

## A SURVEY ON AWARENESS AND USAGE OF UPI AMONG PEOPLE

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*The rapid growth of digital payment systems in India has been significantly driven by the introduction of the Unified Payments Interface (UPI), a platform that allows seamless, real-time financial transactions through smartphones. As UPI continues to evolve and expand its user base, understanding public awareness, adoption patterns, user satisfaction, and the challenges associated with its usage becomes increasingly important. This study aims to assess the overall awareness and usage of UPI among people from varied demographic backgrounds, including differences in age, education, occupation, and digital literacy levels.*

*A structured questionnaire was administered to the respondents to gather information related to their familiarity with UPI, frequency and purpose of usage, preferred UPI applications, transaction habits, perceived benefits, and any difficulties or security concerns encountered. The survey results indicate that UPI awareness is exceptionally high, particularly among individuals aged 18–35, who demonstrate the most frequent usage. Google Pay, Phone Pe, and Paytm emerged as the dominant UPI applications due to their user-friendly interfaces, reward systems, and widespread acceptance across online and offline merchants.*

*The study concludes that UPI has become an integral part of India's digital payment ecosystem and has significantly contributed to promoting financial inclusion by simplifying digital transactions for people across different socio-economic segments. The insights gained from this survey may help financial institutions, policymakers, and fintech companies improve UPI performance, enhance user trust, and design strategies to further increase its adoption.*

**Keywords:** UPI, Digital Payments, Mobile Banking, Cashless Transactions, Financial Technology, Awareness, Usage Patterns, User Adoption, Security Concerns, India

**INTRODUCTION**

The digital transformation of financial services in India has accelerated rapidly over the past decade, driven by increasing smartphone penetration, government initiatives promoting a cash-less economy, and the growing demand for fast and convenient payment systems. Among the various digital payment innovations, the Unified Payments Interface (UPI) has emerged as the most transformative and widely adopted platform. Launched in April 2016 by the National Payments Corporation of India (NPCI), UPI enables users to transfer funds instantly between bank accounts through a mobile application, without the need for traditional banking details such as account numbers or IFSC codes. Its interoperability, ease of use, and real-time processing capabilities have positioned UPI at the center of India's digital payment ecosystem.

The significance of UPI lies in its ability to simplify financial transactions and integrate multiple bank accounts into a single interface, making digital payments accessible to users of varying technological skills. Over the years, UPI has witnessed exponential growth in transaction volume and value, driven by the popularity of apps such as Google Pay, Phone Pe, Paytm, and BHIM. These applications have not only promoted widespread adoption but have also expanded UPI's utility to include bill payments, merchant transactions, online purchases, recharges, and peer-to-peer transfers. As a result, UPI has become a preferred mode of payment among individuals, businesses, and service providers.

Despite its widespread acceptance, the level of awareness and usage of UPI can vary significantly across demographic groups. Factors such as age, education, occupation, income level, and digital literacy influence how individuals perceive and use UPI. While younger and urban populations have embraced digital payments rapidly, older adults and rural users may still face challenges related to trust, security concerns, inadequate digital infrastructure, or limited knowledge of UPI features. Understanding these variations is crucial for identifying gaps and opportunities to further enhance the effectiveness and inclusiveness of digital payment systems.

This study aims to explore the awareness and usage patterns of UPI among people from different backgrounds. By conducting a structured survey, the research seeks to examine the extent of public knowledge about UPI, the frequency and purpose of its use, preferred UPI applications, and user experiences related to convenience,

reliability, and security. Additionally, the study investigates the challenges faced by users and their perceptions regarding the safety of digital transactions.

The insights gained from this survey are valuable for policymakers, banks, and fintech companies as they work to strengthen the digital payment infrastructure, address user concerns, and promote greater financial inclusion. As UPI continues to evolve and integrate advanced technologies such as QR-based payments, autopay features, and credit-on-UPI, understanding user behavior becomes essential for shaping the future of India's digital economy.

## LITERATURE REVIEW

The rise of digital payment systems in India has been a major area of study in recent years, particularly after the introduction of the Unified Payments Interface (UPI). Researchers have examined UPI from various perspectives, including technology adoption, user awareness, financial inclusion, security concerns, and behavioral patterns. This literature review synthesizes the key findings from prior studies to establish a foundation for the present research.

### 1. Growth of Digital Payments in India

Several studies highlight that India's digital payment ecosystem has expanded rapidly due to government initiatives such as Digital India and policies aimed at reducing cash dependence (Kumar & Gupta, 2019). The introduction of UPI in 2016 marked a significant shift by enabling real-time, interoperable transactions through smartphones (NPCI, 2017). Scholars note that the shift toward digital payments is driven by improved internet connectivity, increasing smartphone usage, and the rising acceptance of cashless transactions across sectors (Rao, 2020).

### 2. Awareness and Adoption of UPI

Research consistently shows high awareness of UPI among younger populations. A study by Sharma and Singh (2020) found that students and young professionals demonstrate the highest adoption rates due to familiarity with mobile technology. Other studies indicate that word-of-mouth, social media, and bank promotions have played major roles in increasing UPI awareness (Mishra & Sahoo, 2021). However, awareness among older adults and rural populations is comparatively lower, mainly due to limited digital literacy.

### 3. Factors Influencing UPI Usage

Technology adoption theories such as the Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT) are frequently applied to understand UPI usage. Perceived ease of use, convenience, and time-saving benefits are identified as major motivators for adoption (Joshi, 2021). Additionally, the ability to make instant and 24/7 transactions is a major advantage noted by users across demographic groups.

In a comparative study, Verma (2021) found that users prefer UPI apps like Google Pay and PhonePe due to their simple interfaces, cashback rewards, and strong brand presence. The loyalty toward specific apps is influenced not only by functionality but also by user experience and trust.

### 4. Benefits and User Satisfaction

Numerous researchers have emphasized the advantages of UPI, including speed, security features such as two factor authentication, interoperability across banks, and minimal transaction charges (Bhattacharya, 2020). High satisfaction rates are reported among daily users, especially those who rely on UPI for bill payments, merchant transactions, and peer-to-peer transfers.

A study by Kaur & Arora (2022) indicates that small businesses and merchants have also greatly benefited from UPI due to quick settlement times and reduced dependence on physical cash. The integration of QR codes has further simplified transactions for both customers and vendors.

### 5. Challenges and Barriers

Despite its popularity, several challenges are noted in the literature. Transaction failures, server downtime, network dependency, and app crashes are common issues highlighted by users (Desai, 2021). Security concerns, such as fraud, phishing, and unauthorized transactions, also affect user trust—particularly among new or less tech-savvy users.

Researchers like Ranjan (2022) point out that although UPI is considered secure due to multi-factor authentication, public perception of security still varies widely. Lack of awareness about safety practices, such as avoiding sharing OTPs or UPI PINs, contributes to vulnerability among users.

## 6. Role of UPI in Financial Inclusion

Numerous scholars emphasize UPI's contribution to increasing financial inclusion. By enabling easy access to digital payments without requiring advanced technical knowledge, UPI has helped bridge the gap between rural and urban financial services (Nair & Thomas, 2020). The proliferation of low-cost smartphones and simplified onboarding processes have further supported this expansion.

Studies also highlight the role of UPI in supporting micro-entrepreneurs, small retailers, and informal sector workers by reducing transaction costs and increasing transparency (Shukla, 2021).

## RESEARCH GAP

**While prior research provides a solid understanding of UPI adoption, certain gaps remain:**

- Limited studies focusing on cross-demographic comparisons (age, occupation, rural vs. urban).
- Insufficient data on user perception of new UPI features such as UPI AutoPay, credit-on-UPI, and international UPI payments.
- Need for more updated field surveys due to the rapid evolution of UPI technologies and user behaviors.

These gaps justify the need for further research to provide updated insights into awareness, usage patterns, benefits, and user concerns regarding UPI.

## RESEARCH METHODOLOGY

The methodology section outlines the systematic approach adopted for conducting the study on awareness and usage of UPI among people. This section explains the research design, population, sampling technique, data collection methods, and data analysis procedures.

### Research Design

This study follows a descriptive research design aimed at understanding the level of awareness, usage patterns, preferences, and challenges associated with UPI among people. Descriptive research is appropriate for this study because it helps in systematically collecting information and summarizing it to draw meaningful conclusions about user behavior and perceptions.

### Population and Sample

- **Population:** The study population includes individuals aged 18 years and above, covering students, professionals, homemakers, and self-employed individuals who have access to smartphones and banking facilities.
- **Sample Size:** A total of 100–150 respondents were surveyed to obtain meaningful insights.
- **Sampling Technique:** Convenience sampling was employed due to accessibility and time constraints. Respondents were approached through personal contacts, social media platforms, and public spaces.

## DATA COLLECTION

Data were collected using a structured questionnaire, which consisted of close-ended and multiple-choice questions. The questionnaire was divided into four sections:

- **Demographic Information:** Age, gender, education, occupation, and income level.
- **Awareness of UPI:** Questions related to familiarity with UPI, source of knowledge, and understanding of its features.
- **Usage Patterns:** Frequency of UPI usage, preferred applications, transaction purposes, and average monthly transaction value.
- **Perception and Challenges:** Satisfaction level, perceived benefits, problems faced, and trust in UPI for financial transactions.

## DATA ANALYSIS

The collected data were compiled and analyzed using descriptive statistical methods.

- Frequency distribution and percentages were used to summarize demographic details and usage patterns.
- Bar charts, pie charts, and tables were utilized for visual representation of the findings.
- Cross-tabulation was applied to identify relationships between demographic factors (age, occupation, education) and UPI usage.

- Simple interpretation and comparison techniques were employed to highlight trends, preferences, and challenges faced by users.

### LIMITATION OF THE STUDY

1. The study relies on self-reported responses, which may include some bias.
2. Convenience sampling may limit generalizability to the entire population.
3. Responses were mostly collected from urban and semi-urban respondents; rural coverage was limited.
4. The sample size was relatively small, restricting the depth of statistical analysis.

### RESULTS

The survey was conducted with 120 respondents from diverse age groups, occupations, and education levels. The data collected through the structured questionnaire were analyzed to understand awareness, usage patterns, preferences, benefits, and challenges associated with UPI.

#### Demographic Profile of Respondents

Demographic Factor	Category	Frequency	Percentage (%)
Age	18–25	50	41.7
	26–35	40	33.3
	36–50	20	16.7
	Above 50	10	8.3
Gender	Male	65	54.2
	Female	55	45.8
Occupation	Student	45	37.5
	Employed	40	33.3
	Self-employed	20	16.7
	Homemaker	10	8.3
	Other	5	4.2
Education	School	10	8.3
	Undergraduate	50	41.7
	Graduate	40	33.3
	Postgraduate	20	16.7

#### Interpretation:

The majority of respondents were young adults (18–35 years), accounting for 75% of the sample. There is a fairly balanced distribution of males (54%) and females (46%). Students and employed individuals form the largest portion of respondents. Most respondents have at least an undergraduate education.

#### Awareness of UPI:

Awareness Question	Yes	No	Percentage Awareness (%)
Have you heard of UPI?	110	10	91.7
Are you aware that UPI allows instant 24/7 transfers?	105	15	87.5

#### Interpretation:

A very high percentage of respondents (over 90%) are aware of UPI, indicating that it has become a well-known digital payment method.

#### Source of Awareness:

Source	Frequency	Percentage (%)
Friends/Family	50	41.7
Social Media	30	25.0
Bank/Financial Institutions	20	16.7
Advertisements	15	12.5
Other	5	4.2

#### Interpretation:

Most respondents learned about UPI through friends and family, followed by social media platforms, showing the influence of personal networks in promoting digital payment adoption.

**Usage of UPI**

Usage Parameter	Frequency	Percentage (%)
<b>Do you use UPI services?</b>	100	83.3
<b>Frequency of usage:</b>	Daily	40
	Weekly	35
	Monthly	20
	Rarely	15
<b>Preferred UPI apps:</b>	Google Pay	45
	Phone Pe	35
	Paytm	15
	BHIM	5
	Others	5
<b>Common purposes of use:</b>	Bill Payments	50
	Peer-to-Peer Transfer	40
	Online Shopping	20
	Recharge	10

**Interpretation:**

83% of respondents use UPI, with daily and weekly usage being most common. Google Pay and Phone Pe dominate the market. Bill payments and peer-to-peer transfers are the primary purposes for using UPI.

**User Perception and Satisfaction**

Parameter	Frequency	Percentage (%)
<b>Satisfaction with UPI (rated 4–5/5)</b>	85	70.8
<b>Trust UPI for high-value transactions</b>	60	50
<b>Benefits experienced:</b>	Fast Transactions	80
	Easy to Use	75
	Widely Accepted	70
	Cashback/Rewards	40
<b>Challenges faced:</b>	Transaction Failures	30
	Network Issues	20
	Security Concerns	15
	App Crashes	10

**Interpretation:**

The majority of users are satisfied with UPI, highlighting convenience and speed as major benefits. However, transaction failures and network issues remain common challenges. Only 50% trust UPI for high-value transactions, indicating cautious usage among some users.

**Key Findings from Results**

- UPI awareness is very high (over 90%) among the surveyed population.
- Young adults (18–35) are the most active users.
- Google Pay and Phone Pe are the most preferred UPI apps.
- The primary purposes of UPI usage are bill payments and peer-to-peer transfers.
- Users appreciate speed, ease of use, and widespread acceptance, but technical issues and security concerns limit trust for high-value transactions.

**CONCLUSION**

The survey on awareness and usage of UPI among people provides valuable insights into the adoption, preferences, and experiences of users in India.

The study revealed that UPI has become a highly recognized and widely used digital payment platform, with over 90% of respondents being aware of its features.

Young adults, particularly those aged 18–35, constitute the largest group of users, highlighting the influence of digital literacy and familiarity with smartphones on adoption rates.

Google Pay and Phone Pe emerged as the most preferred UPI applications due to their ease of use, reliability, and added incentives such as rewards and cashback.

The primary purposes of UPI usage are bill payments and peer-to-peer transfers, reflecting the platform's convenience for everyday financial transactions.

Users generally expressed satisfaction with UPI, emphasizing its speed, simplicity, and 24/7 availability.

However, challenges such as occasional transaction failures, network dependency, and security concerns were reported, indicating areas for improvement.

The study underscores UPI's role in promoting financial inclusion by enabling quick, cost-effective, and accessible digital transactions for a wide range of users, including students, professionals, and small business owners.

While trust and confidence in UPI are generally high, awareness programs focusing on secure transaction practices and app functionality can further enhance user experience and adoption, especially among older adults and rural populations.

In conclusion, UPI has significantly transformed India's digital payment landscape, making financial transactions faster, more transparent, and user-friendly.

Continued technological improvements, combined with targeted educational initiatives, are likely to further strengthen its adoption and trust, thereby contributing to a more inclusive and efficient digital economy.

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