

A Basic Study of UPI App Users and Their Satisfaction

By

TANVEER SINGH CHHABRA

Student at Amity Buisness School

AMITY UNIVERSITY CHHATTISGARH

Abstract

Unified Payments Interface (UPI) has revolutionized digital transactions in India by enabling fast, secure, and interoperable payments. This study aims to explore user demographics, usage patterns, and satisfaction levels associated with UPI applications. A survey-based methodology was adopted to gather primary data from 150 respondents. Results indicate high satisfaction levels driven by ease of use, transaction speed, and 24/7 availability. However, concerns remain regarding security and occasional transaction failures. The study concludes with recommendations for improving user experience and strengthening digital payment adoption.

1. Introduction

The evolution of India's financial technology landscape has been notably driven by the introduction of the Unified Payments Interface (UPI), launched in 2016 by the National Payments Corporation of India (NPCI). UPI allows users to transfer funds between bank accounts using a mobile application, without needing to input IFSC codes or account numbers. Popular apps using UPI include Google Pay, PhonePe, Paytm, and BHIM.

Objectives of the Study

1. To understand the demographic profile of UPI users.
2. To identify the commonly used UPI applications.
3. To assess user satisfaction based on different factors.
4. To evaluate challenges or issues faced by users.

2. Literature Review

Several studies have highlighted the growing penetration of digital payments in India. According to RBI data, UPI transactions have surpassed traditional banking methods in volume and frequency. Research by Singh & Sharma (2021) suggests that digital payment usage correlates with age, income, and education. Another study by Iyer (2022) found that trust and ease of use significantly impact customer satisfaction in UPI apps.

3. Research Methodology

3.1 Research Design

The study is descriptive in nature and based on a survey method.

3.2 Sample Size and Technique

A total of 150 UPI app users were selected using convenience sampling across urban and semi-urban locations in India.

3.3 Data Collection

Primary data was collected using a structured questionnaire with both closed and open-ended questions. Secondary data was gathered from academic journals, RBI reports, and fintech news portals.

3.4 Tools Used

- Percentage Analysis
- Likert Scale (1 to 5) for Satisfaction Measurement

4. Data Analysis and Interpretation

4.1 Demographic Profile

- Age Group: Majority (60%) were between 18–30 years.
- Gender: 58% male, 42% female.
- Occupation: 45% students, 30% working professionals, 15% businesspersons, 10% others.

4.2 Most Used UPI Apps

App	% of Users
Google Pay	42%
PhonePe	35%
Paytm	18%
BHIM	5%

4.3 Frequency of Use

- Daily: 48%
- Weekly: 37%
- Occasionally: 15%

4.4 Purpose of Use

- Bill Payments: 30%

- Peer-to-Peer Transfer: 40%
- Online Shopping: 20%
- Recharge and Subscriptions: 10%

4.5 Satisfaction Factors

Factor	Avg. Rating (out of 5)
Ease of Use	4.4
Speed of Transactions	4.5
Security	3.8
Customer Support	3.6
App Interface	4.2

5. Findings

- Most users prefer Google Pay and PhonePe due to better UI/UX.
- High satisfaction with transaction speed and availability.
- Security remains a moderate concern; some fear data theft and scams.
- Customer support services are viewed as average or poor.
- Young adults are the most frequent users of UPI apps.

6. Suggestions

1. Enhanced Security Features: Include biometric verification for every transaction.
2. User Education: Campaigns on safe digital practices.
3. Improved Support Systems: AI-powered chat and quicker grievance redressal.
4. Reward Systems: Cashback and loyalty points to retain users.

7. Conclusion

UPI has transformed the Indian payment ecosystem. User satisfaction is generally high, especially among the younger population. The key to future growth lies in addressing concerns related to security and customer support while continuously innovating the user experience.

References

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