

## AN EMPIRICAL STUDY ON STUDENT AWARENESS OF UNIFIED PAYMENT INTERFACE SERVICES

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### Abstract

This empirical study investigates the sources of awareness of Unified Payment Interface (UPI) services among students, focusing on their knowledge, and the factors influencing their awareness. UPI, a real-time payment system in India, has revolutionized digital payments, making it crucial to understand its penetration among the tech-savvy student demographic. The study found that both personal networks and digital media play pivotal roles in shaping UPI awareness among the study's participants. The chi-square analysis underscores the significant associations between gender, age, and family income with the sources of awareness for the Unified Payment Interface. These findings illuminate the intricate interplay between socio-economic variables and sources of awareness concerning UPI awareness, offering insights into how individuals access and accumulate knowledge about digital payment systems.

### Keywords:

UPI Services, Awareness, Digital Payment, Socio-Economic Variables, Information Sources.

### I. Introduction

In an era marked by rapid technological advancement and digital transformation, payment systems have undergone a significant evolution. One such innovation is the Unified Payment Interface (UPI) services, which have gained immense popularity in India. As the use of UPI services continues to grow, it is crucial to understand the awareness levels among students, who are often early adopters of technology. Unified Payments Interface (UPI) is a revolutionary digital payment system that has transformed the way financial transactions are conducted in India. Developed by the National Payments Corporation of India (NPCI), UPI has gained immense popularity and has become a cornerstone of the country's digital economy. At its core, UPI is a real-time payment system that allows individuals to link their bank accounts to a mobile application, enabling seamless and secure transactions. It operates 24/7, allowing users to transfer funds, pay bills, make purchases, and even invest in financial products with just a few taps on their smartphones. UPI transactions can be conducted through various channels, including mobile apps, websites, and USSD (Unstructured Supplementary Service Data) codes, making it accessible to a wide range of users.

This empirical study seeks to examine and analyze students' awareness of UPI services, providing insights into their understanding and the factors that impact their awareness.

### II. Review of Literature

**Rajeswari et al. (2021)** investigated that over the past decade, India has experienced substantial growth in internet and mobile phone usage, driven by factors like government initiatives such as Digital India. This has led to a significant increase in the adoption of digital payments, encompassing transactions made through internet and mobile banking, as well as card payments at point of sale (POS). The study highlights the importance of consumer perception in driving the adoption of digital payments and aims to analyze awareness levels and usage purposes. Results indicate that respondents are highly aware of debit cards, and digital payment systems are predominantly used for utility payments, reflecting the convenience and positive perception of these methods.

**Rastogi et al. (2021)** found that a multi-faceted impact of UPI on financial literacy, financial inclusion, and economic development. Financial literacy significantly influences financial inclusion, which in turn plays a crucial role in driving economic development. This relationship is mediated by factors

such as financial stability and trust. The study's implications suggest that UPI not only enhances financial literacy but also indirectly contributes to the financial inclusion and economic development of disadvantaged populations. These findings provide valuable insights for policymakers to formulate more effective UPI-related policies in the future, making this study unique in its exploration of the connections between UPI, financial literacy, financial inclusion, and economic development.

**Thirupathi and Akula (2022)** examined that the Unified Payments Interface (UPI) is a technology that consolidates multiple bank services, enabling seamless fund routing and merchant payments through a single mobile application. Its significance arises from the government and RBI's commitment to creating an affordable, user-friendly, and secure digital payment system for India's vast population. The RBI and NPCI have played pivotal roles in promoting digital payments, leading to a rapid increase in UPI transactions due to its simplicity and cost-effectiveness. Among users, especially the younger generation and students, UPI is popular. A study at Satavahana University, Telangana, reveals that most postgraduate students use UPI primarily for mobile recharges and fund transfers.

**Harikrishnan (2023)** investigated the customer preferences for UPI payments over cash, highlighting the rising popularity of UPI as a secure and convenient digital payment system in India. It aims to identify the factors that influence consumer choices among various UPI service providers. The findings are based on a survey of 150 individuals, reflecting the profound impact of technological advancements on payment systems and the significant role of UPI in fostering growth among smaller and medium-sized enterprises.

**Khatter and Soni (2023)** conducted the study is to know the demographic perception towards UPI. Primary data is collected from 655 UPI users from Delhi NCR India in which 314 are males and 341 are females. For gender perception t-test is used and for different generation's perception ANOVA is used. There is no significant difference in the perception of Male and Female towards UPI, so null hypothesis is accepted. Empirical results of problems in UPI are found to be significant at 1 percent level of significance and 99 percent level of confidence, therefore significant difference is found in the perception of age groups.

### III. Objective of the study

The main objective of study is to identify the sources of awareness of Unified Payment Interface services among the college students.

### IV. Research Methodology

The target population comprises 525 undergraduate and postgraduate students from various educational institutions in Coimbatore District. A convenience sampling method is employed to collect the primary data. The secondary data collected from books, articles, bank websites, published reports etc.

### V. Data Analysis

The research used the Statistical Package for Social Science (SPSS) for the data analysis. The percentage and chi-square has been applied to identify the awareness of UPI services.

#### Percentage Analysis

Table 1 Socio-Economic Profile

Variables	UPI (Numbers = 525)	Percentage
<b>Gender</b>		
Male	289	55
Female	236	45
<b>Age (Years)</b>		
17 – 20 Years	445	85

Variables	UPI (Numbers = 525)	Percentage
21 – 24 Years	80	15
<b>Marital Status</b>		
Married	11	2
Unmarried	514	98
<b>Residential Status</b>		
Rural	301	58
Semi urban	112	21
Urban	112	21
<b>Educational Qualification</b>		
Degree	479	91
Diploma	17	3
Professional Course	29	6
<b>Family Income (Rs.)</b>		
Up to Rs.25,000	308	59
Rs.25,001 – Rs.50,000	117	22
Rs.50,001 – Rs.75,000	78	15
Above Rs.75,000	22	4

**Source: Primary Data**

**Interpretation:** Table 1, shows that 55% of the respondents are male and 45% of the respondents are female. The age group shows that 85 % of the respondents belong to the age group of 17 years - 20 years, and 15 % of the respondents belong to the age group of 21 years -24 years. Marital status depicts that 2% of the respondents are married and remaining 98% of responds are unmarried. Residential status of the students indicates that 21% of the respondents belonged to the urban area, 21% of the respondents belonged to the semi-urban and 58% of the respondents belonged to the rural area. Educational qualification indicates that 91% of the respondents are pursuing degree, 3% of the respondents are pursuing diploma and 6% of the respondents are pursuing professional courses. Family monthly income shows 59% of the respondents are under the income group up to Rs. 25,000, 22% of the respondents are under Rs.25,001 – Rs.50,000, 15% of the respondents are under the income group of Rs.50,001 – Rs.75,000, 4% of the respondents are under income category above Rs.75,000.

**Awareness of UPI**

Awareness of UPI services refers to the extent to which individuals are knowledgeable about and informed regarding the Unified Payment Interface, a digital payment system widely used for online transactions and money transfers in India. This awareness is crucial in promoting financial inclusion and encouraging the adoption of digital payment methods in the country, contributing to a cashless economy.

**Table 2 Sources of Awareness**

Variables	UPI (Numbers = 525)	Percentage
<b>Source of Awareness</b>		
Bank Officials	30	6
Internet	134	26
Television	3	1
Newspaper	20	4

Variables	UPI (Numbers = 525)	Percentage
Family	63	12
Relatives	4	1
Friends	142	27
Social Media	129	23

**Source: Primary Data**

**Interpretation:** Table 2 indicates that awareness of UPI is primarily driven by digital channels such as the internet (26%) and social media (23%), along with personal networks like friends (27%) and family (12%). Traditional sources like newspapers (4%) and television (1%) play a smaller role in spreading awareness about UPI.

**Chi –Square Analysis**

The chi-square test has been used to examine whether there exists any association between two variables. The test determines the association between the socio-economic factors of the respondents and awareness of the Unified Payment Interface Services.

**Null Hypothesis (H0) and Alternative Hypothesis (H1)**

The following hypotheses have been formulated and will be tested:

H0: There is no significant association between gender and sources awareness of UPI services among college students.

H1: Gender is significantly associated with sources awareness of UPI services among college students.

H0: Age is not a significant factor in determining sources awareness of UPI services among college students.

H2: Age is a significant factor in determining sources awareness of UPI services among college students.

H0: Marital status has no significant influence on sources awareness of UPI services among college students.

H3: Marital status has a significant influence on sources awareness of UPI services among college students.

H0: Family income does not significantly affect sources awareness of UPI services among college students

H4: Family income significantly affects sources awareness of UPI services among college students.

**Table 3: Gender and Sources of Awareness**

Gender	Sources of Awareness								Total
	Bank Official s	Inter net	Telev ision	News paper	Family	Relative s	Friend s	Social Media	
Male	11	80	1	18	21	0	88	70	289
Female	19	54	2	2	42	4	54	59	236
<b>Total</b>	30	134	3	20	63	4	142	129	525
<b>Df:7</b>	<b>Chi-square : 35.40</b>		<b>P Value: .000</b>						<b>Signifi cant</b>

**Source: Primary Data**

**Interpretation:** Table 3, depicts that male students have sources of awareness from friends and female students have sources of awareness from social media. The calculated P value is less than 0.05 there does exist a significant association between gender and sources of awareness. Hence, the null hypothesis is rejected. The sources of awareness are more strongly associated with gender.

**Table 4: Age and Sources of Awareness**

	Sources of Awareness	Total
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Age (Years)	Bank Official s	Inter net	Telev ision	News paper	Family	Relative s	Friend s	Social Media	
17 – 20	23	101	3	20	59	4	125	110	445
21 – 24	7	33	0	0	4	0	17	19	80
<b>Total</b>	30	134	3	20	63	4	142	129	525
<b>Df:7</b>	<b>Chi-square: 20.57</b>		<b>P Value: .004</b>						<b>Significant</b>

**Source: Primary Data**

**Interpretation:** Table 4, shows that friends seem to be more influential source for the age group (17-20), while the age group (21-24) relies more on the internet for information. The chi-square test indicates a significant association between age groups and sources of awareness. The calculated P value is less than 0.05 there does exist a significant association between age and sources of awareness. Hence, the null hypothesis is rejected.

**Table 5: Marital Status and Source of Awareness**

Marital Status	Source of Awareness								Total
	Bank Official s	Inter net	Telev ision	News paper	Famil y	Relative s	Friend s	Social Medi a	
Married	1	4	0	0	3	0	0	3	11
Unmarried	29	130	3	20	60	4	142	126	514
<b>Total</b>	30	134	3	20	63	4	142	129	525
<b>Df:7</b>	<b>Chi-square : 6.57</b>		<b>P Value: .474</b>						<b>Not Significant</b>

**Source: Primary Data**

**Interpretation:** Table 5, indicates that there is no significant association between marital status and the sources of awareness. The calculated P value is greater than 0.05 there does not exist a significant association between marital status and sources of awareness. Hence, the null hypothesis is accepted.

**Table 6: Family Income and Source of Awareness**

Family Income	Source of Awareness								Total
	Bank Official s	Interne t	Telev ision	News paper	Famil y	Relative s	Friend s	Social Media	
Up to Rs.25,000	23	85	3	3	39	4	90	61	308
Rs. 25,001 - Rs. 50,000	2	20	0	6	11	0	38	40	117
Rs. 50,001 - Rs.75,000	5	23	0	11	10	0	8	21	78
Above Rs. 75,000	0	6	0	0	3	0	6	7	22
<b>Total</b>	30	134	3	20	63	4	142	129	525
<b>Df:21</b>	<b>Chi-square : 63.74</b>		<b>P Value: .000</b>						<b>Significant</b>

**Source: Primary Data**

**Interpretation:** Table 6, reveals those with lower family incomes up to Rs. 25,000 tend to rely more on friends and internet for information, while those with higher family incomes above Rs. 75,000 are more inclined to use the internet and social media. The calculated P value is less than 0.05 there does

exist a significant association between family income and sources of awareness. Hence, the null hypothesis is rejected.

## **VI. Findings**

- The percentage analysis shows that a demographic overview of the respondents, majority of respondents (55%) male, the majority of respondents (85%) fall within the age range of 17 to 20 years, the majority (98%) are unmarried, in terms of residential status most (58)% of respondents reside in rural areas, Educational perspectives, majority (91%) of respondents are pursuing degrees, Family monthly income distribution shows that most (59%) of respondents fall within the income group of up to Rs. 25,000. Additionally, sources of awareness on UPI is primarily driven by with personal networks like friends (27%), followed by digital channels such as the internet (26%) and social media (23%). The crucial role of both personal networks and digital mediums in shaping UPI awareness among the study's respondents.
- The chi-square analysis reveals that gender, age and family income are a significant association with sources of awareness of Unified Payment Interface. The complex interplay between demographic variables and information sources in the context of UPI awareness, shedding light on the nuanced ways in which individuals access and gather knowledge about digital payment systems.

## **VII. Conclusion**

This study delved into the awareness of UPI services among students, offering valuable insights into their knowledge and the factors influencing their awareness. The analysis revealed that personal networks, such as friends and family, alongside digital channels like the internet and social media, play pivotal roles in shaping UPI awareness. Furthermore, socio-economic factors, including gender, age, and family income, were found to be significantly associated with the sources of awareness.

The evolving landscape of information dissemination, where digital mediums have become increasingly influential in spreading awareness about financial technologies like UPI. Moreover, the study underscores the importance of considering socio-economic variables when designing awareness campaigns and educational initiatives related to digital payment systems. As the world continues to embrace digital financial solutions, understanding the dynamics of awareness among the younger generation, as explored in this study, remains crucial. The insights generated here can inform strategies for enhancing UPI awareness and adoption, contributing to the broader goal of financial inclusion and a digitally empowered society.

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