



The Effect on Increasing Customer Satisfaction with Paytm and BHIM Electronic Payments Systems in India

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Abstract

In today's market, technology is rapidly evolving. As a consequence, individuals are increasingly using the internet and E-commerce, which pushes them to employ e-payment mechanisms in their transactions. E-payment allows for ease, simplicity, and security while making a payment. It also eliminates the need to carry large amounts of cash while traveling or shopping. It also decreases the concern of money theft, loss, and so forth. People may also pay using their cell phones. This is the first exploratory study to measure user satisfaction with cashless payment systems via two main firms that provide digital payment platforms (Paytm and BHIM). Cashless payment system suppliers are concerned not only with the widespread implementation of cash-free payment systems, but also with the happiness of Indian customers. The report also includes a methodology for increasing consumer happiness with e-wallets in India. According to the current survey, the majority of customers are content with utilizing E-payment, and some are really delighted.

Keywords: - Cashless Payment, Technology, Paytm and BHIM, Customer Satisfaction, E-Commerce, E-Payment.

Introduction

The digital revolution cleared the way for E-payment systems. This revolution has resulted in e-banking, e-registration, e-commerce, e-payment, online instruction, e-library, and other innovations. This article focuses on the use of e-payment among children and customer satisfaction. A system of exchange that works when the value of money is digitally communicated between two entities is known as an e-payment system. An entity might be a bank, a company, the government, or a customer. E-payment is a broad word for allowing net-based technology breakthroughs and e-communication networks. Users must be technologically knowledgeable in order to meet our demands with ease of time, convenience, and convenience. In order to assure safety and security, the scenario has evolved from one factor authorization to two factor authorizations. Based to the study, their mission is to create the finest settlement and payments system for the digital India via understandable directions, healthy infrastructure, effective management, and customer attention. The increased use of the World Wide Web, smart phones, and government measures promoting digital payment have resulted in the exponential expansion of cashless payment firms in India. The system for paying with cash in India was established by the authorities of India as part of the flagship initiative of the Digital India Initiative. The government wanted to tackle money laundering, corruption, counterfeit currency, and terror funding.

Paytm and BHIM Described

Paytm is an e-commerce platform founded by Vijay Shekhar Sharma, who founded it in August 2010 with a \$2 million seed investment in Noida. Paytm is now available in ten distinct Indian languages and provides a variety of services. It allows you to use Paytm QR code to make online payments to cell phone recharges, utility bills, food retailers, vegetable and fruit shops, restaurants, parking spaces, tolls, pharmacists, and educational institutions, among other places. Many airline, movie, and event ticket reservations, among other things, may be done via it. Paytm has seen tremendous increase in the quantity of registered Paytm Users since its debut.

Bharat Interface for Money (BHIM) is a mobile device application developed by the National Payments Corporation in India (NPCI) on December 30, 2016 under the direction of Prime Minister Mr. Narendra Modi. It enables its customers to make quick and convenient cashless digital payments via the Unifying Payments Interface (UPI), which ensures the payment's safety and security. According to data, the app has been purchased over 3 million times on Google Play and has been used in over 500,000 transactions. About a million Indians are now connected to the cashless online payment ecosystem thanks to BHIM.

When it comes to legal e-payment choices, there are several options accessible to clients for making e-payments. He/she may utilize card settlement, UPI, BHIM, NEFT, RTGS, and so on, but it is the individual's obligation to choose the best legal

choices of e-payment while conducting his/her transactions. And although each legal alternative has its own set of features, perks, and limitations, all of these e payment methods will assist a person in achieving a simple, fast, and transparent system of payment in today's transactions.

Objectives of the study

- Evaluate the entire user experience of consumers while making electronic payments with Paytm and BHIM.
- Calculate and compare overall satisfaction ratings between Paytm and BHIM customers.
- Determine if there are demographic differences in satisfaction ratings among users of various ages, economic levels, and geographical areas.

Literature Review

(Anjali, R., 2019) Following the November 8th, 2016 demonetization, India experienced a rise in the usage of various online payment platforms for money transfer via various devices. In December 2016, NPCI (National Payments Corporation India) introduced Bharat Interface for Money (BHIM), an application based on UPI (Unified Payment Interface), to meet the rising demand for online payments. In the previous two years, the various ways of digital payment have seen a significant increase in use.

(George, R., 2023) In India, we can notice a remarkable increase in the usage of online banking and mobile phones. A digital payment is one that is paid via digital means. Both the payer and the payee utilize digital channels to transmit and receive money in digital payments. India is on the verge of the most major digital revolution, and the digital payment system will be a crucial milestone in the regime of paperless economy in the coming years.

(Nathani, S., 2022) The nation has experienced a tremendous expansion in the usage of digital payments in recent decades. A digital payment, often termed a cash payment, entails the transfer of an asset from a single banking account to yet another using an electronic tool such as a smartphone, point of sale (POS), or computer, as well as a communications channel such as mobile data communication or SWIFT. Banks transfers, cellular money, and charge cards (credit, debit, and

prepaid cards) are the most common modes of digital payment utilized by residents in the nation.

(Pandey, S. K. 2022) India's electronic currency system is a potential winner in the making, propelled by recent regulatory measures and technology breakthroughs. The nation has experienced a tremendous expansion in the usage of digital payments in recent decades. A digital payment, often termed an electronic payment, is the transfer of an asset from a single banking account to an additional account using a digital device that could be a mobile phone, point-of-sale (POS), or computer, as well as a digital communications channel such as mobile data or SWIFT.

Statement of Problem

Paytm and BHIM (Bharat Interface for Money) are establishing themselves as important players among prominent electronic payment systems, providing a variety of services such as smartphone transactions, e-commerce, and peer-to-peer cash transfers. While the expansion of electronic payment systems provides prospects for increased efficiency and ease of use, it is critical to examine the effect of these platforms on consumer satisfaction. Understanding the elements that contribute to or detract from customer satisfaction with Paytm, which and BHIM is critical for the systems' sustained success and development.

Research Methodology

This investigation is analytical in character. Primary and secondary data have been gathered for the study's purposes. The current research incorporates data that is both qualitative and quantitative. The quantitative information is gathered via consumer sampling. The survey gathers information on consumer satisfaction with lawful E-payment methods. Individuals of various ages, genders, and occupations have been chosen for the sample. The study's sample population includes students, employees, business owners, agriculturists, housewives, and retired workers, among others.

Sample Size

For this research, 150 respondents were chosen at random using a questionnaire procedure, with 125 respondents from the Banka neighbourhood responding to the questions.

Analysis

Knowledge of E-payment Options

Table 1 Knowledge of E-payment Options.

Awareness	Respondents	Percentage
Yes	120	96%
No	5	5%

Interpretation

According to the table, 120 of the respondents (96%) are aware of the E-payment system, while the remaining 5% are not.

1.1 Level of contentment with E-Payment

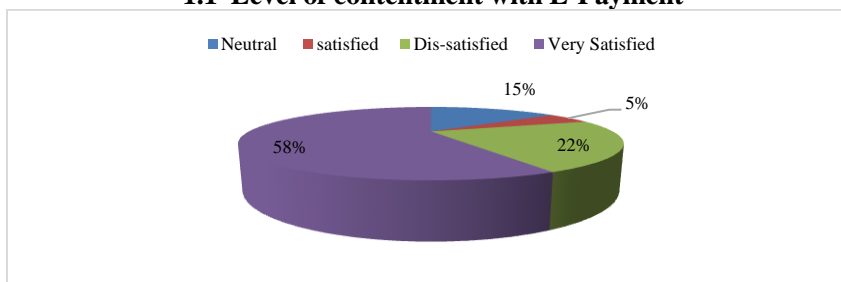


Fig. 1 Level of contentment with E-Payment.

Interpretation

We can see that 57.6% of respondents are happy with the e-payments service, 24% are very

satisfied with 16% are indifferent, and just 2.4% are dissatisfied with the E-payment service.

1.2 E-payment's Challenges

Table 2 E-payment's Challenges.

Challenges	Respondents	Percentage
Lack of Knowledge	33	26.9%
Issue in bank server	84	69.6%
Fraud/hacking	10	7.3%
Others	19	15%

Interpretation

Table 2 shows that around 66.4% of respondents are experiencing difficulty with bank servers, 27.2% are experiencing problems owing to

a lack of expertise, 16% are experiencing various hurdles, and just 7.2% are concerned about fraud and hacking.

1.3 Do you recommend E-payment to others?

Table 3 E-payment to others.

Suggestion	Respondents	Percentage
Yes	113	90.2%
No	12	8.9%

1.4 E-payment is simple to understand and use

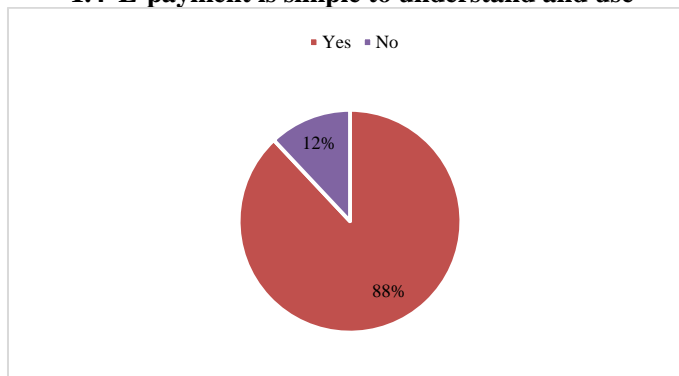


Fig. 2 4.5 E-payment is simple to understand and use.

Interpretation

Around 88% of the participants agree that E-payment is simple to understand and implement, with just 12% disagreeing with the preceding assertion.

Findings

- The majority of residents in the Banka neighbourhood are aware of the E-payment service.
- According to the results of the poll, the majority of individuals are content with E-payment, and some are very delighted.
- People who are dissatisfied are dissatisfied because of difficulties they have encountered, such as a problem with the bank's server.

- The degree of satisfaction demonstrates that Electronic payments is not difficult to grasp. It is simple to understand and will be accepted as a payment mechanism by everyone in the next years.

Suggestion

1. Because each legal choice is important, individuals should utilize the alternatives that are best for them in their transaction.
2. Customers are ready to give up and use E-payment services, however the main difficulty preventing customers from utilizing E-payment is problems with bank servers.

Conclusion

Although the current research has shown that user satisfaction with Paytm and BHIM services is significantly impacted, there are disparities in terms of their usefulness, availability, and applicability.

Thus, we may infer that although technology is advancing quickly, e-payments are already a common feature of people's daily transactions. Customers may make payments and transfer money using a variety of acceptable alternatives available to them, including Card, UPI, NEFT, which IMPS, RTGS, and many more. Customers are happy with electronic payments these days. In conclusion, the current research indicates that consumers are embracing and using electronic payment choices. As a result, it is now the duty of every customer who is familiar with electronic payment to mentor and instruct others who are not in the know about this technology.

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