



A STUDY ON AWARENESS AND USAGE OF UPI PAYMENTS AMONG URBAN CITIZENS WITH REFERENCE TO MUMBAI CITY

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Abstract:

The fast-paced evolution of digital payment methods in India has made a significant difference in the process of financial transactions. One such platform for digital payment method, which has become increasingly popular due to its user-friendliness, easy accessibility, and security, is Unified Payment Interface (UPI), which was launched by National Payments Corporation of India (NPCI). This research attempts to study the extent of awareness, adoption pattern, and satisfaction of users of UPI amongst the urban populace of Mumbai city. The current paper uses primary data obtained from 100 respondents using a structured questionnaire using convenience sampling. The results show that UPI is widely preferred by consumers due to its convenience, and promptness in transactions, while there are some apprehensions related to security and technicality of the system.

Keywords: *UPI, Digital Payments, Consumer Awareness, Mumbai City, Cashless Economy*

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Introduction:

A remarkable shift has taken place in the country due to demonetization and Digital India. As a result of this, there has been a dramatic transformation from traditional cash-based transactions to online payment methods. One such popular mode of digital transaction in India is the Unified Payment Interface (UPI). Using this, a person can link multiple bank accounts using just one app in their phone for transferring funds instantly. As Mumbai is known to be the finance capital of India, there is high levels of digital awareness among its residents as well as a diverse range of people involved in financial activities. Therefore, the study on the awareness and usage of UPI among the urban population of Mumbai is essential.

Objectives of the Study:

1. To understand the awareness and usage of UPI among the citizens of Mumbai.
2. To determine the level of awareness about UPI among different demographic groups in urban Mumbai.
3. To assess the frequency and purpose of UPI usage in day-to-day transactions.
4. To examine the perception of users regarding the reliability, speed, and security of UPI.
5. To identify the issues and challenges faced by UPI users in Mumbai.
6. To analyze how socio-economic factors such as age, education, income, and occupation influence UPI usage behavior.



Review of Articles:

1. Srinivas Shilpa, Natarajan Chitra, Siddiq Ibrahim & K. Jayaprakash

“Awareness & Perception Towards the Unified Payment Interface (UPI) – A Study on Consumer Perception”

This study examines consumer awareness and perception of UPI and finds that it is widely accepted due to its speed, Convenience, and simplicity of use. A majority of users are highly aware of UPI services and show strong preference for Google Pay. The study reveals that age has a significant influence on UPI awareness, whereas education level does not affect app preference. Although users are largely satisfied with UPI, network and technical issues remain common. The study concludes that improved digital infrastructure can further enhance UPI adoption.

2. Routaray Sipra & Dr. Agnihotri Rashmi

“A Study on Awareness and Usage of UPI as a Mode of Digital Payment among College Students of Mumbai University”

This study focuses on the awareness and actual usage of UPI among college students. While awareness levels are very high, the study shows that a considerable number of students still rely on cash for daily transactions. Google Pay emerges as the most preferred UPI app. The findings indicate a gap between awareness and regular usage, suggesting that habit, convenience, and cash availability continue to influence payment choices among students.

3. Rose Kuhu & Bujunuru Mrunalini

“A Study on Awareness of UPI Payment – Students’ Perspective”

The study highlights that students in the 18–25 age group are well aware of UPI and frequently use it for shopping, Fund transfers, and invoice payments. PhonePe is identified as the most preferred

application, followed by Paytm and Google Pay. Students consider UPI to be convenient, time-saving, and easy to use. However, a few respondents expressed concerns regarding technical failures and security issues. Overall, the study reports a high level of satisfaction with UPI services.

4. Rajasekhar M., Dr. Satyavathi VVV & Dr. Kumar Vijaya V.

“Awareness & Adoption of Unified Payment Interface (UPI)”

The study shows that UPI became popular after demonetization as an easy and secure payment method. A survey in West Godavari found that most users were young, male, and from the private sector, with social media being the main source of awareness. UPI was the most preferred payment mode compared to cash and cards, and around 40% of people were fully aware of it. The study concludes that UPI supports digital payments and promotes financial inclusion.

5. Dr. Bhatia Ritu & Dr. Shete Veena

“Usage of UPI Transaction and It’s Challenges - A Study on Genzs and Millennials”

The study on UPI usage among Gen Z and Millennials in Mumbai found that 83.3% were Gen Z and 16.7% Millennials. Among respondents, 71.7% were female and 28.3% male, with most being well educated (around 40% postgraduates and 38.3% graduates). Usage was higher among people with greater income and education, and Millennials used UPI more often than Gen Z. The main reasons for using UPI were convenience and instant payment, while challenges included cyber fraud (highest concern), slow refunds, and internet issues.

Research Methodology of the Study:

The research methodology provides the framework for conducting the study titled “A Study on Awareness and Usage of UPI Payments among Urban Citizens with Reference to Mumbai City.” It explains the procedures



adopted by the researcher for collecting and analyzing data in order to achieve the objectives of the study.

Geographical Area of the Study: The study conducted by the researcher is geographically confined to urban areas of Mumbai City, Maharashtra, including South Mumbai, Central Mumbai, and suburban regions. Mumbai was selected due to its high digital penetration, diversity of population, and widespread usage of digital payment systems.

Sources of Data:

Primary Data:

Primary data has been collected by the researcher through a structured questionnaire distributed online. The questionnaire includes questions relating to awareness of UPI payments, frequency and purpose of usage, security practices, transaction experiences, and user satisfaction.

Secondary Data:

Secondary data has been collected by the researcher from journals, research articles, digital payment reports, newspapers, and reliable online sources related to UPI and digital payment systems.

Hypotheses Testing:

H₁: Awareness about UPI Payments among Citizens of Mumbai

Null Hypothesis (H₀): There is no significant awareness among the citizens of Mumbai about UPI Payments.

Alternative Hypothesis (H₁): There is a significant awareness among the citizens of Mumbai about UPI Payments.

Table 1.

Awareness Level of Respondents Regarding UPI Payments

Sr. No	Particulars	Percentage %
1	Majority of respondents are aware of UPI payment systems.	91
2	Very few respondents are not aware of UPI payments.	7
3	A small percentage of respondents are unsure about UPI payments.	2

Source: Primary Data

The table shows that a large majority of respondents know about UPI payments. Only a small portion lacks awareness, indicating strong public familiarity with UPI. Therefore, the null hypothesis is rejected and the alternative hypothesis “There is a significant awareness among the citizens of Mumbai about UPI Payments” is accepted.

H₂: Difference in UPI Usage Frequency Across Age Groups

Null Hypothesis (H₀): There is no significant difference in UPI usage frequency across age groups.

Alternative Hypothesis (H₂): There is a significant difference in UPI usage frequency across age groups.



Table 2.

UPI Usage Frequency among Different Age Groups

Sr. No	Particulars	Percentage %
1	Majority of respondents aged 21–30 years frequently use UPI payments.	78
2	Majority of respondents aged below 20 years frequently use UPI payments.	60.7
3	Majority of respondents aged 41–50 years frequently use UPI payments.	55.6
4	Majority of respondents aged above 50 years frequently use UPI payments.	60
5	Comparatively fewer respondents aged 31–40 years frequently use UPI payments.	37.5

Source: Primary Data

The percentages show that UPI usage differs among age groups. Younger respondents tend to use UPI more frequently than older groups. Hence, the null hypothesis is rejected and the alternative hypothesis “ There is a significant difference in UPI usage frequency across age groups” is accepted.

H₃: Difference in UPI Awareness Across Education Levels

Null Hypothesis (H₀): There is no significant difference in UPI awareness across education levels.

Alternative Hypothesis (H₃): There is a significant difference in UPI awareness across education levels.

Table 3.

Awareness of UPI Payments across Education Levels

Sr. No	Particulars	Percentage
1	Majority of respondents educated up to SSC are aware of UPI payment systems.	85.7
2	Majority of respondents educated up to HSC are aware of UPI payment systems.	84.6
3	Majority of graduate respondents are aware of UPI payment systems.	90.7
4	All postgraduate respondents are aware of UPI payment systems.	100
5	All respondents holding professional degrees are aware of UPI payment systems.	100

Source: Primary Data

Awareness levels remain high across all education categories. Differences are minimal, indicating education level has little effect on awareness. Therefore, the null hypothesis “There is no significant difference in UPI awareness across education levels” is accepted.

H₄: Difference in UPI Usage Behaviour Across Income Levels

Null Hypothesis (H₀): There is no significant difference in UPI usage behaviour across income levels.

Alternative Hypothesis (H₄): There is a significant difference in UPI usage behaviour across income levels.

Table 4.

Table: UPI Usage Behaviour among Different Income Groups

Sr. No.	Particulars	Percentage %
1	Majority of respondents earning below ₹20,000 regularly use UPI payments.	62.7
2	Majority of respondents earning between ₹20,001–₹40,000 regularly use UPI payments.	63.6
3	All respondents earning between ₹40,001–₹60,000 regularly use UPI payments.	100
4	Majority of respondents earning above ₹60,000 regularly use UPI payments.	78.6

Source: Primary Data



Usage percentages are fairly close across income groups. This indicates income does not strongly influence UPI payment usage. Hence, the null hypothesis “There is no significant difference in UPI usage behaviour across income levels” is accepted.

H_s: Difference in UPI Usage Across Gender

Null Hypothesis (H₀): There is no significant difference in UPI usage across gender.

Alternative Hypothesis (H_s): There is a significant difference in UPI usage across gender.

Table 5.

Comparison of UPI Usage between Male and Female Respondents

Sr. No.	Particulars	Percentage %
1	Majority of male respondents frequently use UPI payments.	72.5
2	Majority of female respondents frequently use UPI payments.	63.3

Source: Primary Data

Usage rates between male and female respondents are quite similar. Hence, gender does not significantly affect UPI usage. Therefore, the null hypothesis “There is no significant difference in UPI usage across gender” is accepted.

Data Analysis and Interpretation:

Variables	Category	Frequency	Percentage (%)
Gender	Male	40	40
	Female	60	60
	Total	100	100
Age Group	Below 20 years	28	28
	21–30 years	50	50
	31–40 years	8	8
	41–50 years	9	9
	Above 50 years	5	5
	Total	100	100
Education Level	Up to SSC	7	7
	Up to HSC	26	26
	Graduate	43	43
	Postgraduate	20	20
	Professional Degree	4	4
	Total	100	100
Occupation	Student	51	51
	Employed	34	34
	Professional	7	7
	Homemaker	6	6
	Business Owner	2	2
	Total	100	100
Monthly Income (₹)	Below 20,000	59	59
	20,001–40,000	22	22
	40,001–60,000	5	5
	Above 60,000	14	14
	Total	100	100

Source: Primary Survey Data



Interpretation of Demographic Profile of Respondents:

- Gender: Female respondents constitute 60% of the total sample, while male respondents account for 40%, indicating higher participation of females in the survey.
- Age Group: The majority of respondents (50%) belong to the 21–30 years age group, followed by 28% below 20 years, while smaller percentages fall within the higher age categories, showing that young individuals form the dominant respondent group.
- Education Level: Graduates constitute the largest proportion at 43%, followed by respondents with higher secondary education at 26% and postgraduates at 20%, indicating that the study mainly represents educated individuals.
- Occupation: Students form the largest occupational group with 51% of respondents, followed by employed individuals at 34%, while professionals, homemakers, and business owners account for smaller shares.
- Monthly Income: A majority of respondents (59%) fall under the income group below ₹20,000 per month, followed by 22% in the ₹20,001–40,000 category, indicating higher participation from lower and middle-income groups.

Findings of the Study:

1. 92% of respondents are aware of UPI payment systems, indicating high awareness among urban citizens of Mumbai.
2. A majority of respondents regularly use UPI payments for day-to-day financial transactions such as bill payments and money transfers.
3. 50% of respondents belong to the 21–30 years age group, showing higher adoption of digital payments among young adults.

4. Educational analysis shows that 43% of respondents are graduates, suggesting that education positively influences digital payment usage.
5. Occupational distribution indicates that 51% of respondents are students, making them the largest user group of UPI services.
6. Income analysis reveals that 59% of respondents fall under the income group below ₹20,000, indicating that UPI usage is common even among lower-income groups.
7. Usage of UPI payments is observed among both male and female respondents, showing minimal gender difference in adoption.
8. Convenience and speed of transactions are the primary reasons influencing respondents to prefer UPI payments.

Conclusions of the Study:

1. UPI payment systems have achieved widespread awareness among citizens of Mumbai.
2. UPI payments have become a common and preferred mode for routine financial transactions.
3. Younger individuals are more inclined toward adopting digital payment methods.
4. Higher education levels contribute to better acceptance and usage of UPI services.
5. Students and young populations form a major segment of digital payment users.
6. UPI services are widely used across different income groups, indicating broader financial inclusion.
7. Adoption of UPI payments is common among both genders without significant disparity.
8. Convenience and efficiency remain the key factors supporting the continued growth of UPI payment usage.

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