

# A STUDY ON CONSUMER PERCEPTION TOWARDS UPI BASED MOBILE WALLET APPLICATION

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## ABSTRACT

This study focuses on understanding consumer perception towards UPI based digital payment systems. UPI has become one of the most used digital payment methods due to its convenience, speed, and security. Consumers today prefer cashless transactions through mobile applications. The study mainly analyzes how UPI payments influence consumer payment behaviour and daily transactions. The research also highlights factors such as ease to use, security and reliability that affect consumer satisfaction. The findings show that UPI plays an important role in promoting digital payments and improving the overall payment experience.

**Keywords:** UPI Payments, Digital Payment, Consumer Perception, Cashless Transaction, Mobile Wallet Application.

## INTRODUCTION

Digital payment systems have become an essential part of modern financial transactions. The Unified Payments Interface (UPI) has gained significant popularity due to its speed, convenience, and ease to use. The growth of digital technology and government initiatives promoting cashless transactions have further encouraged the adoption of UPI payments. However, consumer perception regarding factors such as security, reliability, convenience, and transaction efficiency plays an important role in the usage of these applications. This study aims to analyze consumer perception towards UPI based mobile wallet applications and understand their level of satisfaction and usage behaviour.

## STATEMENT OF THE PROBLEM

UPI based mobile wallet applications are widely used for digital payments, many consumers still face several problems while using these applications. Issues such as security concerns, transaction failures, network problems, and lack of awareness about digital payment systems affect the usage of UPI services. Some users may also hesitate to use mobile wallet applications due to fear of fraud and technical difficulties. These problems influence consumer trust and satisfaction towards UPI based mobile wallet applications. This study aims to analyze the problems faced by consumers while using UPI based mobile wallet applications.

## OBJECTIVES

- ✓ To study the level of awareness of consumers about UPI based mobile wallet application.
- ✓ To identify and factors influencing consumers to use UPI based application.

## LIMITATIONS OF THE STUDY

- The study is limited to 100 respondents only, so the results may not represent all UPI users.
- The study is limited to the particular geographical area, so the findings may not apply to other regions.

## REVIEW OF LITERATURE

**1. Kumar, S. & Jain, P. (2025)** emphasize transaction speed and efficiency in UPI applications by describing how instant fund transfer, real-time payment confirmation, and reduced waiting time improve consumer experience, highlighting that users rely more on UPI for time-sensitive payments, and showing that speed plays a vital role in forming a positive perception toward mobile wallet platforms.

**2. Mehta, A. (2024)** explains how convenience factors such as 24/7 availability, cashless payments, and easy bank account linking influence consumer perception toward UPI applications, highlighting that consumers prefer platforms which offer uninterrupted services, explaining that convenience reduces dependency on physical cash, and showing that ease of access strengthens favourable attitudes toward mobile wallet usage.

## RESEARCH METHODOLOGY

### Research Design

The study adopts a descriptive research design to analyze consumer perception towards UPI based mobile wallet applications.

### Area of the Study

The research was conducted among consumers to analyse their perception towards UPI based mobile wallet application and their usage.

### Sample Size

The sample size was selected to ensure adequate representation of UPI users while considering time and resource limitations. It enabled meaningful data collection for analysis.

### Sampling Technique

Convenience sampling technique was used to select respondents. Users who were easily accessible and willing to participate were included in the study.

### Data Collection

The data for the study were collected through both Primary and secondary sources. Primary data were collected through a structured questionnaire administered to consumers. Secondary data were collected from books, journals, research articles and relevant websites.

### Tools for Analysis

#### 1. Percentage Analysis

$$\text{Percentage} = (\text{Number of Respondents} / \text{Total Number of Respondents}) \times 100$$

#### 2. Mean Analysis

$$\text{Mean} = \Sigma X / N$$

## DATA ANALYSIS AND INTERPRETATION

### SIMPLE PERCENTAGE ANALYSIS:

#### 1.1 TABLE SHOWING THE UPI APPLICATION MOSTLY USED BY CONSUMERS

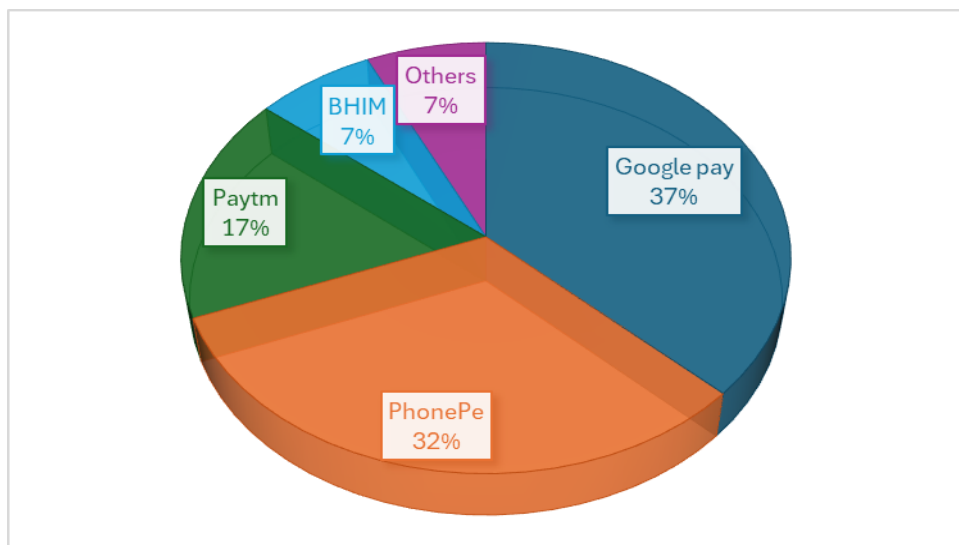
S.NO	UPI APPLICATION	NO OF THE RESPONDENTS	PERCENTAGE
1	Google pay	37	37%
2	PhonePe	32	32%
3	Paytm	17	17%
4	BHIM	7	7%
5	Others	7	7%
TOTAL		100	100%

### INTERPRETATION

The table 1.1 shows that 37% of the respondents use Google Pay most frequently, making it the most preferred UPI application. This is followed by PhonePe with 32% ,Paytm with 17%, BHIM (7%) and other applications (7%).

**Majority (37%) of the respondents prefer using Google Pay.**

#### 1.1 CHART SHOWING THE UPI APPLICATION MOSTLY USED BY CONSUMERS



### MEAN ANALYSIS

#### 1.2 TABLE SHOWING THE UPI AUTHENTICATION METHODS

S.NO	FACTORS	1	2	3	4	5	TOTAL
1	UPI PIN entry	41	9	11	20	19	100%
2	Fingerprint Authentication	10	44	10	24	12	100%
3	Face Recognition	13	11	45	19	12	100%

4	Pattern Lock	12	23	11	41	13	100%
5	Password verification	18	12	10	16	44	100%

### 1.2.1 MEAN ANALYSIS OF UPI AUTHENTICATION METHODS

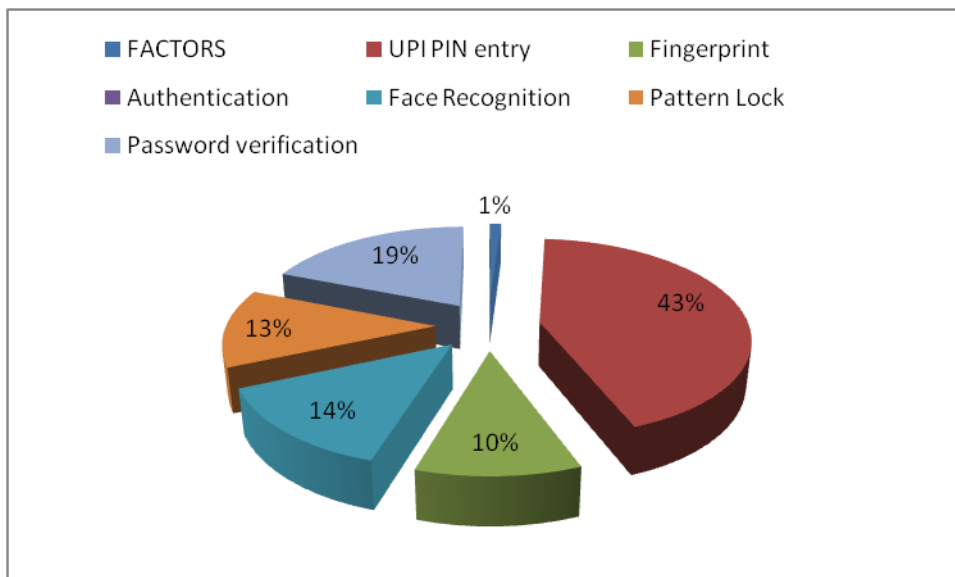
S.NO	FACTORS	MEAN VALUE	LEVEL OF PREFERENCE
1	UPI PIN entry	2.67	Low to moderate preference
2	Fingerprint Authentication	2.84	Moderate Preference
3	Face Recognition	3.06	Moderate Preference
4	Pattern Lock	3.20	High to moderate preference
5	Password Verification	3.56	High Preference

#### INTERPRETATION:

The above table 1.2 shows that password verification has the highest mean value (3.56), indicating high preference among respondents. Pattern lock (3.20) and face recognition (3.06) show moderate preference. Fingerprint authentication (2.84) and UPI PIN entry (2.67) have comparatively lower preference levels.

The highest mean score is recorded for password verification (3.56), followed by pattern lock (3.20) and face recognition (3.06), indicating that these are the most preferred authentication methods among respondents.

### 1.2. CHART SHOWING THE UPI AUTHENTICATION METHODS



## FINDINGS

- Majority (37%) of the respondents mostly use Google Pay, followed by 32% used PhonePe and 17% using Paytm showing higher preference for Google Pay.
- Majority 44% of the respondents prefer Fingerprint authentication and password verification has the highest mean value (3.56), indicating higher preference among authentication methods.

## SUGGESTIONS

- ❖ UPI applications should improve security features to reduce fraud and increase user trust. Strong authentication methods and regular security updates must be ensured. Clear alerts for every transaction will improve transparency. This will make users feel safer while using digital payments.
- ❖ Refund and complaint processes should be faster and more transparent. Users must receive proper updates regarding failed transactions. Easy complaint registration within the app will improve convenience. This will enhance overall customer confidence.

## CONCLUSION

The study concludes that UPI-based mobile wallet applications have become an important part of digital payment systems among consumers. Most consumers prefer using UPI applications because they are convenient, fast and easy to use for everyday transactions. Among the various applications, Google Pay and PhonePe are the most frequently used by consumers. The study also shows that users generally have a positive perception towards UPI services due to their reliability and smooth transaction process. However, some users still face minor technical issues during transactions. The findings indicate that UPI applications play a significant role in promoting cashless transactions and improving the digital payment experience for consumers.

## REFERENCE

<https://www.digitalindia.gov.in/content/digital-payments>  
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