



UPI PAYMENT APPS: ACCELERATING GROWTH IN RETAIL SECTOR

HARIDAS. K

Assistant Professor,

Post Graduate Department of Commerce,

Mar Dionysius College, Pazhanji.

Abstract: Online payment platforms became popular in recent days. It has the ability to transfer the money without physical possession of cash, by means of digital ways. Multiple Unified Payment Interface (UPI) methods are used for making digital payments. It became common for transactions in all sectors such as bill payments, retail purchase, re-charging, and so on. The increased usage of smartphones made it easier to develop UPI apps. This paper tries to study the role of UPI payment apps in accelerating growth in retail sector

Index Terms: UPI apps, digital payments, retail sector.

I. INTRODUCTION

Unified Payments Interface (UPI) is a real-time payment system with the use of internet developed by National Payments Corporation of India (NPCI). The user can transfer amount in between different bank account instantly using mobile apps. A unique virtual identity is created for the user to pay or receive amount and thus securing the transactions. A wide variety of mobile applications are used for UPI payments such as Google Pay, PhonePay, Paytm, BHIM app, MobiKwik, and so on. Each of them provides with ease of usage, access, and transfer. These apps are mostly used in retail shops now days. The study evaluates the role of UPI payment apps in making growth in retail sector.

II. OBJECTIVES OF THE STUDY

1. To know how the UPI apps improves the merchandise.
2. To find out the reasons for the increased use of UPI apps.
3. To study the growth of retail sector using digital payments.

III. LITERATURE REVIEW

The study conducted by Dinesh M. Kolte , Dr. Veena R. Humbe (2020) states that the Digital India initiative and increased usage of smartphones with internet led to high growth in digital payments. Usage of digital payments makes transparency in dealings and improved the economy. The platforms UPI and BHIM apps were made positive changes.

Jayaram Narayanan (2021) finds that the usage of UPI after Covid outbreak will increase the credibility of the nation and will increase the investments.

Dr. S. Kamalasaravanan and Kaladevi Aishwariya C S (2022) states that UPI offer a user-friendly experience and it is a great movement towards making the cashless payments faster, smoother and easier.

Dr. Abhijeet Chaterji and Roshna Thomas (2021) in the opinion that UPI is a part of financial inclusion and on the happening of failure by banks to deliver its promise in creating a one-step solution for payments, banks will lose their revenue to private fintech companies.

IV. RESEARCH METHODOLOGY

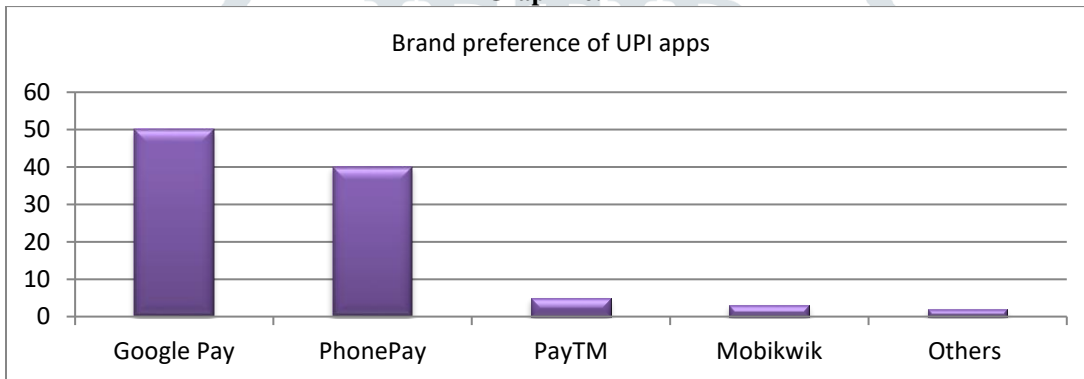
Both primary and secondary data were used in this study. Primary data collected from respondents through direct interaction and questionnaire. Original data collected from retail sellers and customers, who use different types of UPI apps. Secondary data collected from different published resources, which were supportive to the original data. Primary data collected from 100 respondents randomly from Thrissur district.

V. DATA ANALYSIS

Table no.1

Brand preference of UPI apps	
UPI apps opted by respondents	Percentage
Google Pay	50
PhonePay	40
PayTM	5
Mobikwik	3
Others	2

Graph no. 1

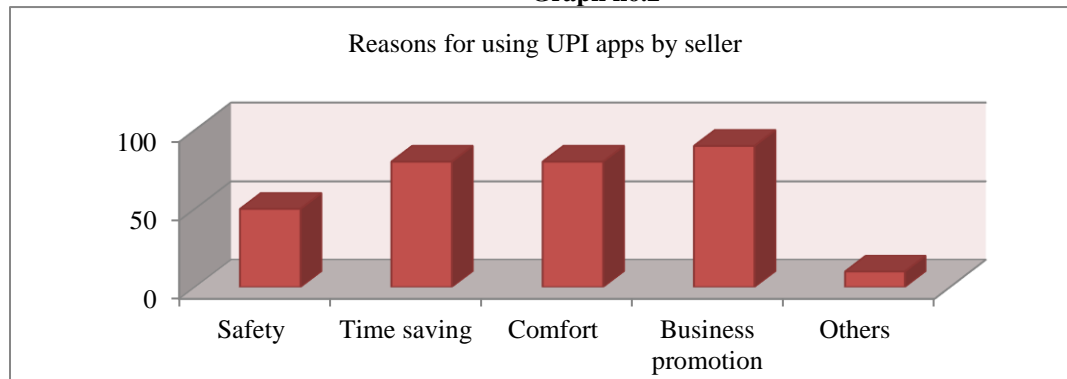


Interpretations: half of the respondents using GPay followed by PhonePay and Paytm.

Table no.2

Reasons for using UPI apps by seller	
Reasons for use	Percentage
Safety	50
Time saving	80
Comfort	80
Business promotion	90
Others	10

Graph no.2

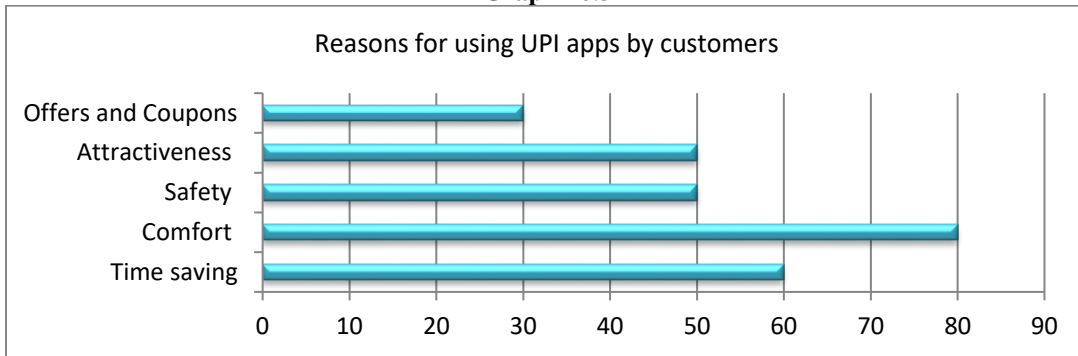


Interpretations: Most of the sellers use the UPI apps as a mean for business promotion. Many of them uses because of its time saving and comfort level.

Table no.3

Reasons for using UPI apps by customers	
Reasons for use	Percentage
Time saving	60
Comfort	80
Safety	50
Attractiveness	50
Offers and Coupons	30

Graph no.3

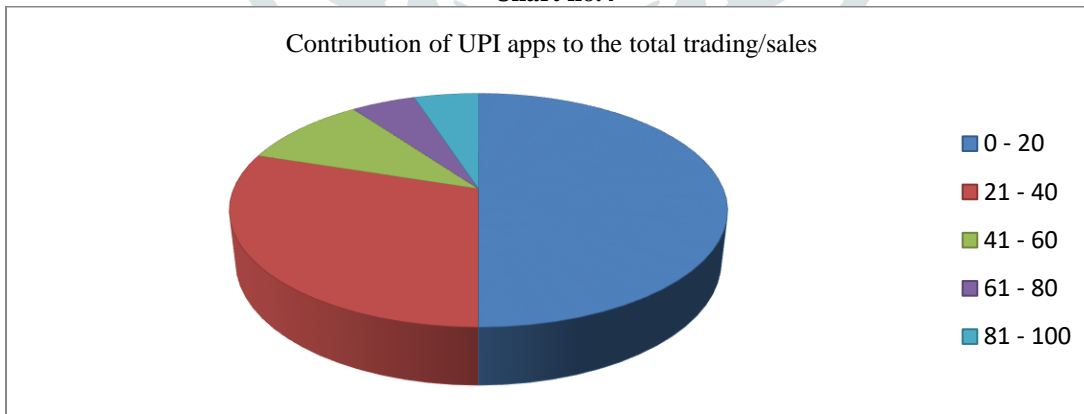


Interpretations: Customers uses UPI apps due to Comfort and Time saving, followed by its safety, attractiveness and the cash-back coupons and offers.

Table no.4

How much contributes by the UPI apps to the total trading/sales	
UPI apps usage as percentage of sales	Percentage of respondents
0-20	50
21-40	30
41-60	10
61-80	5
81-100	5

Chart no.4



Interpretations: From the responses, we can say that only 40% (approximately) of the total trading are funded by UPI apps, and the rest of them are financed by other means, mostly in cash.

FINDINGS

- Respondents opts GooglePay mostly followed by PhonePay because of their speedy processing and user friendly interface.
- Most of the retail sellers choose the UPI apps as a method of payment method because of their promotion techniques. They became compelled to adopt the new technology to retain their business.

- The advantage of less time consumption and comfort in non-handling of physical currency became an added merit for the sellers.
- People choose the UPI interfaces because of its comfort and time saving in transactions. They are not much bothered about the security burdens. A few of them wishes to get offers and coupons while using the apps, provided by the developers.
- However, UPI apps contribute a small portion of the total trading, say 20-30%. Half of the traders are in the opinion that their receipt by UPI apps contributes only 0-20% of the total trade.

SUGGESTIONS

- Awareness about the usage of UPI apps and transactions should be given to both sellers and public.
- Free and fastest internet facilities may be provided by the authority and service providers to deal with technological advantages.
- More attractions such as coupons, gift vouchers, and refund may be provided by the app providers to attract more users.
- Development of UPI apps by nationalized banks will ensure more safety in transactions and will increase the use.
- Processing charges on use, if any may be eliminated.
- Aids such as display and sounds on transfer of fund may be provided to the traders by the service providers for more comfort.

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