI APPS	20
2.8	PROBLEMS FACED WHILE USING UPI APPS	22
2.9	OPINION ON SERVICES OF UPI	24

CHAPTER-I
INTRODUCTION

1.1 CONCEPTUAL FRAMEWORK:

India is rapidly increasing its use of digital payment options. With the increased use of the Internet, digital payment has also come into existence. The cash was initially transferred from the traditional payments to electronic payments via debit and credit cards, E-Payments options through E- Banking, and eventually to mobile payments via M-Payment technologies. With the government's help, digital payments are also gaining popularity. Following demonetization, the Indian government is focusing on cashless transactions through its "Digital India- Power to Empower" campaign.

The growth of Cashless India or Digital India is primarily driven by four factors:

- **Technology advancement:** Technology is growing at a quick pace to provide resilient, secure, and convenient payment options. This allows for the rapid delivery of payment services to large segments of the population.
- **Economic growth:** Digital payments enable lower-cost service delivery, more scalability, and greater ease of access. This, in turn, promotes economic growth and financial inclusion.
- **No longer unrestricted cash transactions:** While there are numerous apparent advantages to trading with cash (such as fast settlement, relative anonymity, and the ability to pay with cash). The government of India has imposed a ban on unrestricted cash transactions in the name of security.
- **Government initiatives:** Government initiatives have created a catalytic environment for higher proliferation and growth of digital payments. UPI is one of the best examples; technological advancements and the widespread use of smartphones have encouraged Indian customers to accept the virtual payment method.

1.1.1 Introduction of UPI (Unified Payment Interface)

The Unified Payments Interface (UPI) is a single-window mobile payment system developed by the National Payments Corporation of India (NPCI). The interface enables peer-to-peer and person-to-merchant transactions between banks. It is used on mobile devices to transfer money between two bank accounts instantly and free of charge. Ever since its inception, UPI has made financial transactions much easier for account holders.

It eliminates the need for customers to enter bank information or other sensitive information each time they initiate a transaction. The Unified Payment Interface is a real-time payment system. It is intended to enable peer-to-peer inter-bank transfers via a single two-click factor authentication process. The Reserve Bank of India (RBI), India's central bank, governs the interface. It works by transferring money between two bank accounts via a mobile platform. The system is said to be a safe and secure way of transferring money directly from the bank account of an individual to the recipient's bank account in a few seconds, eliminating the need to use physical cash or go through a bank. The facilitation of UPI has completely eliminated all the hassle. Once the sender has completed the UPI registration process, he or she can transfer funds with a few clicks on a UPI payment application. On April 11, 2016, India launched the pilot system. In August 2016, banks across the country began to upload their interfaces.

To transfer money via UPI, each user must have an ID, known as the UPI ID. The UPI ID is a one-of-a-kind identification for a bank account that is used to transfer funds from one bank to another. One doesn't need to enter the receiver's UPI ID in UPI payment apps like Paytm. To send money via UPI, simply select the receiver's contact from the phone book or enter the receiver's contact number. The UPI PIN, on the other hand, is a four or six-digit personal identification number that is required to send money via UPI. Every account holder has the option of customizing their UPI PIN.

1.1.2 Features of UPI

Nowadays, every bank account holder talks about transferring funds via UPI. If a person hasn't used UPI frequently, here are the reasons for the hype:

- UPI payments are extremely fast, and payments are typically completed in seconds.
- Almost every bank supports UPI transactions via mobile applications.
- Payments are entirely secure. To complete a payment, the user must have the SIM card for his mobile number in his phone and enter the secret MPIN each time.
- UPI Payment allows individuals to request money from another individual, which is not possible with other payment methods such as IMPS and NEFT.
- These mobile payment apps also support bill payments, which mean a person can set up timely reminders for all of the bill payments and pay them with a single click using the app. Payments can be made 24*7 and 365 days and it's totally free.
- If encountered any problems or suspect activity on the user's account, one can easily file a complaint through the mobile payment app.

1.1.3 How UPI works

The preferred method of digital payment is slowly evolving into UPI. UPI is steadily overtaking other digital payment methods as the most popular one. The UPI interface is compatible with most banks and many digital wallets, and payment applications are embracing UPI. Some of the apps include Google Pay, Paytm, and PhonePe etc. To transfer money using UPI, the following factors are necessary:

- A smartphone phone
- An active bank account.
- Both the active mobile phone and the bank account must be connected.
- Internet connection

To ensure seamless settlement across accounts, UPI leverages existing systems such as Immediate Payment Service (IMPS) and Aadhaar Enabled Payment System (AEPS). It supports push (pay) and pull (receive) transactions, as well as over-the-counter or barcode payments and multiple recurring payments like utility bills, school fees, and other subscriptions. After establishing a single identifier, the system enables mobile payments to be delivered without the use of credit or debit cards, net banking, or the need to enter account information. This would not only increase the security of sensitive information, but would also connect people with bank accounts via smartphones to carry out hassle-free transactions.

Any transaction will simply require the user to use a virtual address, also referred to as a Virtual Payment Address (VPA), which is the address to or through which UPI money transfers can be made. A VPA is a unique financial address that you can use to send and/or receive money in the bank account via UPI. When a person creates an UPI account on the Paytm app, your VPA is automatically created. To make a UPI transaction, log in to the Paytm UPI payment app and select the 'UPI/Send Money to Anyone' option.

1.1.4 Sending money vs receiving money

Sending money via UPI is referred to as a "push." The user logs into the interface and selects the Send Money/Payment option to send money. He selects the account from which the money will be debited after entering the recipient's virtual ID and the desired amount. The user is then prompted to enter a unique personal identification number (PIN) and is given confirmation.

A "pull" is when the user receives money through the system. After logging in, the user selects the option to collect money. The user must then enter the remitter's virtual ID, the amount to be collected, and the account where the funds will be deposited. The payer is then sent a message with a payment request. He enters his UPI PIN to authorize the transaction if he decides to make the payment.

When the transfer is complete, both the sender and the recipient receive a text message confirmation to their smartphones.

1.1.5 Ways to transfer money through UPI apps

A person can transfer money using mobile applications in the following ways:

- **Mobile number** - This allows to transfer money from the bank account linked to the mobile number.
- **QR code** - Allows to send money by scanning the QR code that is enclosed with the VPA, account number, IFSC, or mobile number.
- **VPA (Virtual Payment Address)** - Allows sending or requesting money from a bank account using the UPI ID.
- **Account Number -** This allows you to send money directly to the bank account.

1.1.6 UPI transaction limit, fees and charges

All UPI payment applications, including are governed by RBI guidelines to ensure the safety and security of transactions. The current UPI transaction limit per day on the Paytm app is Rs. 1 lakh per account, every 24 hours, due to current rules and regulations. It is important to note, however, that the actual UPI transaction limit varies from bank to bank, which may limit the amount that can be sent at a lower amount as well.

Paytm is a mobile payments app that supports UPI services and does not charge any fees for UPI transactions. While there is a daily UPI transaction limit of Rs. 1 lakh on the Paytm application, there are no UPI transaction charges.

1.1.7 <u>UPI apps</u>

1. Freecharge
2. BHIM
3. MobiKwik
4. Paytm
5. Google Pay
6. Axis Pay
7. PhonePe
8. Amazon Pay
9. YONO SBI
10. Airtel Thanks
11. Chillr
12. WhatsApp Pay

1.2 <u>LITERATURE REVIEW:</u>

- **Somanjili Mohapatra's (2017)** analysis, "UPI is the best digital platform created by NPCI thus far. In the digital age, interoperability becomes a huge asset for UPI growth. Many factors, including as the rise in smart phone sales, falling data costs, the availability of free and simple money transfer platforms, and the simplicity of using mobile banking services, have contributed to the rapid growth of UPI".
- **Roshna Thomas and Dr. Abhijeet Chatterjee (2017)**, their study reported that UPI has been a boon for clients due to its simple features and other perks that are not available on other digital platforms. They mentioned two elements of the UPI platform. One is positive, while the other is negative. Positive aspects include lower data costs and higher smartphone penetration. The negative elements are increased use of wallets for utility payments and a significant failure risk in money transfers via UPI.
- **Shamsher Singh and Ravish Rana (2017)** indicated in their study that customer knowledge level influences digital payment uptake. A person who has studied beyond matriculation and is internet aware will be more likely to use the digital payment form. It was also discovered that in cities/regions with a high degree of education, such as Delhi NCR and other urban areas, the possibilities of

accommodating digital payments is substantially greater in this region. The increase in Smartphone users and internet availability in such areas has further assisted the acceptance of digital payment.

- **Radhika Basavraj Kakade and Nupur A Veshne (2017)** stated in their study that "UPI is one of the easiest digital platforms developed, which is as simple as sending an email or message." UPI operates on a platform that is always open at all times, i.e. it operates 24/7. Such a great platform is not available in the mobile banking platform, which is unavailable after banking hours and on holidays, but the Government of India has recently begun NEFT and IMPs transactions at any time throughout the year."
- According to their research of **Parvesh Deepak Oswal and Prof. Hanmant N. Renushe (2021)** universal access to banking, and thus the introduction of biometric sensors in phones, can proactively encourage UPI transactions, and findings revealed that respondents have a positive attitude towards UPI transactions for ushering in a less-cash society in the Asian country.

1.3 RATIONALE OF THE STUDY:

In recent years, digital payments have grown dramatically in India, with UPI becoming one of the most widely used ways. In order to comprehend UPI customer experiences, businesses, governments, and researchers must analyse consumer insights and experiences. This knowledge can help businesses, policymakers, and researchers discover UPI's strengths and weaknesses, as well as improve the user experience. The study of customer perceptions of UPI apps is significant because it is critical in this day and age for all consumers and customers to understand the value of digital payment. There are various causes for this, including digital India and e-documentation automation. Though there are various other research paper with the same topic, this study is specifically in reference to Lunglei district. The findings and recommendations of this study will be valuable to researchers in this subject, as there is lack of material on this topic in this geographical location.

This study is to analyse the awareness, opinion and preferences level of the customers in UPI and the benefits and challenges that comes along with it which influences the customer's adoption of UPI in Lunglei district. The study analyses the customer perception towards UPI as well.

1.4 STATEMENT OF THE PROBLEM:

There has been limited investigation into the causes of low acceptance and utilization of UPI. Though many people are aware with UPI applications, few are aware of the various types. This could be due to the fact that such UPI applications weren't available in the area and hence people are ignorant of them. Factors such as a busy server and transaction failure appear to influence people's decisions to utilize digital payment systems, and problems restrict the widespread adoption of UPI in the Lunglei district.

1.5 OBJECTIVES OF THE STUDY:

a. To study the level of awareness of the consumers towards UPI payment.

The goal of this objective is to determine consumer awareness of the UPI payment system. This assists the researcher in determining which UPI app is trending and popular among respondents.

b. To identify the purpose for using UPI apps.

This objective attempts at identifying the respondent's purpose for using UPI apps. This helps the researcher in finding the respondent's purpose for using the UPI apps and why they are using it.

c. To identify the customer's preference towards UPI apps.

This object tries to attain the customer's preference towards UPI apps. This helps the researcher in finding out the customer's preferred UPI apps and the reason for their preference of one app to another.

d. To analyze the benefits and challenges faced by the customers.

This object helps in finding out the benefits and challenges faced by the customers. This helps the researchers in finding out the benefits and challenges they face when using the UPI apps and what factors influences them or hinders them from using the UPI apps.

e. To identify the customer's opinion on the services provided by the UPI apps.

This object tries to identify the customer's opinion on the services provided by the UPI apps. This helps the researchers in learning the respondent's opinions towards the services provided by the UPI apps and provide suggestion to improve the services.

1.6 RESEARCH METHODOLOGY:

1.6.1 Population of the study

This survey is mostly concerned with Lunglei customers' perceptions of UPI. Any customer in Lunglei who falls into one of the study's age categories is included in the population. Both genders of the population are represented. The purpose of using UPI applications, customer preferences for UPI apps, level of consumer awareness of UPI payments, customer benefits and problems, and customer opinions of the UPI apps' services are all included in the study.

1.6.2 Sample size

Sample size denoted the number of elements selected for the study. The present study is conducted in Lunglei town. For the purpose of the study, 50 respondents were chosen who were willing to participate and give their thoughts on the said topic.

1.6.3 Sources of data

The primary data collected in this study was obtained through a structured questionnaire on Google Forms.

Secondary data was acquired from a variety of sources. Journals and thesis that have been published, existing research articles, various websites on the internet, and a few books have all been extremely beneficial in understanding the concept and achieving the goals.

This study also used conclusive research and quantitative research methods.

1.6.4 Design of the questionnaire

A variety of questions were prepared for this study in order to achieve the study's objectives. Closed-ended questions had been used to conduct the survey. The respondents were asked to select from a pre-defined set of replies, such as yes/no or from a set of multiple choice questions and Likert scale questions. Google forms were used in order to distribute the questionnaire.

1.6.5 Period of the study

The duration spent on the research was for about 4 months, from February till early May. One week was spent on the distribution of the questionnaire and to collect the data.

1.6.6 Data analysis procedure

The data in this study was displayed using several techniques such as bar graphs, stacked bars, pie charts, line charts, column bars, and stacked area charts.

Tables and percentage analysis were also used to analyse and comprehend the given data. This is accomplished using Microsoft Excel.

1.7 <u>LIMITATIONS OF THE STUDY:</u>

- The source of the data collected is primary data, which is based on the questionnaire distributed through google forms and could be biased.
- The study is purely based on 50 respondents only.
- The area of the study is confined only in Lunglei district and hence only applicable to Lunglei district.
- The primary data collection and interpretation were found to be time consuming
- Also, the respondents considered were educated and from the urban area of Lunglei district. Additional research can be done on a rural sample where respondents may not be as well educated or digital literate and there may be additional infrastructure issues like inadequate internet connectivity and a lack of smart phones. These elements might offer this research a fresh direction.

CHAPTER - II

ANALYSIS AND INTERPRETATION OF DATA

This chapter deals with the analysis and interpretation of the data.

2. 1. Demographic profile

Demographic profile gives information about the research participants. The respondents are profiled according to certain variables such as their gender, age, educational qualification and occupational status. The data were collected from 50 respondents.

Table 2.1. Demographic profile of the respondents.

Particulars	Classification	No. of respondents	Percentage (%)
1. Gender	Male	18	36
	Female	**31**	**62**
	Prefer not to say	1	2
2. Age	**18-22**	**42**	**82**
	23-27	7	14
	28-32	1	2
	33-37	0	0
	Above 37	0	0
3. Educational Qualification	No formal education	0	0
	HSLC	0	0
	HSSLC	20	40
	Diploma	2	4
	Undergraduate	**22**	**44**
	Postgraduate	6	12
4. Occupational Status	Government employee	0	0
	Stay – at – home	0	0
	Private business	0	0
	Student	**47**	**94**
	Unemployed	0	0
	Others	3	6

Source: Primary Data.

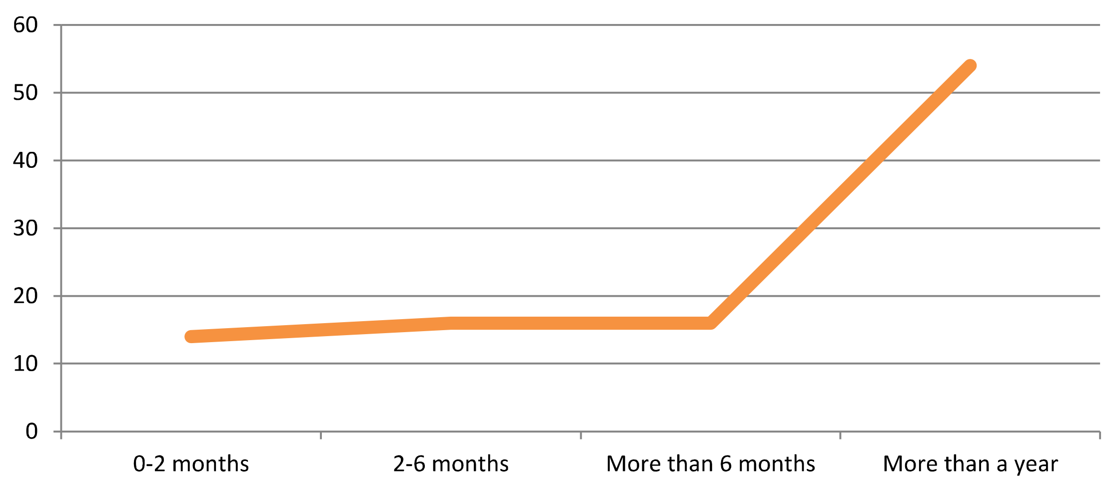
Interpretation:

- The demographic profile of the respondents is collected based on their gender, age, educational qualification and occupational status for the purpose of this study. According to the data given above, 62% of the respondents are female, 36% of the respondents are male and the remaining 2% prefer not to disclose their gender.
- It can also be concluded that the majority of respondents (82%), are between the ages of 18 and 22. It denotes that there is no minimum age requirement to be aware of the UPI scheme. As a result, we can conclude that the UPI scheme is more popular among young adults.
- In regard to educational status, 44% of respondents are Undergraduates, implying that they are still pursuing their education. 40% of respondents have completed their HSSLC, 12% are Postgraduates, and the remaining 4% have completed their Diploma. We can say that there are no specific educational requirements for using UPI apps.
- The study looked into the respondents' occupations and discovered that majority (94% of them) were students. In terms of technology, students are more advanced than elders. The remaining 6% fall into some other category.

Table 2.2. Duration of using UPI apps.

Particulars	No. of the respondents	Percentage (%)
0-2 months	7	14
2-6 months	8	16
More than 6 months	8	16
More than a year	**27**	**54**
Total	**50**	**100**

Fig. 2.2. Duration of using UPI apps



Source: Primary Data.

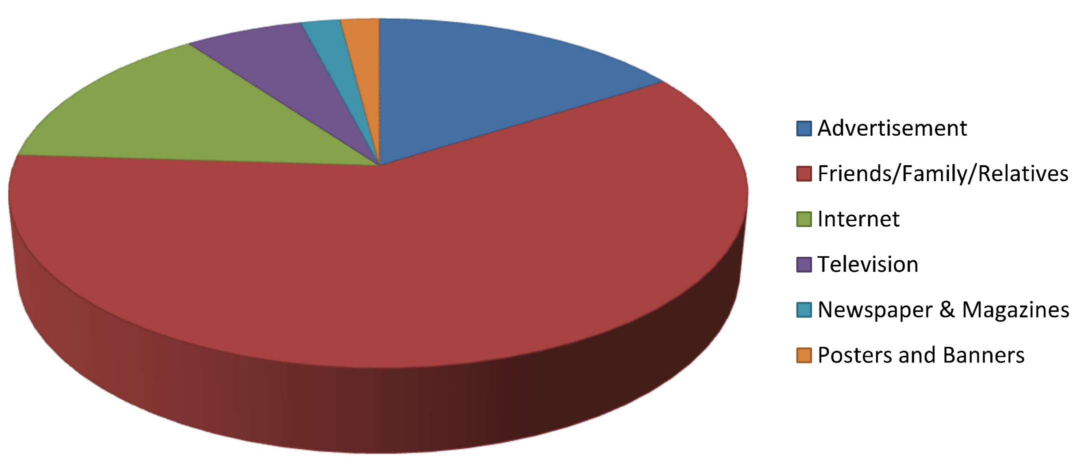
Interpretation:

According to table and figure 2.2, the majority of the 50 respondents (54%) have been using the UPI apps for more than a year. In addition, 8% of respondents began using UPI between 2 months and a year ago, while 7% began using UPI between 0 and 2 months ago.

Table 2.3. Awareness of UPI scheme

Particulars	No. of respondents	Percentage (%)
Advertisement	8	16
Friends/Family/Relatives	**30**	**60**
Internet	7	14
Television	3	6
Newspaper & Magazines	1	2
Posters and Banners	1	2
Total	**50**	**100**

Fig. 2.3. Awareness of UPI scheme



Source: Primary Data.

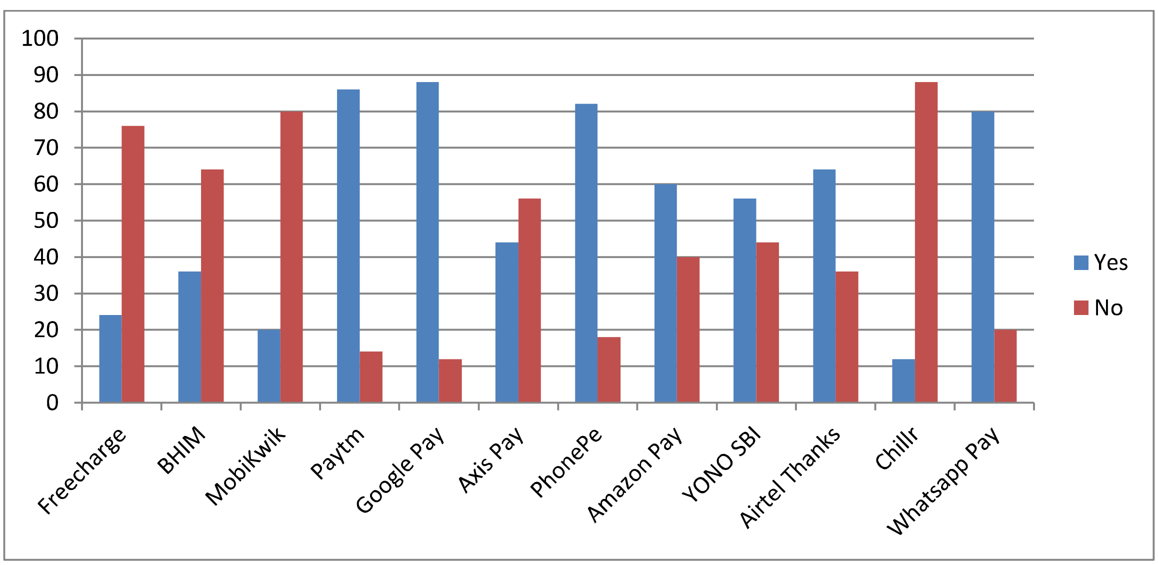
Interpretation:

According to table and figure 2.3, out of 50 respondents, 60% were aware about the UPI scheme from friends/family/relatives, 16% came to be aware of the scheme from advertisements, and 14% from the Internet. Whereas 6% were acquainted with the UPI scheme from television, the remaining 2% were conscious of UPI scheme from newspapers and magazines, and 2% from posters and banners.

Table 2.4. Awareness of the UPI apps

Particulars	No. of the respondents (%)	
	Yes	**No**
Freecharge	24	76
BHIM	36	64
MobiKwik	20	**80**
Paytm	86	14
Google Pay	**88**	12
Axis Pay	44	56
PhonePe	82	18
Amazon Pay	60	40
YONO SBI	56	44
Airtel Thanks	64	36
Chillr	12	88
WhatsApp Pay	80	20

Figure 2.4. Awareness of the UPI apps



Source: Primary Data.

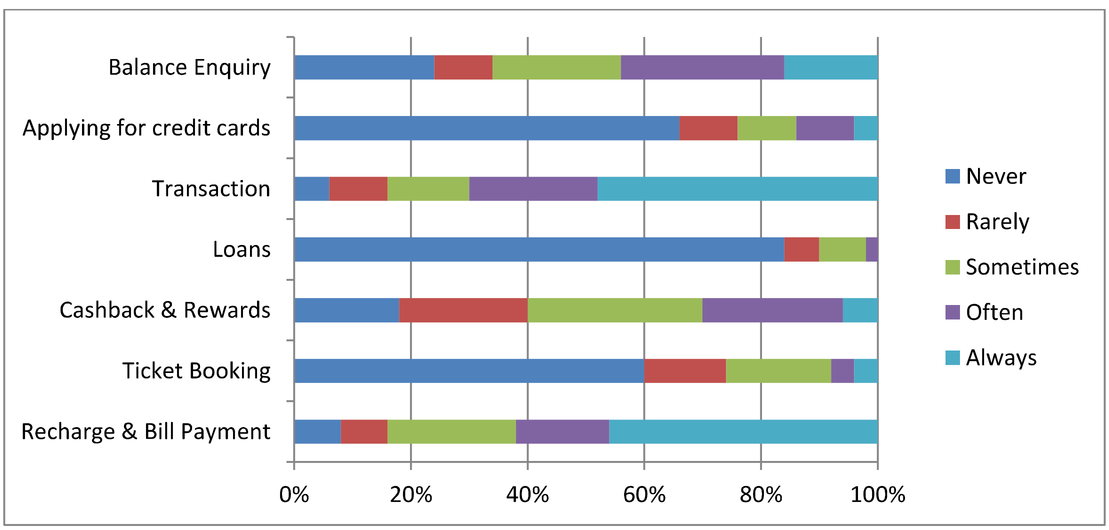
Interpretation:

- The study investigates respondents' knowledge of various UPI apps. According to the data, 24% of respondents are aware of the Freecharge app, while the remaining 76% are not.
- Similarly, 36% of respondents are aware of BHIM, while 64% are not.
- MobiKwik is the second least known app among respondents, with 20% aware of it and the majority unaware by 80%, making it the second least known app.
- It can also be inferred that 86% of them are aware of Paytm, while the remaining 14% are not, making it the second most popular app known by the respondents.
- We can see that 88% of respondents are aware of Google Pay, while only 12% are not, making it the most popular app known by respondents.
- According to the table and figure, 44% of respondents are aware of Axis Pay, while 56% are not.
- We can deduce that 82% of respondents are aware of PhonePe and 18% are not, making the app the third most popularly known app among respondents.
- The table and figure 2.4 shows that 60% of respondents are aware of Amazon Pay and 40% are not.
- Similarly, we can see that 56% of respondents are aware of YONO SBI, while the remaining 44% are not.
- In terms of Airtel Thanks, 64% of respondents are aware of it, while the remaining 36% are not.
- Whereas 12% of respondents are aware of the Chillr app, the majority of respondents (88%) are not, making the Chillr app the least known app among respondents.
- While 80% of respondents are aware of WhatsApp Pay, the remaining 20% are not.

Table 2.5. Purpose for using the UPI apps.

Particulars	Never (%)	Rarely (%)	Sometimes (%)	Often (%)	Always (%)
Recharge & Bill Payment	8	8	22	16	**46**
Ticket Booking	**60**	14	18	4	4
Cashback & Rewards	18	22	**30**	24	6
Loans	**84**	6	8	2	0
Transaction	6	10	14	22	**48**
Applying for credit cards	**66**	10	10	10	4
Balance Enquiry	24	10	22	**28**	16

Figure 2.5. Purpose of using the UPI apps



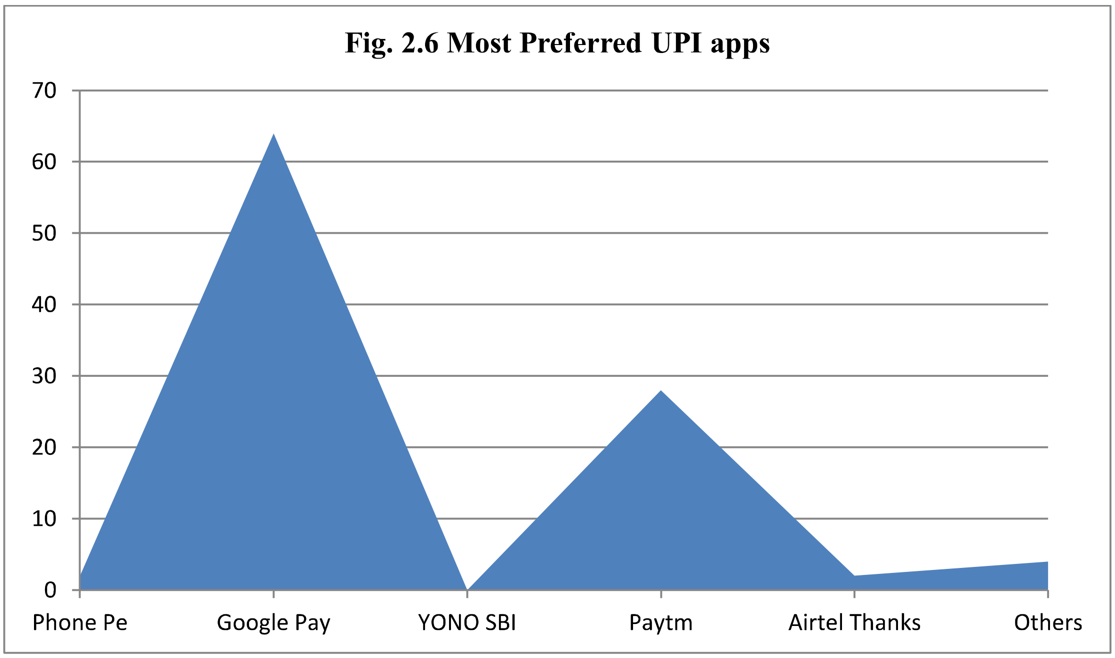
Source: Primary Data.

Interpretation:

- According to the table and figure above, 8% of respondents strongly disagree and disagree with using UPI apps for recharge and bill payment, while 15.7% and 22% are neutral. Whereas 16% of respondents agree on using it for recharge and bill payment, the majority of respondents (46%) strongly agree on using it for the same purpose.
- We can see that the majority of respondents (60%) strongly disagree with using UPI apps for ticket booking, while 14% disagree and 18% are neutral. The remaining 8% of respondents both agree and strongly agree on using it for the same purpose with 4% each respectively.
- It can also be concluded that 18% of respondents strongly disagree with using UPI apps for cashback and rewards, while 22% disagree and 30% are neutral. Whereas 24% agree and 6% strongly agree with using apps for cashback and rewards.
- In terms of loans, 84% of respondents strongly disagree with the use of UPI apps for loans, 6% disagree, and 8% are neutral. However, only 2% of respondents agreed to use the apps for loans.
- According to the results, 6% of respondents strongly disagree with using UPI apps for transactions, 10% disagree, and 14% are neutral. Whereas only 22% of respondents agreed on using apps for transactions, 48% strongly agreed on using UPI apps for transactions.
- In accordance with the table and figure above, 66% of respondents strongly disagree with using UPI apps to apply for credit cards, while 10% disagree and 10% are neutral about doing so. Whereas 10% of respondents agreed to use the apps to apply for credit cards and only 4% strongly agreed to use UPI apps for the same purpose.
- We can see that 24% of respondents strongly disagree with using UPI for balance enquiry, 10% disagree, and 22% are neutral. Whereas 28% of respondents agreed and 16% strongly agreed to use it for the same purpose.

Table 2.6. Most preferred UPI apps.

Particulars	No. of respondents	Percentage (%)
PhonePe	1	2
Google Pay	**32**	**64**
YONO SBI	0	0
Paytm	14	28
Airtel Thanks	1	2
Others	2	4
Total	**50**	**100**



Source: Primary Data.

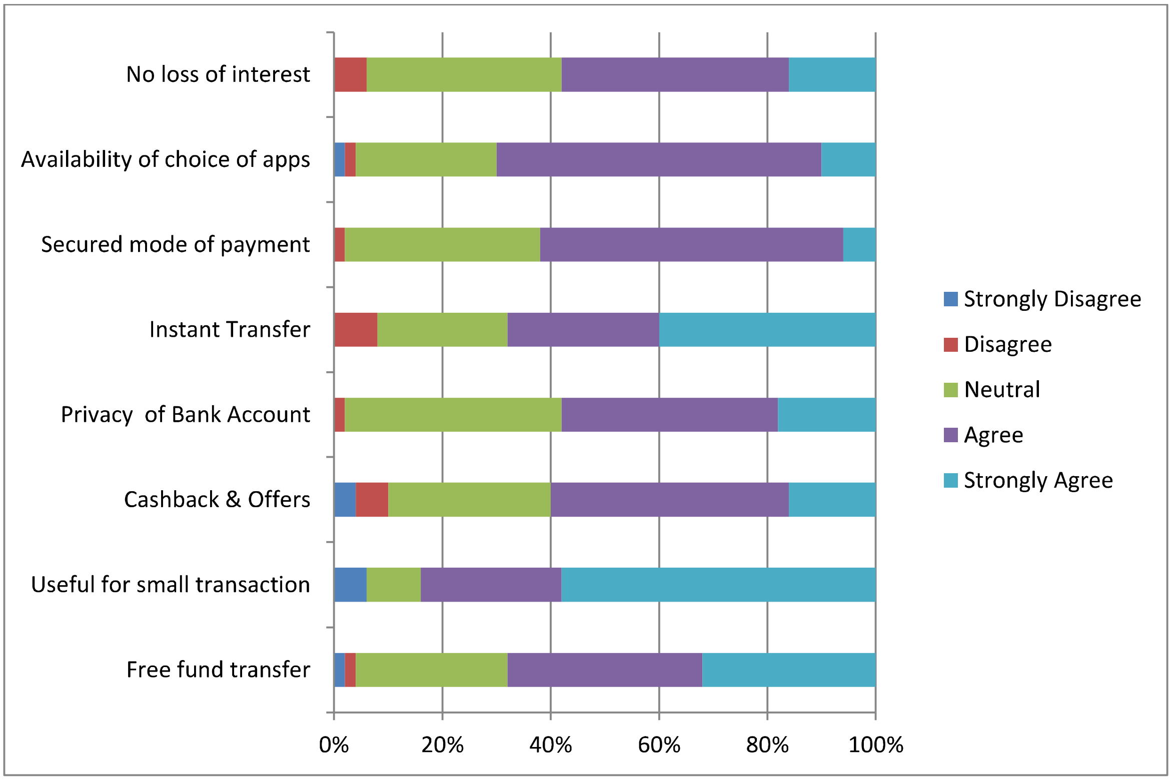
Interpretation:

According to the table and figure above, Google Pay is the most preferred UPI app among respondents (64%), Paytm is the second most preferred app (28%), and others is the third most preferred UPI app (4%). Whereas the remaining respondents, with 2% each, prefer Phone Pe and Airtel Thanks.

Table 2.7. Benefits of using UPI apps.

Particulars	**Strongly Disagree (%)**	**Disagree (%)**	**Neutral (%)**	**Agree (%)**	**Strongly Agree (%)**
Free fund Transfer	2	2	28	**36**	32
Useful for small transactions	6	0	10	26	**58**
Cashback & Offers	4	6	30	**44**	16
Privacy of Bank Account	0	2	**40**	**40**	18
Instant Transfer	0	8	24	28	**40**
Secured mode of payment	0	2	36	**56**	6
Availability of choice of apps	2	2	26	**60**	10
No loss of interest	0	6	36	**42**	16

Figure 2.7. Benefits of using UPI apps.



Source: Primary Data

Interpretation:

- According to table and figure 2.7, 2% of respondents strongly disagree with free fund transfer being one of the benefits of UPI apps, 2% disagree, and 28% are neutral. Whereas 36% agree and 32% strongly agree that free fund transfers are one of the app's benefits.
- Table and figure 2.7 shows that 6% strongly disagree with UPI apps for their utility in making small transactions, while 10% are neutral. When it comes to using UPI apps for its benefit, 26% of respondents agreed, and 58% strongly agreed.
- Table and figure 2.7 shows that 4% of respondents strongly disagree that cashback and offers are one of the benefits of using UPI apps, 6% disagree, and 30% are neutral. Whereas 44% agree and 16% strongly agree that one of the benefits of using UPI apps is the cashback and offers.
- According to table and figure 2.7, 2% of respondents disagree with the privacy of bank accounts being one of the benefits of using UPI apps, while 40% are neutral.

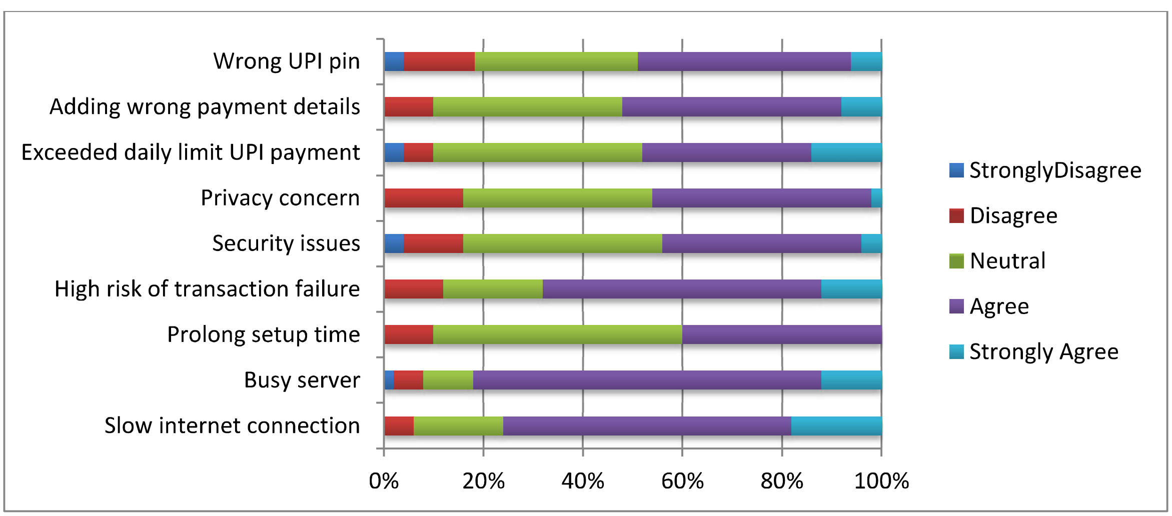
Whereas 40% agree and 18% strongly agree that one of the benefits of using UPI apps is the privacy of bank accounts.

- In terms of instant transfer, 8% disagree while 24% are neutral, with instant transfer being one of the benefits of using UPI apps, whereas 28% agree and 40% strongly agree.
- When it comes to the secured mode of payment, we can see that 2% of respondents disagree, 36% are neutral, 56% agree, and 6% strongly agree that it is one of the benefits of using UPI apps.
- According to the 2.7 table and figure, 2% of respondents strongly disagree, 2% agree, and 26% are neutral on the subject of availability of variety of apps. Whereas 60% and 10% of respondents agree and strongly agree that one of the benefits of using UPI apps is the availability of a variety of apps.
- According to table and figure 2.7, the no loss of interest is one of the advantages of using UPI apps, and 6% of respondents disagree, 36% are neutral, 42% agree, and 16% of respondents strongly agree.

Table 2.8. Problems faced while using UPI apps.

Particulars	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)
1. Slow internet connection	0	6	18	**58**	18
2. Busy server	2	6	10	**70**	12
3. Prolong setup time	0	10	**50**	40	0
4. High risk of transaction failure	0	12	20	**56**	12
5. Security issues	4	12	**40**	**40**	4
6. Privacy concern	0	16	38	44	2
7. Exceeded daily limit UPI payment	4	6	**42**	34	14
8. Adding wrong payment details	0	10	38	**44**	8
9. Wrong UPI pin	4	14	32	**42**	6

Figure 2.8. Problems faced while using UPI Apps.



Source: Primary Data

Interpretation:

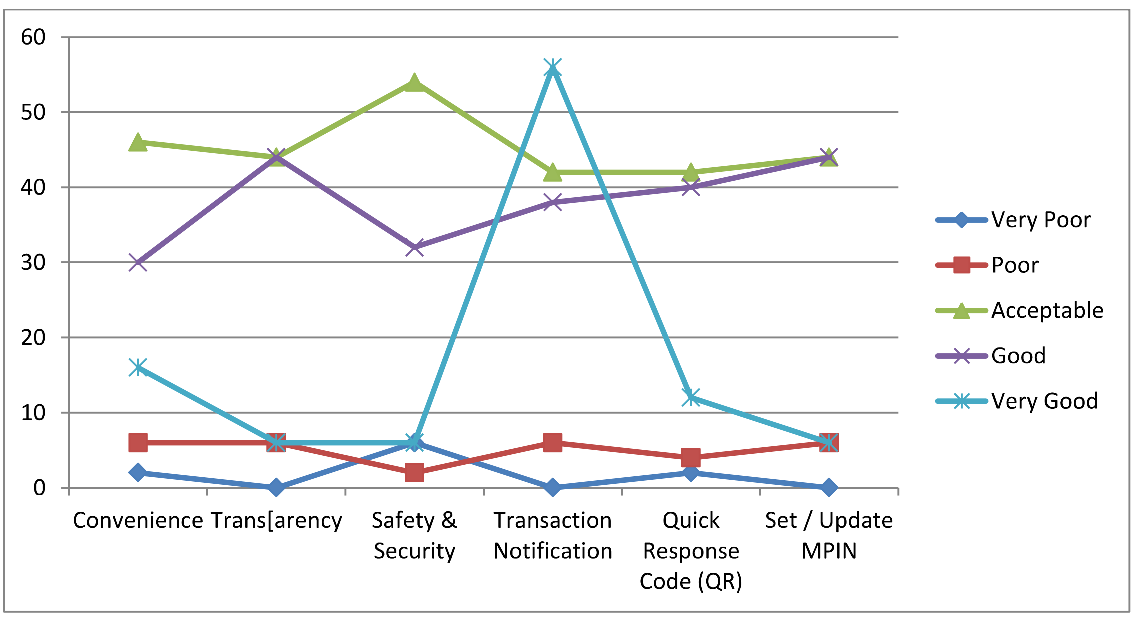
- Table and figure 2.8 above clearly demonstrates that 6% of respondents disagree with the need to address the issue of slow internet connections, while 18% of respondents express no opinion and are neutral about it. While 58% of respondents agree and 18% strongly agree that the issue of a slow internet connection exists
- We can observe from table and figure 2.8 above that 2% of respondents strongly disagree with dealing with the issue of having a busy server, 6% disagree, and 10% are neutral so they are indifferent on dealing with the issue. While dealing with the busy server issue, 70% of respondents agree, and 12% strongly agree.
- It can be inferred from table and figure 2.8 that 10% of the respondents have disagree on having the problem of prolong set up time, while 50% are neutral about facing the same problem. 40% of the respondents, however, agreed that the issue of prolonged setup time existed.
- Table and figure 2.8 indicates that 12% of respondents disagree with addressing the issue of transaction failure, while 20% are undecided about the issue and are neutral about the issue. As for the issue of transaction failure when using UPI apps, 56% of respondents agree, and 12% strongly agree.
- When it comes to security issues, 4% of respondents strongly disagree with having to deal with the issue while using UPI apps, 12% disagree, 40% of respondents are neutral or agree with having to deal with the issue, and 4% strongly agree.
- According to Table and figure 2.8, 16% of respondents do not think that using UPI apps creates a privacy concern, while 38% of respondents express no opinion on the subject and are neutral about it. In contrast, 44% of respondents agree to deal with the privacy concern problem, and 2% strongly agree.
- The table and figure 2.8 shows that 4% of respondents strongly disagree with the problem of exceeding the daily limit of UPI apps, 6% disagree, and 42% are neutral about the same problem. Whereas 34% and 14%, respectively, agree and strongly agree that there is a problem with exceeding the daily limit of UPI apps.
- As per table and figure 2.8, 10% of respondents disagree, 38% are neutral, 44% agree, and 8% strongly agree that they have encountered the problem of entering wrong payment details.

- We can see that 4% of respondents strongly disagree about having to deal with the issue of having the wrong UPI pin, 14% agree, and 32% are neutral. Nonetheless, 42% of respondents agreed and 6% strongly agreed that they have experienced the issue of a wrong UPI pin.

Table 2.9. Opinion on services of UPI.

Particulars	Very Poor (%)	Poor (%)	Acceptable (%)	Good (%)	Very Good (%)
Convenience	2	6	**46**	30	16
Transparency	0	6	**44**	**44**	6
Safe & Security	6	2	**54**	32	6
Transaction Notification	0	6	42	38	**56**
Quick Response Code (QR)	2	4	**42**	40	12
Set / Update MPIN	0	6	**44**	**44**	6

Figure 2.9. Opinion on services of UPI.



Source: Primary Data

Interpretation:

- According to the data in the table and figure above, 2% of respondents thought the convenience of UPI apps were very poor, 6% thought it was poor, and 46% thought it was acceptable. Whereas 30% thought it was good, and 16% thought it was very good.
- Table and figure 2.9 demonstrates that 44% of respondents rated the transparency service as both acceptable and good, while the remaining 12% rated it as both very good and good, scoring 6% for each.
- It can be concluded that respondents considered the safe & security service of the UPI apps to be very poor with 6% and 2% saying that the safe & security is poor, respectively. However, 54% of respondents thought it was acceptable, 32% thought it was good, and 6% thought it was very good.
- Next to it, 6 % of the respondents have considered the transaction notification to be poor, 42% to be acceptable, 38% to be good and 56% to be very good.
- In terms of quick respond code (QR), 2% of respondents said the service was very poor, 4% said it was poor, and 42% said it was acceptable. In contrast, 40% of respondents said it was good, and 12% said it was very good.

It can be inferred that 6% of respondents thought the service of UPI apps to set/update MPIN was very poor, 44% thought it was acceptable, 44% thought it was good, and 6% thought it was very good.

CHAPTER - III
RESULTS AND DISCUSSIONS

This chapter deals with the representation of major findings of the study in relation to customer's insight towards the UPI apps. It describes the major findings related to the level of awareness of the consumers towards UPI payment, the purpose for using UPI apps and their preference towards the UPI apps. It also describes findings related to the benefits & challenges faced by the customers and their opinion on the services of UPI apps.

FINDINGS OF THE STUDY

In this study the Statistical tools like Frequency table, Line Charts, Pie Charts, Bar Graphs and Area Charts were used to analyse the data collected. The data for the analysis was collected through the survey method using structured questionnaire. The questionnaire for the survey was framed based on the objectives using Likert scale questions. The questionnaire consists of the demographic factors, the level of awareness towards the UPI apps, the purpose of using UPI apps, customer's preference towards UPI apps, benefits and challenges faced by the customers and opinions on the services of UPI apps. The total respondents collected for this study was 50 and it was distributed through Google form.
The outcome of the survey and data analysis is explained as follows:

Demographic factors:

Gender: The study showed that majority of the respondents are female which signifies that in the modern world where men are assumed to be more active and participative in the new trends of technology, women are now moving forward in adopting and embracing the new trends of technology in this particular region where the study is conducted.

Age: Majority of the respondents belong to the age category of 18 – 22 years. It signifies that the young adults are more open and accepting towards the trends introduced in the modern world. We can say that UPI apps are more popular among the young adults and that there is no minimum age requirement for using UPI apps and all the age categories are free to use it.

Educational status: The study reveals that majority of the respondents are undergraduates who imply that they are pursuing their higher education. 40% of the respondents have completed their HSSLC, 12% are postgraduates and the 4% have completed their diploma. We can say that there is no restriction on the usage of UPI apps despite the differences in the educational level.

Occupational status: Majority of the respondents (94%) is students. The UPI apps are popular among the students, which can be because the students are educated and more advanced compared to others and adopted the UPI apps in their daily lives.

3.1 AWARENESS OF THE CUSTOMERS TOWARDS UPI APPS:

The majority of the respondents in this study were familiar with the UPI apps listed. Google Pay was the most well-known app among respondents. This could be because it was the first UPI app to be introduced in Lunglei, and it is clear that Google Pay has been adopted and used by almost everyone. It can be seen that many shops have adopted UPI apps, which raises awareness and encourages people to use them.

Chillr, on the other hand, was the least known app among respondents. These could be due to the fact that it was not properly introduced in the area, which affects the usage of the Chillr app, and that awareness was quite low. More awareness and exposure to these apps, it can be seen, are highly required in order to have a deeper knowledge level.

According to the study, the majority of respondents learned about the UPI scheme from friends/family/relatives and has been using UPI apps for more than a year. The use of UPI apps has increased dramatically over the last two years.

3.2 PURPOSE FOR USING UPI APPS:

The majority of respondents, according to the data, use the UPI apps for the reasons stated. The majorities of respondents use UPI apps for sending and receiving money, as well as recharge and bill payment, because it saves time and eliminates the hassle of going out and can be done at one's leisure from the comfort of one's own home.

The majority of respondents, on the other hand, never used UPI apps to apply for loans or book tickets. People may have found it risky to apply for a loan or book a ticket online and were hesitant to use it for fear of failure in transaction payment or fraud, preferring to do it in person.

3.3 CUSTOMER'S PREFERENCE TOWARDS UPI APPS:

According to the study, the majority of respondents preferred Google Pay. This is because it simplifies the money transfer process and offers a variety of cashback and rewards benefits to its users. It is also very simple to use, and many people have adopted the use of Google Pay in their stores for payment of store purchases.

3.4 BENEFITS AND CHALLENGES FACED BY THE CUSTOMERS:

In the survey conducted, the benefits of UPI apps were categorized as follows:

- Free fund transfer.
- Useful for small transactions.
- Cashback & offers.
- Privacy of bank account.
- Instant transfer.
- Secured mode of payment.
- Availability of choice apps.
- No loss of interest.

In terms of benefits, respondents believe that the most important reason they use UPI apps is the secure mode of payment and the availability of a wide range of apps.

Another important reason is the convenience of making small transactions and transferring money between bank accounts in real-time using a mobile phone.

There is no additional charge for transferring funds, and it can be done for free. It even gives cashback and rewards when you make a purchase, increasing your savings. Following the transaction, the UPI platform transfers the cash back amount directly and instantly into the account. There is no loss of interest when a transaction is made, and the user's privacy is protected because there is no need to share confidential information such as account numbers, credit card numbers, or debit card numbers in order to transfer money.

On the contrary to its benefits, the customers also faced some challenges while using UPI apps. The challenges were categorized as follows:

- Slow internet connection.
- Busy server.
- Prolong setup time.
- High risk of transaction failure.
- Security issues.
- Privacy concern.
- Exceeded daily limit UPI payment.
- Adding wrong payment details.
- Wrong UPI pin.

In terms of challenges encountered by respondents when using UPI apps, a large number of respondents reported experiencing busy servers and slow internet connections. It does not work on slow internet connections, preventing smooth use of UPI apps, delaying payments and extending setup time.

UPI is a very fast and secure medium, but it can take a long time to send payment after the bank's server goes down, increasing the risk of transaction failure. Internet connectivity is critical for UPI transactions. UPI transactions may fail or take a long time to complete in areas with poor network coverage or a weak internet signal. Users who rely on UPI for daily transactions may find this inconvenient.

Security concerns (40%) and privacy concerns (44%), according to the respondents, are being addressed. Though UPI is generally secure, there have been reports of fraud and unauthorized access to users' bank accounts via UPI, making respondents wary of using it. They are also vulnerable to data theft. If not careful, entering the bank credentials into the payment gateway may expose them. They also reported having to deal with the problem of entering the incorrect UPI pin and payment details, which caused a hindrance in using UPI smoothly.

3.5 OPINION ON SERVICES OF UPI:

The services of UPI were categorized as follows:

- Convenience.
- Transparency.
- Safe & Security.
- Transaction notification.
- Quick Response Code (QR).
- Set/Update MPIN.

According to the findings of the study, the majority of respondents were satisfied with UPI services. Transactions can be completed from the comfort of one's own home, eliminating the need to travel. Users can conduct transactions at their leisure. It displays the account's entire transaction history, which aids in keeping track of transactions and ensures safe transactions. When a transaction is completed, the UPI application sends a notification that includes the transaction details. If the transaction is not completed by the user, action can be taken immediately. UPI also facilitates payment receipt by scanning the QR Code from any linked mobile app. It also allows the user to set and update their UPI PIN at any time.

CHAPTER - IV
CONCLUSION AND SUGGESTIONS

4.1 SUGGESTIONS OF THE STUDY:

- People should be made aware about the UPI apps and be educated about it as it makes transactions a whole lot easier and it is easy to use as well. It also contributes towards making the country cashless. Cash backs, discounts, and other advantages are provided by UPI.
- There is a lack of internet connectivity in rural and some urban areas in India. The government should invest in high-speed internet and low-cost access. If internet connectivity improves, online funds transfer will become more popular.
- E-literacy campaigns should be implemented to address the issues that customers encounter when using such services.
- Consumer behavior towards UPI (Unified Payments Interface) is improving as trends and consumer preferences change based on day-to-day experience.
- The government should conduct more awareness campaigns for online and banking customers about the various services provided by NPIC, such as UPI and the Bharat bill payment system.

4.2 CONCLUSION:

This study attempted to identify customers' levels of awareness, purpose, preferences, and opinions on UPI, as well as the benefits and challenges they faced. Customers have a positive attitude towards unified payment interface services according to the study's findings, and there is a link between respondents' education and their use of UPI services. People with a higher level of education are more likely to use UPI services. The primary concern of consumers is a slow internet connection and a crowded server, which can be viewed as a critical factor in the adoption of UPI payments. Although the use of digital payment modes is rapidly increasing in Lunglei, there is still a lack of public awareness about various UPI applications. When it comes to instant small transactions, UPI is the best option for customers. As digitization has progressed over the last two years, users prefer UPI over other banking channels. This research also identifies some of the problems that customers encounter when using UPI services. The government should conduct more public awareness campaigns about the various services provided by NPIC for online and banking customers.

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APPENDIX

QUESTIONNAIRE:

Hi. I'm Padma Thapa, 4th semester student of B.Com from HATIM. I'm currently doing a research on the topic of customer's insight towards UPI apps, with special reference to Lunglei district. The purpose of conducting this survey is to analyze the customer's insight towards the UPI apps (Unified Payment Interface).

I would be very grateful if you could spare some of your precious time to answer the following questions as per the instructions. Please read the questions carefully and answer them accordingly. There is no right or wrong answers. The responses will be used for academic purpose and will be confidential. Thank you.

1. Gender
   a. Male ( )
   b. Female ( )
   c. Prefer not to say ( )
2. Age group
   a. 18-22 ( )
   b. 22-26 ( )
   c. 27-33 ( )
   d. 34-59 ( )
   e. Above 37 ( )
3. Educational qualification
   a. No formal education ( )
   b. HSLC ( )
   c. HSSLC ( )
   d. Diploma ( )
   e. Undergraduate ( )
   f. Post graduate ( )

4. Occupational status
    a. Government employee ( )
    b. Stay-at-home ( )
    c. Private businesses ( )
    d. Student ( )
    e. Unemployed ( )
    f. Others ( )
5. How long have you been using UPI apps?
    a. 0-2 months ( )
    b. 2-6 months ( )
    c. More than 6 months ( )
    d. More than a year ( )
6. How did you get to know about Unified Payment Interface (UPI)?
    a. Advertisement ( )
    b. Friends/Family/Relatives ( )
    c. Internet ( )
    d. Television ( )
    e. Posters and Banners ( )
    f. Newspaper & Magazines ( )
7. Are you aware of the following UPI Apps?
    a. Freecharge ( )
    b. BHIM ( )
    c. MobiKwik ( )
    d. Paytm ( )
    e. Google Pay ( )
    f. Axis Pay ( )
    g. PhonePe ( )
    h. Amazon Pay ( )
    i. YONO SBI ( )
    j. Airtel Thanks ( )
    k. Chillr ( )
    l. WhatsApp Pay ( )

8. How often do you use UPI apps for the following purpose?

Particulars	Never	Rarely	Sometimes	Often	Always
Recharge & Bill Payment					
Ticket Booking					
Cashback & Rewards					
Loans					
Transaction					
Applying for credit cards					
Balance Enquiry					

9. Which of the following UPI apps do you prefer the most?

   a. PhonePe ( )

   b. Google Pay ( )

   c. YONO SBI ( )

   d. Paytm ( )

   e. Airtel Thanks ( )

   f. Others ( )

10. What are the benefits of using UPI apps?

Particulars	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Free fund transfer					
Useful for small transactions					
Cashback & Offers					
Privacy of Bank Account					
Instant Transfer					
Secured mode of payment					
Availability of choice of apps					
No loss of interest					

11. What are the problems faced while using UPI?

Particulars	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Low internet connection					
Busy server					
Prolong set up time					
High risk of transaction failure					
Security issues					
Privacy concern					
Exceeded daily limit UPI payment					
Adding wrong payment details					
Wrong UPI pin					

12. Your opinion about services of UPI.

Particulars	Very Poor	Poor	Acceptable	Good	Very Good
Convenience					
Transparency					
Safety & Security					
Transaction Notification					
Quick response code (QR)					
Set/Update UPI pin					