INTERNATIONAL JOURNAL FOR INNOVATIVE RESEARCH IN MULTIDISCIPLINARY FIELD
ISSN(O): 2455-0620 [Impact Factor: 9.47]
Monthly, Peer-Reviewed, Refereed, Indexed Journal with IC Value : 86.87
Volume - 10, Issue - 9, September - 2024

DOIs:10.2015/IJIRMF/202409021 --:-- Research Paper / Article / Review

CONSUMER PERCEPTION TOWARDS USING PHONEPE APP
(A study with special reference to Salem City)

Dr. M. Suguna
Assistant Professor, Department of Commerce, Periyar University, Salem, Tamil Na
Email – msugunaphd@gmail.com

Abstract: *E-commerce, or electronic commerce, is the practice of purchasing things online or reselling those utilizing online platforms. Customers can access nearly all of the services typically offered by a local branch through online banking, including online bill payment, transfers, and deposits. Several forms of online banking are available through desktop and mobile apps from nearly all banks. Mobile banking apps include Cash App, Due, Google Pay, Paytm, Amazon Pay, Phone Pe, Airtel Cash, and more. This survey will contribute to our understanding of how satisfied Salem City consumers are using the digital payment apps, Google Pay and Phone Pe. In this study, we first talked about the e-commerce sector and the digital payment apps, such as Phone Pe and Google Pay, along with a few other e-commerce business apps. Next, we provided an overview of these apps. The phonePe users are components that fulfill specific requirements to be included in the study; the sample size consists of 50 respondents from Salem City. The researcher conducted interviews with respondents in this study region using a well-structured questionnaire and a convenient sampling technique. Through conducting this research, we have discovered that phonepe's clients are really happy with their services.*

Key Words: *Customer, Consumer perception, Customer satisfaction, E-Commerce, PhonePe.*

1. INTRODUCTION:

E-commerce, or electronic commerce, is the practice of purchasing things online or reselling those utilizing online platforms. Customers can access nearly all of the services typically offered by a local branch through online banking, including online bill payment, transfers, and deposits. Several forms of online banking are available through desktop and mobile apps from nearly all banks. Mobile banking apps include Cash App, Due, Google Pay, Paytm, Amazon Pay, Phone Pe, and Airtel Cash, among others applications with its headquarters located in Bangalore, India, PhonePe is an Indian digital wallet and e-commerce payment system provider. In December 2015, Burzin Engineer, Rahul Chari, and Sameer Nigam launched it. After being purchased by Flipkart in 2016, the business changed its name to PhonePe wallet. After just three months of release, more than ten million people had downloaded the app. Built on the Unified Payments Interface, it was the first payment app. Users can send and receive money, pay for utilities, reload mobile phones and data cards, and utilize PhonePe. Purchase gold while shopping both online and off. Five million physical and virtual retail locations, including those selling food, travel, groceries, movie tickets, and other items, accept PhonePe as a form of payment. In June 2018, the app surpassed 100 million users, and in April 2019, it reached two billion transactions.

All you have to do to use PhonePe's Unified Payment Interface (UPI) system is enter your bank account information and generate a UPI ID. The wallet does not require recharging. The funds will be securely and safely taken immediately from your bank account with a single button click. The nicest part about UPI is that it is a service that is available around-the-clock, including on weekends and bank holidays. Apple and Android phones both have the app available for download. Users of PhonePe can also purchase food from Freshmenu, pay for Redbus tickets, and schedule Ola rides and avail Hotel services through microapps on its platform. The main source of information for PhonePe integration is the PhonePe Developer Documentation. The purpose of this document is to assist developers in integrating the merchant system and PhonePe system with regard to user interface and data flows. Version control, sandbox testing,

troubleshooting, and data reconciliation are methods of maintenance. In December 2019, the app's transaction count surpassed 5 billion. Presently, the user base exceeds 280 million. In January 2020, the company introduced the PhonePe ATM. Neighbourhood Kirana businesses can now provide cash to customers instantly thanks to the PhonePe ATM.

2. HISTORY OF PHONEPE:

December 2015 saw the incorporation of Phonepe. The company was purchased by Flipkart in April 2016, and as part of the deal, Phonepe received the FxMart license, which was then rebranded as the Phonepe wallet. Sameer Nigam, the founder of Phonepe, was named the company's CEO. Based on the government-backed UPI technology, the company launched a mobile payment app utilizing UPI in August 2016 in collaboration with YES bank. Over 10 million people downloaded the app in the three months after it was released. In the year 2018. Additionally, PhonePe became the first payment app in India to receive a 50 million badge in the Google Play store. According to PhonePe, there are now more than 250 million registered users in India. The electronic payments platform reported over 100 million monthly active users and 2.3 billion app sessions in October2020. According to the firm, there are currently about 280 million registered users on PhonePe, 110 million of whom utilize the site on a monthly basis. Additionally, the company says it has 17.5 dealers throughout India.

3. LITERATURE REVIEW:

Vidhya Lakshmi (2023) through this research, we have discovered that customers are extremely happy with the services provided by Google Pay and Phone Pe. This has been made possible by the responses to the Google form that we asked to be filled out in person as well as by those who shared it in groups and individually. And the majority of the forms are submitted by Vadodara students because they are the ones who regularly use the apps for account transfers, shopping, bill payment, and other purposes. Additionally, we've heard from some consumers who are having issues, and the digital payment apps can assist them succeed by finding solutions to their issues.

Vidya S. (2019) compared digital wallets based on rewards, cashback, and payment support It was determined that the BHIM app facilitates transactional transactions even in the absence of an internet connection. Paytm and PhonePe offer wallet functionality in addition to numerous other features. A safe app for making rapid payments nearby is Google Tez.

S. Khan (2018) conducted a poll with one hundred respondents. This was carried out in order to ascertain the factors that lead customers to make purchases online, as well as the kinds of goods and services that they most frequently buy and the payment gateways that they most frequently use to complete their transactions. It was determined that further security elements, such as artificial intelligence, biometric verification using a fingerprint or retinal scan, and more, were necessary. More and more customers in this industry will have greater faith and trust as a result of this.

4. SIGNIFICANCE OF THE STUDY:

E-payment systems like Phonepe have supplanted conventional payment methods, and their requirements and usage have grown. The study raises awareness of the PhonePe app's usage among younger generations. It is utilized in a variety of contexts, including bill payment, cell phone recharging, fee payment, cinema ticket buying, shopping, and money transfers. In the PhonePe, numerous technological innovations have been made. Therefore, it is quite helpful to be aware of the latest developments and trends in the PhonePe system. Studying the many features and functions of the PhonePe app is also essential. In order for us to be aware of the security risks associated with the PhonePe system.

5. STATEMENT OF THE PROBLEM:

Much technological advancement is occurring these days. The shift that has occurred in the payment industry is among the most significant of them. A new electronic payment system called Phonepe has emerged as a result of technological advancements and increased internet usage. It arrived with appealing attributes that most people find appealing. The PHONEPE App requires a few basic prerequisites, like internet connectivity and computer literacy. As a result, more people including professionals, businesspeople, students, graduates, and others are being asked to devote more time to their studies. Customers, bankers, and other dependent institutions will benefit from the study as it will assist them comprehend different facets of phonepe. In addition to surpassing all ultimate banking services and security standards, Phonepe has expanded along with them. The perception that Phonepe users have of the app is the main topic of this study.

6. OBJECTIVES OF THE STUDY:

i. To find out the awareness of the users towards PhonePe.
ii. To know the purpose of the users towards using PhonePe.

iii. To determine the advantages of PhonePe's services
iv. To evaluate the PhonePe system's usability issues.

7. SCOPE OF THE STUDY:

This study only looks at how customers in Salem feel about using the PhonePe app. The behavior of users toward PhonePe and the several services that PhonePe offers are the main subjects of the study. It also highlights the security flaws and other similar concerns that users of the PhonePe App commonly encountered. The study also concentrates on the primary goals and advantages provided by the PhonePe app, as well as the areas that should receive primary attention and improvement in order to please consumers.

8. PARTNERSHIPS AND INNOVATION:

PhonePe released a low-cost point-of-sale (POS) device made in India in October 2017. The POS gadget, which uses AA batteries for operation, resembles a calculator and is Bluetooth enabled. All mobile devices that can access the PhonePe app can make payments thanks to the hardware, which has Bluetooth connectivity. In January 2018, PhonePe and Freecharge teamed. Users of PhonePe were able to connect their current Freecharge wallets to the PhonePe app thanks to this collaboration. Similar agreements have also been made by PhonePe with Jio Money and Airtel Money. PhonePe has worked with over 300 consumer businesses, including Redbus, Ola, cat fit, Goibibo, and Swiggy, to integrate their current mobile sites or PWAs (progressive web apps) with their switch platform. Through these collaborations, companies of various sizes may create and implement apps on PhonePe switches that provide consumers with a consistent login and payment experience.

PhonePe introduced tax-saving funds in 2019 to assist clients in reducing their tax obligations through equity-linked savings plans. PhonePe was the first payment app to encourage users to bid on initial public offerings (IPOs) using the UPI platform the same year. The first digital platform in India to offer international travel insurance was PhonePe in January 2020. Additionally, PhonePe introduced Liquid Funds in collaboration with Aditya Birla Mutual Fund to offer the advantages of both fixed deposits and mutual funds. May 2020. In order to cover healthcare expenses during the COVID-19 epidemic, PhonePe teamed up with general insurers Bajaj Allianz and ICICI Lembird to introduce two distinct corona-virus-specific insurance packages. In the same month, it also introduced Super Funds, which assist clients in building long-term wealth by allowing them to invest in mutual fund firms' stocks, debt, and gold discoveries. In order to cover all risks associated with all forms of travel within India at a reasonable annual cost, the business introduced domestic multi-trip insurance in Jone. With more than 5 lakh insurance policies sold on its platform, PhonePe grew to become one of the nation's biggest insure-tech distributors in September. In the same month, the company introduced new categories, thereby broadening its selection of mutual funds.

9. RESULTS AND DISCUSSION:

Percentage analysis

Table No.1
Demographic Particulars

Demographic Profile	Particulars	Percentage
Age	Below 20	12
	20-25	60
	25-30	10
	Above 30	18
Gender	Male	48
	Female	52
Marital Status	Married	30
	Unmarried	70
Educational Qualification	10^{th}	10
	12^{th}	8.0
	Graduates	80
	Diploma	8.0
Occupation	Students	58
	Business	28
	Private Employee	14

Income	Below 5000	28
	5000-10000	16
	10001-15000	18
	15001-20000	20
	Above 10000	18

Inference

From the table shows that minimum level 12% of the respondents taken for the study are under the age of 15-20 and maximum 60% of the respondents are under the age of 20-25 and 48% of the respondents were Males and 52% of the respondents were females, 30% of the respondents were married, 70% of the respondents were unmarried. Minimum level of 8% of the respondent's educational qualification were only 12th standard and maximum 80% of the respondents were Graduates, minimum level of 14% of the respondents were private employees and maximum level of 58% of the respondents were students, minimum level of 18% of respondent's income were 5000-10000 and maximum level of 20% of the respondent's income were 15001-20000.

Table No.2
Usage of PhonePe

Usage of PhonePe	Percent
Recent users	52.0
1 year	20.0
2 year	8.0
Regular users	20.0
Total	100.0

Inference

The above table show that 52% of the respondents were recent users of the PhonePe app, 20% of the respondents were using the PhonePe app for 1 year, 8% of the respondents were using PhonePe app for 2 years and 20% of the respondents were regular users.

Table No.3
Awareness on Security Measures of Phonepe App

Usage of PhonePe	Percent
Not aware	8.0
Neutral	16.0
Partially aware	48.0
Highly Aware	28.0
Total	100.0

Inference

The above table shows that 8% of the respondents were not aware about the security measures of Phonepe app. 16% of the respondents were neutral about the security measures of Phonepe app. 48% of the respondents were partially aware about the security measures of Phonepe app and 28% of the respondents were highly aware about the security measures of Phonepe app.

Table.No.3
Preference of PhonePe App

Preference of PhonePe app	Percent
Quick and easy recharge	42.0
Easy bill payments	34.0
Single app for many services	18.0
Hassle free payments	6.0
Total	100.0

Inference

The above table shows that 42% of the respondents prefer Phonepe app for quick and easy recharge, 34% of the respondents prefer Phonepe app for easy bill payments, 18% of the respondents prefer Phonepe app for single app for multipurpose and 6% of the respondents prefer Phonepe app for hassle free payments.

Table No.4

Feature Attraction of PhonePe App

Feature Attraction	Percent
Credit and debit card linking	20.0
Checking bank balance	28.0
PIN authorization	10.0
Transferring money	42.0
Total	100.0

Inference

The above table shows that 20% of the respondents were attracted by the feature of credit and debit card linking in PhonePe app, 28% of the respondents were attracted by the feature of checking bank balance in PhonePe app, 10% of the respondents were attracted by the feature of PIN authorization in PhonePe app and 42% of the respondents were attracted by the feature of Transferring money in PhonePe app.

Table No.5

Awareness Regarding the Usage of Wallet Crosstab

Particulars			Awareness regarding the usage of wallet				
		Not aware	Highly not aware	neutral	Particular aware	Highly aware	Total
Gender	Male	3	1	11	6	3	24
	Female	2	0	12	10	2	26
Total		5	1	23	16	5	50

Table No.6

Chi-Square Test

				Monte Carlo Sig. (2-side)			Monte Carlo Sig.(1-side)		
					95% confidence Interval		95% confidence Interval		
	value	df	Asymp Sig.(2-sided)	Sig	Lower Bound	Upper Bound	Lower Bound	Upper Bound	Sig
Pearson Chi Square	2.367[a]	4	.669	.820[b]	.714	.926			
Likelihood Ratio	2.763	4	.598	.820[b]					
Fisher's Exact test	2.427			.820[b]					
Linear-by-Linear Association	.362[c]	1	.547	.620[b]	.485	.755	.191	.449	.320[b]
N.of Valid Cases	50								

Inference

The significance value of the test for gender who had contact with a awareness regarding the limit of transaction in Phonepe app 15 0.669. Since this value is greater than 0.05, you can conclude that, evidence of no relationship between Gender and awareness regarding usage of wallet in Phonepe app. From the chi-square test table, the Pearson Chi-Square Test significant value is greater than the level of significant (ie. $p>0.05$). So, we can accept H_0.

Table.No.7
ANOVA
Advantages of PhonePe

Advantages of PhonePe		Sum of Squares	df	Mean Square	F	Sig
Saves time and cost	Between Groups	.926	1	.926	1.773	.189
	Within Groups	25.074	48	.522		
	Total	26.000	49			
Easy to understand and readily adopted	Between Groups	.493	1	.493	1.052	.310
	Within Groups	22.487	48	.468		
	Total	22.980	49			
It is comfort and user friendly	Between Groups	.237	1	.237	.257	.615
	Within Groups	44.343	48	.924		
	Total	44.580	49			
It is safe and secured	Between Groups	2.442	1	2.442	3.393	.72
	Within Groups	34.538	48	.720		
	Total	36.980	49			
Speed of transaction is faster	Between Groups	1.109	1	1.109	3.046	.087
	Within Groups	17.471	48	.364		
	Total	18.580	49			

Inference

The significance value of the F test in the ANOVA table is 0.189, 0.310,0.615, 0,072, 0.087. Thus, you must reject the hypothesis that respondent's satisfaction are equal across benefits of PhonePe like Time saving, easily adopted, user friendly, safe and secured and the transaction speed.

Table.No.7
Issues in PhonePe

Issues in PhonePe		Sum of Squares	df	Mean Square	F	Sig
Problem in handling billing and transaction process	Between Groups Within Groups Total	11.538 34.462 46.000	1 48 49	11.538 .718	16.071	.000
Involves large amount process	Between Groups Within Groups Total	8.206 103.074 111.280	1 48 49	8.206 2.147	3.822	.056
Finding technology difficult	Between Groups Within Groups Total	6.376 81.804 88.180	1 48 49	6.376 1.704	3.741	.059
Security issues	Between Groups Within Groups Total	9.980 102.740 112.720	1 48 49	9.980 2.140	4.662	.036
Not providing all services	Between Groups Within Groups Total	8.142 69.538 77.680	1 48 49	8.142 1.449	5.620	.022

Inference

The significance value of the F test in the ANOVA table is 0.056. 0.059. Thus, you must reject the hypothesis that respondent's satisfaction is equal across problems in PhonePe like large amount of risk and technological difficulty. Note that some groups differ in some way, other variables are not statistically significance.

10. SUGGESTIONS:

- Users of PhonePe should never provide personal information, such as PIN numbers. Shared passwords, etc., with anybody.
- Users of PhonePe are cautioned against giving crucial account-related information over the phone or in unprotected emails.
- One must carefully consider the risk associated with technical advancements. It is crucial to stay cost-effective, customer-friendly, and up to date with technology.
- Based on all of the analysis and interpretation, we can conclude that PhonePe is performing admirably on digital payment platforms; however, there are still a few areas that require improvement, including application security, server issues, customer support, application layout, and advertisement.
- Thanks to the aforementioned enhancements, PhonePe was able to outperform all other rival apps and support the growth of Indian economy as the transactions made with government applications will contribute in Indian economy.

11. CONCLUSION:

The purpose of the study was to investigate how consumers perceive, are aware of, and are willing to use PhonePe to replace the contents of their physical wallets. The number of PhonePe users has expanded as a result of the growing aggressiveness of internet connectivity, and PhonePe is becoming increasingly popular among consumers. It is clear from the ease of use and case studies that mobile wallets have gained that there will be a significant increase in PhonePe popularity in the upcoming years. In the past several years, there has been a significant increase in the adoption of the PhonePe App for online payments. This app is being used by a growing number of people every day. This app's wallet feature draws in a lot among users.

REFERENCES:

1. A reference list must be included using the following information as a guide. Only *cited* text references are Vidhya Lakshmi. (2023). A study on customer satisfaction towards PhonePe and google pay with reference to Vadodara city. *International journal of Creative Research thoughts*, ISSN: 2320-2882, 1(1), 917-928.
2. Sana Khan. (2018). A Study on Usage of e-Payments for Sustainable Growth of Online *Business IOSR Journal of Business and Management (IOSR-JBM)*. 74-81.
3. Vidya, S. (2019). Omparative Study and Analysis of E-Wallets. *International Journal of Scientific Research and Review*. 7(5).
4. Edward J. Malecki. (2003). Digital development in rural areas: potentials and pitfalls. *Journal of Rural Studies*. 19- 201-214.
5. Jiaqin Yang, Mike Whitefield, Rina Bhanot. (2005). *Communications of the IIMA*. 5 (4) 63-72.
6. Sushmita Mukherjee. (2011). Application of let In Rural Development: Opportunities and Challenges. *Global Media Journal - Indian Edition*. 2249-5835, 2(2).
7. Parveen Sharma. (2012). Impact of Information Technology on the Development of Rural Economy Of India. *International Journal of Information Technology and Knowledge Management*. 4(1),187-190.
8. P. N. Ananth & M. Karthikeyan. (2011). Application of science and technology in rural areas (ASTRA): An Ethiopian context. *ISABB Journal of Food and Agriculture Science*. Article Number: 48E757244874, ISSN 1937-3244, Vol. 4, No.1, pp. 1-12.
9. Olalekan S. Akinola. (2012). Cashless Society, Problems and Prospects, Data Mining Research Potentials. International *Journal of Computer Science and Telecommunications*. 2047-3338, 3 (8) 49-55.
10. Arathi Chitla. (2012). Impact of Information and Communication Technology on Rural India. *IOSR Journal of Computer Engineering (IOSRJCE)*. 2278-0661 3(2). 32-35.
11. Anand Chand, David Leeming, Edo Stork, Alan Agassi, Randall Biliki. (2012). The Impact of let on Rural Development in Solomon Islands. *The Pinet Case*. ISBN 982- 01-0629-X.
12. (2005). ICT Capacity Building at USP Project. The University of the South Pacific.
13. Aastha Gupta, Munish Gupta. (2013). Electronic Mode of Payment - A Study of Indian Banking System. *International Journal of Enterprise Computing and Business Systems*. ISSN (Online): 2230-8849, 2(2).
14. Sujith T S, Julie C D. (2017). Opportunities and Challenges of E-payment System in India. *International Journal of Scientific Research and Management (IJSRM).*