



## Consumer behavior and acceptability of UPI Payments with special reference to Airtel Payments Bank

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**Abstract :** India has had the habit of using traditional way of payment i.e. 'via Cash'; however after demonetization, the country witnessed a rush in cashless transaction through various digital modes. In 2016, with the launch of UPI – Unified Payment Interface, India moved a step closer towards becoming a cashless economy. UPI allows direct transfer of funds between banks via an app without the need of any bank details. Unsurprisingly, UPI has left other modes of payment far behind. Adoption of digital payments has made life easier; everything can now be done by a click. Airtel Payments Bank is

the first payment bank in India to enable an open loop BHIM UPI based payments. This enables the consumer to make payment easily via their mobile phones by scanning any QR code. They do not need to keep a number of applications in their phone to make payment.

**Keywords:** Digital Payments, UPI, Airtel Payments Bank.

### Introduction :

There has been a shift within the outlook of individual with regard to the traditional mode of payment. Digital Payment platforms nowadays have become the most convenient method for money transaction. UPI (Unified Payment Interface) – an instant payment system is one of the most used form of digital payment. UPI was launched by National Payment Corporation of India in 2016. It was born in Jan 2016 but it marked a great prominence after demonetization in Nov 2016 and Government's emphasis on cashless transaction. Since then there has been a tremendous growth in digitally made payments.

“UPI hits 1 billion transactions in October, plans to go global.” As reported earlier (Shetty Mayur, 2019).

Airtel Payments Bank is one of the trusted payment banks in India. Airtel provides digital transactions using

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UPI or E- wallet. In June 2019, Airtel Payments Bank announced about enabled open-loop BHIM UPI-based payments at over 500,000 merchant points across India. This open-loop system will let consumers make digital payments for goods and services by using any BHIM UPI enabled bank or payments app over their mobile phones. In simple language, this means that consumers can make payments by using any of the 2730 applications available in the play store by scanning the QR provided by Airtel Payments Bank.

Speaking on the announcement, Anubrata Biswas, MD and CEO of Airtel Payments Bank said,

“We are delighted to partner with NPCI to bring BHIM UPI powered payment solutions at millions of merchants across India, enabling seamless and secure digital payments. This is an important step towards our aim of creating a ubiquitous digital payment ecosystem for all consumers.” As reported earlier (Bhalla Tarun, 2019).

While the other payment applications were fighting the competition in the market, Airtel Payments Bank came out with the solution to make payment via any UPI payments application which made it grow in the market.

#### **Objectives :**

- To study the awareness of digital payment methods
- To find out the reason for adopting digital payments
- To know the awareness and acceptability of UPI payments regarding Airtel Payments Bank among the people in Patna
- To find out the availability of Airtel Payments at stores
- To study the security of UPI Payments regarding Airtel Payments Bank
- To ascertain the level of satisfaction regarding UPI transactions through Airtel Payments Bank

#### **Hypotheses :**

- Most of the people in Patna are aware of digital payment methods
- Digital payments are usually adopted as people find it more convenient than carrying cash
- Most of the people use Airtel Payments Bank for UPI transactions

- Airtel payments are easily available at stores
- People find Airtel Payment Bank a secure option for UPI payments
- Most of the people are satisfied with UPI transactions of Airtel Payments Bank.

#### **Limitations :**

The major limitations of the research study are:

- Limited geographical area
- Time constraint

#### **Methodology :**

The research type has been exploratory as well as descriptive. The data have been collected from both that is, primary and secondary sources. For primary data, the public of Patna was approached. For changes that have occurred over the years, secondary data from the archives have been referred to.

The sample of 300 respondents was selected and given a set of questionnaires. Stratified random sampling was used for the type of sampling.

#### **Major Findings of Research :**

##### **Table 1. Awareness of digital payment methods among people**

Majority of the respondents are aware of digital payment methods

##### **Table 2. Reasons for adopting digital payments**

Most of the respondents adopt digital payments as they find it more convenient than carrying cash

##### **Table 3. Awareness of UPI transactions**

Most of the respondents are aware of UPI transactions

##### **Table 4. Usage of Airtel Payments Bank**

The usage of Airtel Payments Bank is less among the respondents

##### **Table 5. Easy availability of Airtel payment services at stores**

Respondents believe that Airtel payment services are not easily available at stores

##### **Table 6. Preference of UPI transactions through Airtel Payments Bank**

Maximum respondents use both UPI and e-wallets for transactions through Airtel Payments Bank

**Table 7. Purpose of using UPI transactions through Airtel Payments Bank**

Most of the respondents use UPI transactions for recharge, bill payments, money transfer and booking tickets.

**Table 8. Frequency of UPI transactions through Airtel Payments Bank**

Many respondents use Airtel Payments Bank for UPI transactions on a weekly basis

**Table 9. Kind of monetary transactions for UPI transactions through Airtel Payments Bank**

Respondents use Airtel Payments Bank for UPI transactions of less than 10000

**Table 10. Problems faced while using Airtel Payments Bank for UPI transactions**

Maximum of the respondents do not face problems while using Airtel Payments Banks for UPI transactions

**Table 11. Security of UPI transactions through Airtel Payments Bank**

Most of the respondents using Airtel Payments Bank believe it is secure for UPI transactions

**Table 12. Satisfaction level of people regarding UPI payment through Airtel Payments Bank**

Respondents are satisfied while using UPI payments through Airtel Payments Bank.

**Suggestions :**

- Digital payment methods, against UPI transactions, should provide more additional offers and give more promotional cashbacks.
- Airtel Payments Bank should concentrate on improving connectivity services so as to make it quick and more secure.
- Airtel Payments Bank should take necessary steps to overcome delay in processing of payments.

**Conclusion :**

We know that in recent times, there has been an enormous growth in smart phone users and penetration of internet in all sectors. This opens the door for adoption of UPI by Indian customers. UPI has developed the e-payment technology by facilitating mobile phone to be used as a main payment device for transferring funds

as well as paying bills, recharging etc. There has been a tremendous growth in the use of payments made through UPI.

Almost all the respondents were aware about digitally made payments. UPI payment system has a huge customer base. They found making payments through UPI convenient and risk free. UPI transactions are being made for various payments; most of them are for recharging and transferring money. Paying bills and booking tickets are other reasons for making UPI payments.

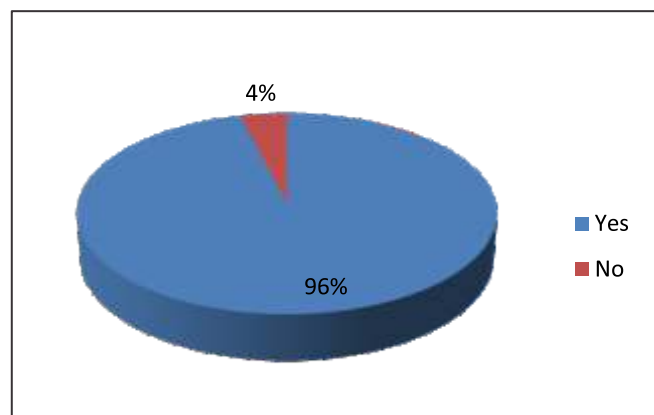
Airtel Payments Bank is one of the applications for making UPI transactions by merchants as well as customers. Form the survey; we can conclude that Airtel Payments Bank has not been able to establish itself in the market. More efforts need to be made by the company to make a strong customer base. However, the respondents using Airtel Payments Banks were satisfied with the service. They found making payments through Airtel Payments Bank secured and hassle-free.

In the end, we can conclude by saying that looking at the pace of growth of UPI payments, payments via cash will soon be replaced completely.

**TABLES AND GRAPHS**

**Table 1. Awareness of digital payment methods**

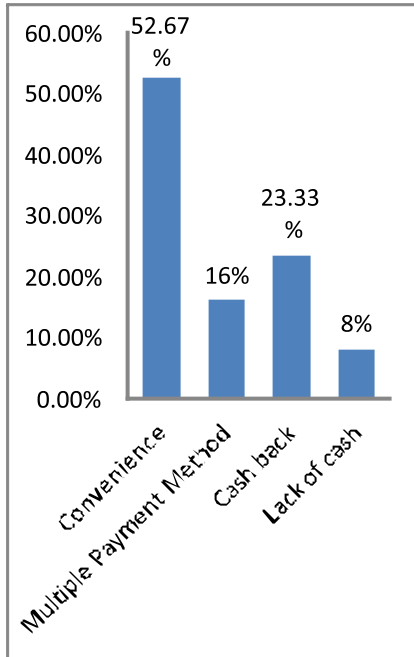
Awareness	No. of respondents	Percentage
Yes	288	96%
No	12	4%
Total	300	100%



**Graph No. 1**

**Table 2. Reasons for adopting digital payments**

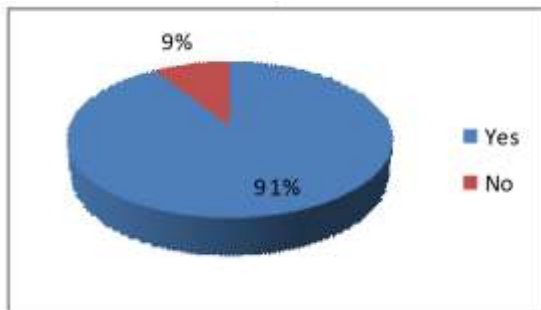
Reason	No. of respondents	Percentage
Convenience	158	52.67%
Multiple payment methods	48	16%
Cashback	70	23.33%
Lack of cash	24	8%
Total	300	100%



**Graph No. 2**

**Table 3. Awareness of UPI transactions**

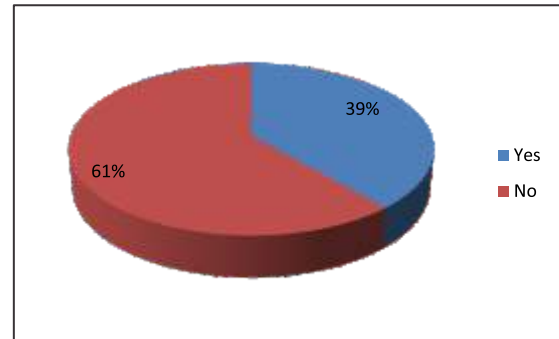
Awareness	No. of respondents	Percentage
Yes	273	91%
No	27	9%
Total	300	100%



**Graph No. 3**

**Table 4. Usage of Airtel Payments Bank**

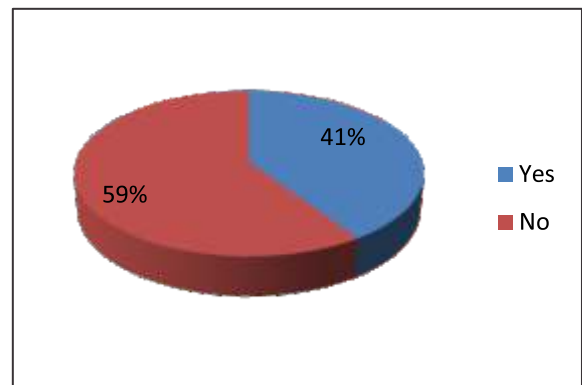
Usage	No. of respondents	Percentage
Yes	116	38.67%
No	184	61.33%
Total	300	100%



**Graph No. 4**

**Table 5. Easy availability of Airtel payment services at stores**

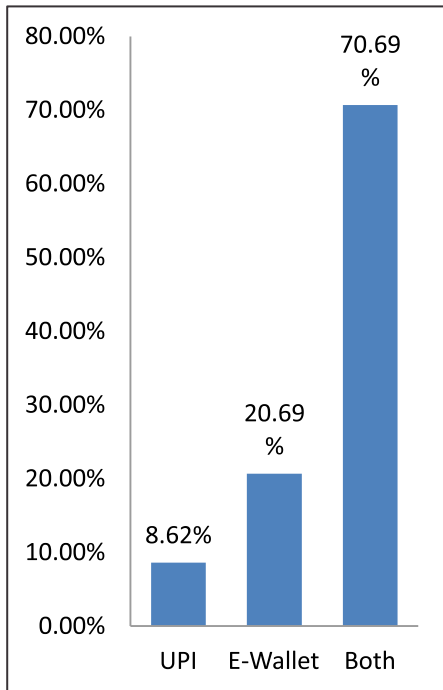
Availability	No. of respondents	Percentage
Yes	122	40.67%
No	178	59.33%
Total	300	100%



**Graph No. 5**

**Table 6. Preference of UPI transactions through Airtel Payments Bank**

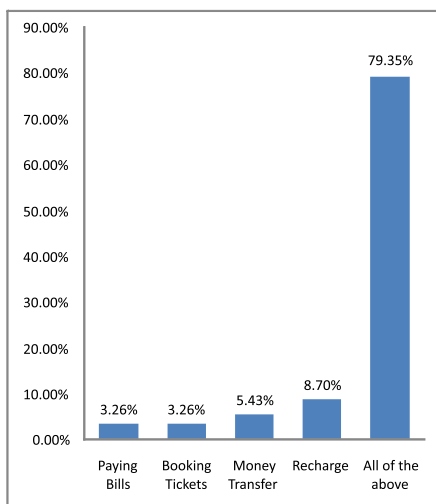
Usage	No. of respondents	Percentage
UPI	10	8.62%
E-wallet	24	20.69%
Both	82	70.69%
Total	116	100%



Graph No. 6

Table 7. Purpose of using UPI transactions through Airtel Payments Bank

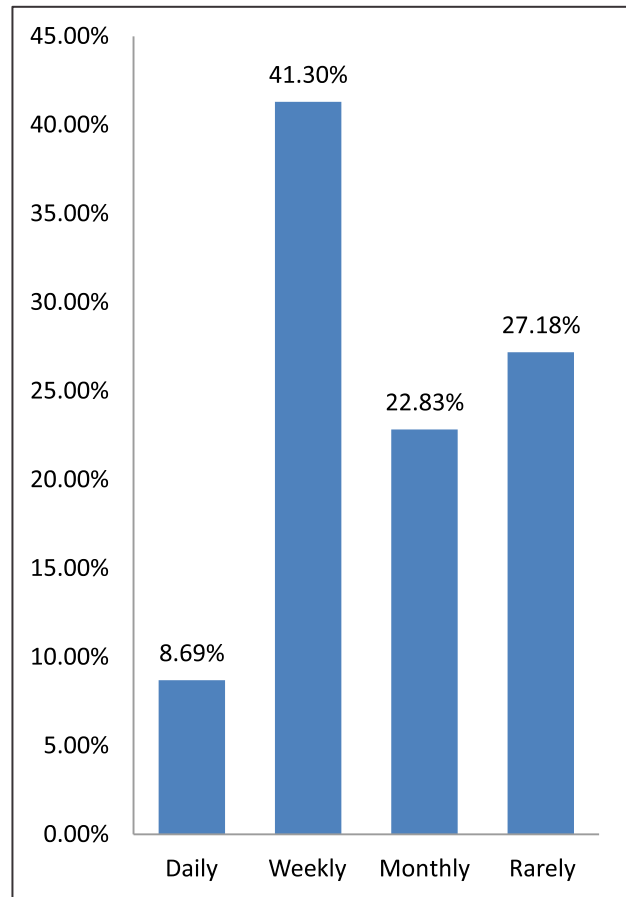
Purpose	No. of respondents	Percentage
Paying bills	3	3.26%
Booking tickets	3	3.26%
Money transfer	5	5.43%
Recharge	8	8.70%
All of the above	73	79.35%
Total	92	100%



Graph No. 7

Table 8. Frequency of UPI transactions through Airtel Payments Bank

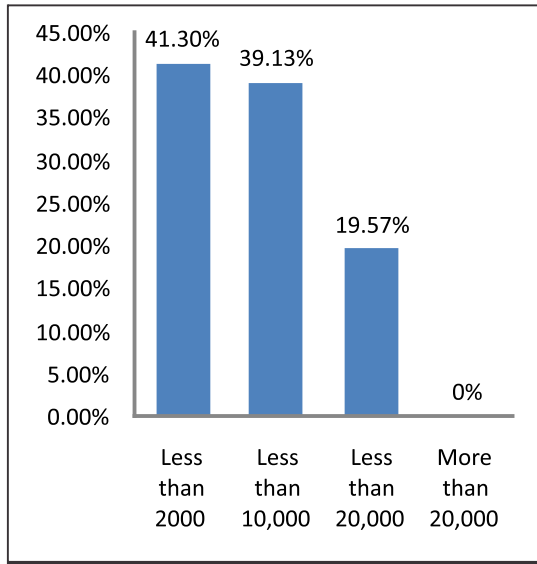
Frequency	No. of respondents	Percentage
Daily	8	8.69%
Weekly	38	41.30%
Monthly	21	22.83%
Rarely	25	27.18%
Total	92	100%



Graph No. 8

Table 9. Kind of monetary transactions for UPI transactions through Airtel Payments Bank

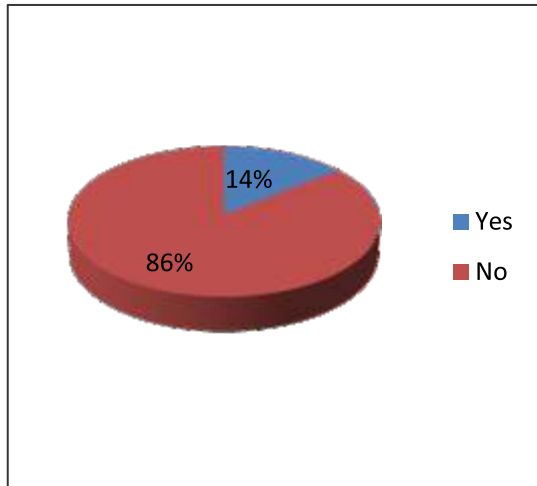
Transactions	No. of respondents	Percentage
Less than 2000	38	41.30%
Less than 10000	36	39.13%
Less than 20000	18	19.57%
More than 20000	0	0
Total	92	100%



Graph No. 9

Table 10. Problems faced while using Airtel Payments Bank for UPI transactions

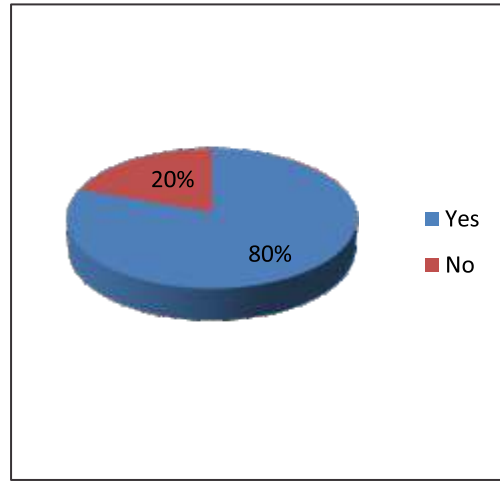
Problems faced	No. of respondents	Percentage
Yes	13	14.13%
No	79	85.87%
Total	92	100%



Graph No. 10

Table 11. Security of UPI transactions through Airtel Payments Bank

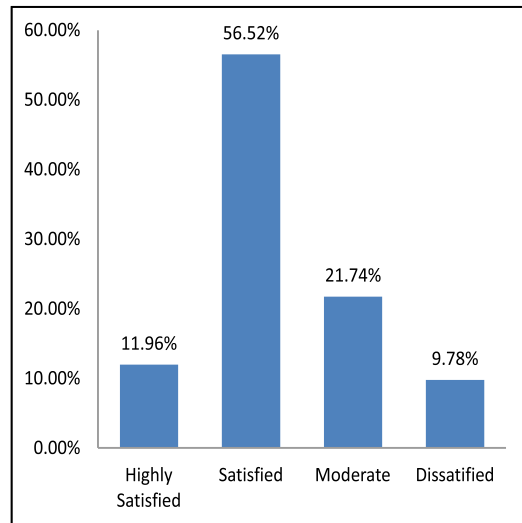
Security	No. of respondents	Percentage
Yes	74	80.43%
No	18	19.57%
Total	92	100%



Graph No. 11

Table 12. Satisfaction level of people regarding UPI payment through Airtel Payments Bank

Level of satisfaction	No. of respondents	Percentage
Highly satisfied	11	11.96%
Satisfied	52	56.52%
Moderate	20	21.74%
Dissatisfied	9	9.78%
Total	92	100%



Graph 12

**References**

Mayur Shetty. (2019, October 30). Plans to go global. Retrieved Nov 2, 2019, from m.timesofindia.com.

Tarun Bhalla. (2019, June 4). Enabling seamless and secured digital payments. Retrieved Nov 3, 2019, from yourstory.com.