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An Empirical Analysis of Adoption of Unified Payments Interface (UPI) In Lucknow: Understanding User Marketing Behaviour and Personal Finance

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KEYWORDS

Unified Payments Interface (UPI), User Behaviour, Personal Finance, Digital Inclusion, Financial Literacy.

ABSTRACT

The study titled "Adoption of Unified Payments Interface (UPI) in Lucknow: Understanding User Behaviour and Personal Finance" explores how UPI has revolutionized financial transactions among Lucknow residents. UPI has seamlessly integrated into daily life for routine expenses like groceries and utilities, particularly post-COVID-19. However, its use for more complex financial services such as investments and insurance remains limited due to trust and awareness issues. The research focuses on understanding how user behaviour and personal finance are intertwined, highlighting that younger, educated individuals are more engaged with UPI, valuing its convenience and user-friendly platforms like Google Pay and PhonePe. Data from 146 respondents across diverse demographics revealed that UPI facilitates expense tracking, though effective budget management remains challenging. Despite a moderate positive correlation between favourable UPI usage and improved personal finance, issues like cyber fraud and data privacy concerns persist. From 2019 to 2022, Lucknow recorded 4,22,43,261 transactions through 230 bank branches, with digital payments contributing 2.5 crores (0.04%). This indicates a significant yet underutilized potential for digital financial growth. The study underscores the importance of financial literacy, targeted demographic education, and enhanced platform features to promote robust financial management. Policy recommendations focus on fostering digital inclusivity and responsible financial habits, addressing both the benefits and unintended consequences of rapid UPI adoption. By providing micro-level insights, this research contributes to a holistic understanding of how digital payment platforms impact personal finance, with implications for broader financial inclusion and economic stability.

1. INTRODUCTION

The Unified Payments Interface (UPI) has revolutionized the financial transaction landscape in India, transforming how individuals manage their daily finances. It was developed by the National Payments Corporation of India (NPCI) that enables instant, real-time inter-bank transfers through mobile devices, eliminating the need for physical cash and enhancing convenience and security in financial transactions. The rapid adoption of UPI across India, including Lucknow, highlights its significance in modernizing the financial system and promoting digital financial inclusion. According to NPCI product statistics, as of April 2024, UPI has facilitated more than 10 billion transactions, totalling ₹19,64,464.52 Crore or 236 billion dollars.

In Lucknow, adoption of UPI apps like Google Pay, PhonePe, Paytm, and BHIM (Bharat Interface for Money) has been noteworthy, reflecting a national shift towards digital payments. This trend aligns with a global movement towards electronic transactions, driven by internet and mobile technology adoption. The user-friendly efficiency of UPI has seamlessly integrated it into daily life, facilitating convenient financial management. These apps empower users by simplifying transactions, including peer-to-peer transfers, bill payments, and online purchases, embedding UPI in daily financial routines. However, from 2019 to 2022, Lucknow recorded 4,22,43,261 transactions across 230 bank branches, with digital payments contributing 2.5 crores or 0.04 percent only (Jaiswal & Singh, 2023).

Despite UPI's monumental success and its transformative impact on the financial ecosystem, there was a critical research gap regarding user behaviour and its relationship with personal finance. Existing studies had highlighted the macro-level implications and adoption rates of UPI but often fell short of providing detailed insights into its micro-level effects on personal finance. Multiple questions about extent of usage, applications preferred, frequency of use, changes in saving patterns, spending, budgeting, investment, and overall personal financial management remain unexplored, hindering a holistic understanding of UPI adoption's intended and unintended consequences on users' daily financial practices (Dev et al., 2024).

This study aimed to fill this gap by examining how the utilization of UPI in Lucknow affected user behaviour and personal financial management practices, specifically exploring extent of usage, applications preferred, frequency of use and their relationship with spending habits, budgeting practices, and saving patterns. Using a quantitative approach, we collected 146 responses across diverse demographics to address the following research questions (RQs):

RQ1: What is the application preferred, extent of usage, and frequency of UPI transactions among the users in Lucknow?

RQ2: Are there any changes in their personal finances such as spending behaviour, budgeting practices and saving patterns after using UPI applications?

By exploring the utilization of UPI in Lucknow and its impact on user behaviour and personal finance, this study shed light on the benefits and challenges of digital payments adoption. The findings informed strategies to enhance financial literacy and stability among UPI users, ultimately fostering responsible financial management and promoting the continued growth of digital financial services in Lucknow.

2. LITERATURE REVIEW

Numerous studies highlight how UPI revolutionized Indian financial transactions by providing a seamless, secure platform for individuals and businesses. This literature review aims to synthesize existing research on the utilization of UPI in various contexts.

Mobile payment systems have increasingly influenced socio-economic aspects of life in South-East Asia (Asongu & Boateng, 2018; Asongu & Odhiambo, 2019; Ferreira & Perry, 2019; Lewis & Perry, 2019; Vashistha et al., 2019; He et al., 2023). In 2022, India accounted for 46 percent of global real-time digital payments, with 89.5 billion transactions (Badak et al., 2023). The widespread and convenient nature of mobile payments has promoted financial inclusion, thereby benefiting the nation's economy (Ferreira & Perry, 2019). UPI, in particular, represents a significant advancement over cash payments, offering benefits such as reduced costs, ease of use, faster settlement times, and enhanced security, which has led to substantial user adoption (Gochhwal, 2017).

The surge of digital wallets and UPI platforms like BHIM, Paytm, PhonePe, and Google Pay has been instrumental in reshaping India's financial landscape (Dev et al., 2024). UPI has not only supported financial literacy but also contributed to financial inclusion and economic development (Rastogi et al., 2021). The evolution from cash to digital payments represents both a technological and behavioural shift (Zehra et al., 2024), with UPI implementation significantly influencing spending behaviour among Indian users (Dev et al., 2024).

Perceived utility and incentives, such as cashback and discounts, are critical in motivating consumers to switch to digital payments (Dixit & Tripathi, 2020). Additionally, grievance redressal mechanisms associated with digital payments affect consumer trust and satisfaction, impacting their continued use (Patil et al., 2020). Convenience, security, and rewards like cashback are key factors influencing user adoption and loyalty (Kabra & Jadhav, 2023). Platforms like PhonePe and Google Pay are predominantly used by customers, with attractive rewards driving increased transactions (Babu et al., 2023; Guhan & Nigama, 2023).

Research indicates a significant location-based association with UPI awareness levels (Goyal & Monga, 2022), and studies show that more male users than females engage with these platforms (Babu et al., 2023; Auxilia & Gopinath, 2023; Dev et al., 2024). However, financial management practices vary globally and among socio-economic groups, with evidence pointing to tendencies toward under-saving, imprudent investments, and debt accumulation (Bennett, 2009; Kaye et al., 2014; Vines et al., 2011; Dev et al., 2024).

The increasing complexity of the financial landscape, driven by the development of financial technology and Digital Financial Services (DFS), presents a unique set of characteristics, advantages, risks, and challenges (Goel, 2024). Studies

have emphasized the importance of financial inclusion and literacy (Dev et al., 2024), with some highlighting how barriers to digital or financial literacy impede digital financial inclusion (Srivastava, 2022). While cashless transactions promote technology literacy (Joshi et al., 2019), there is a gap in understanding their impact on financial literacy (Dev et al., 2024).

The expanded Meta-UTAUT (Unified Theory of Acceptance and Use of Technology) model, which incorporates concepts such as anxiety, trust, personal innovativeness, and dispute settlement, provides a comprehensive framework for understanding mobile payment adoption in India (Patil et al., 2020). Recognizing the critical role of financial literacy, governments worldwide have launched financial education initiatives to help young people acquire this essential life skill (Dev et al., 2024). Customer has a positive attitude towards UPI services and highlighted that there is relationship between education of the respondents and usage of UPI services (Chaudhari & Chaudhari, 2019). These insights from previous studies prompted our investigation to the changes in user behaviour and personal finance among the residents of Lucknow amidst the mainstream adoption of UPI.

3. CONCEPTS

In the context of the UPI, user behaviour encompasses daily interactions with digital payments platforms, crucial for optimizing UPI's functionality and user experience. This study examines user behaviour patterns to provide insights into digital payments adoption in Lucknow, breaking it down into three components:

a) Extent of Usage

Measures how extensively individuals use UPI for transactions such as sending money, paying bills, and online purchases. Higher usage indicates greater integration of UPI into daily financial activities.

b) Preferred Application

Identifies the specific UPI-enabled apps preferred by users, such as Google Pay, PhonePe, and Paytm. This provides insights into user preferences and the features that attract them to certain platforms.

c) Frequency of Use

Measures how often individuals engage in UPI transactions (daily, weekly, monthly). Higher frequency indicates deeper integration of UPI into daily routines and higher satisfaction with the service.

3.1. Personal Finance

Personal finance refers to the comprehensive management of an individual's financial affairs, encompassing various aspects such as spending behaviour, budgeting practices, investment and insurance decisions. The following explains some of the components of personal finance:

a) Spending Behaviour

Assesses changes in spending habits due to cashless payments like UPI. It examines whether individuals have increased or decreased spending or adopted new purchasing habits.

b) Budgeting Practices

Evaluates changes in budgeting due to UPI adoption. It explores adjustments in setting spending limits, tracking expenses, and planning purchases.

c) Savings, Investments, and Insurances

Assesses decisions related to saving, investing, and insuring financial assets. It examines changes in savings and whether investment and insurance product are being purchases through UPI applications.

4. METHODOLOGY

The research employed a quantitative, explorative approach to investigate the usage and impact of UPI on personal finance management among users in Lucknow. Data was collected through a structured survey on Google Forms, ensuring participant anonymity and employing convenience sampling that results to total of 146 responses. The survey instrument provided detailed insights into UPI usage patterns, preferred applications, frequency, and various aspects of personal finance management, including spending behaviour, budgeting, savings, investments, and insurance. Ethical guidelines were strictly followed to protect participant confidentiality and ensure informed consent.

While the study provided comprehensive insights, we acknowledged several limitations. These included potential response biases in self-reported data, such as social desirability bias or recall bias, which could influence the accuracy of reported behaviours. Furthermore, the research was conducted solely through quantitative methods, limiting the depth of understanding compared to a mixed-methods approach that could have provided richer qualitative insights into users' perceptions and experiences with UPI.

The data analysis employed both descriptive and inferential methods to uncover trends. Descriptive statistics were used to summarized demographic profiles, each questions with the sub variable of the concept of user behaviour and personal finance. Inferential techniques, such as ANOVA, Pearson correlation, and regression were also used to explore the relationships between demographic variables, user behaviour, and personal finance.

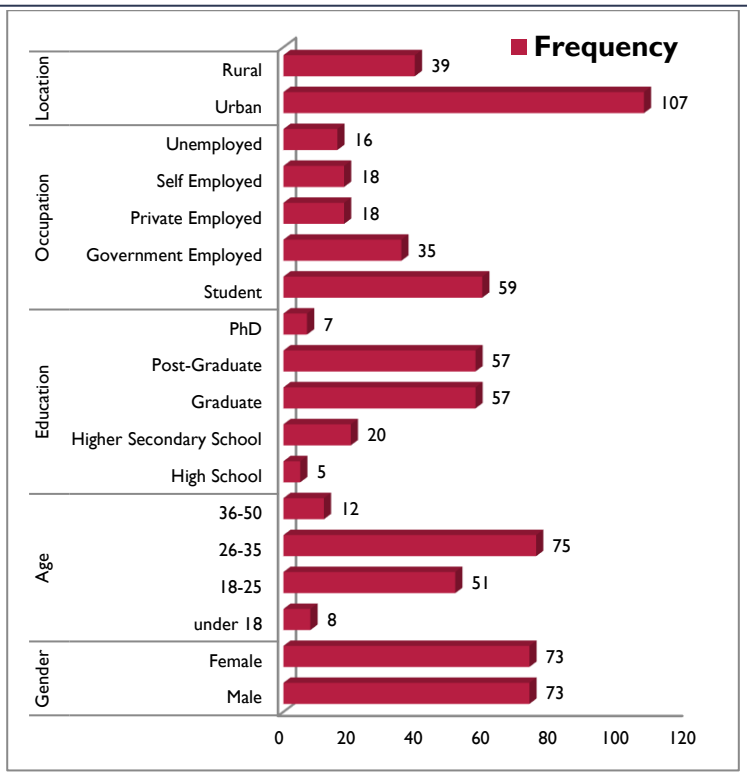
5. DATA ANALYSIS

3.2. Demographic Profile of the Respondents

Table 1: Demographic Profile

Gender	Frequency	Percentage
Male	73	50%
Female	73	50%
Age	Frequency	Percentage
under 18	8	5.48%
18-25	51	34.93%
26-35	75	51.37%
36-50	12	8.22%
Education	Frequency	Percentage
High School	5	3.42%
Higher Secondary School	20	13.70%
Graduate	57	39.04%
Post-Graduate	57	39.04%
PhD	7	4.80%
Occupation	Frequency	Percentage
Student	59	40.41%
Government Employed	35	23.97%
Private Employed	18	12.33%
Self Employed	18	12.33%
Unemployed	16	10.96%
Location	Frequency	Percentage
Urban	107	73.29%
Rural	39	26.71%

(Source: Primary Survey)



The demographic data shows equal gender distribution, with 50 percent males and 50 percent females. Most participants are young adults: 51.37 percent are aged 26-35 and 34.93 percent are aged 18-25. Educationally, 39.04 percent hold graduate degrees, another 39.04 percent have post-graduate degrees, and 4.80 percent have a PhD. Occupations include 40.41 percent students, 23.97 percent government employees, and 12.33 percent each in private roles and self-employed. Most participants live in urban areas.

3.3. User Behaviour

3.3.1. Extent of Usage

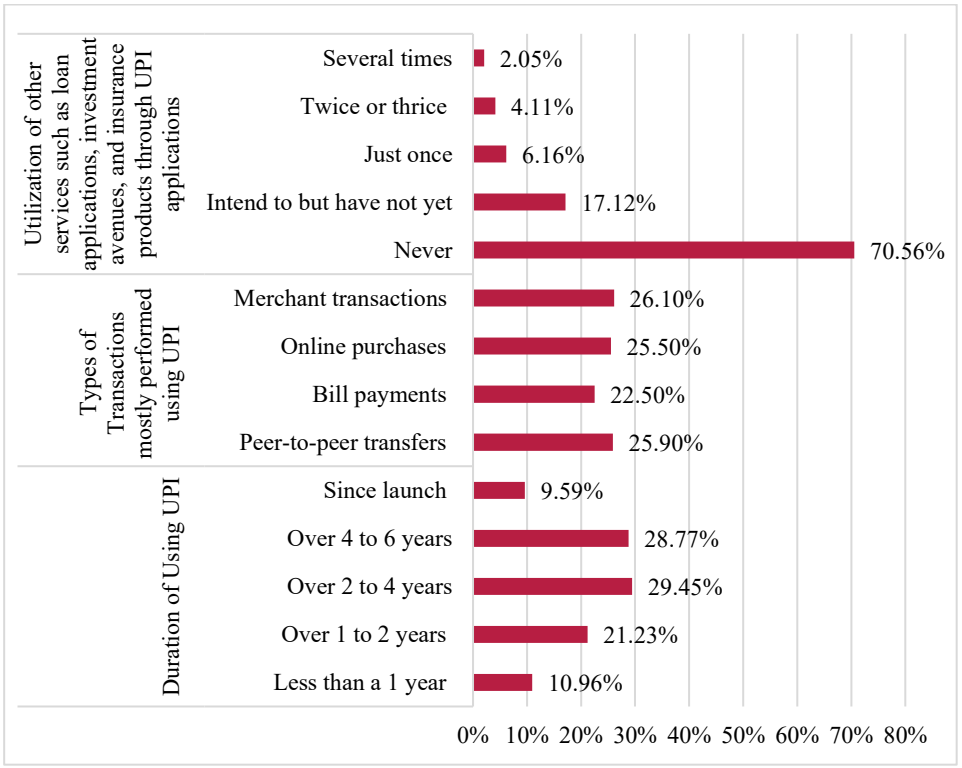


Figure 1: Statement wise percentage distribution under Extent of Usage

Since its launch, UPI has seen notable adoption, particularly in the past six years. About 29.45 percent of users have been on the platform for 2 to 4 years, and 28.77 percent for 4 to 6 years. Transactions are evenly spread across merchant payments, online purchases, bill payments, and peer-to-peer transfers. However, 70.56 percent do not use UPI for financial services like investments or loans, actual usage of these services remains low at 2.05 percent.

Table 2: ANOVA table comparing Extent of Usage across Demographic Variables

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	2.66	11	0.242	0.958	0.488
	Within Groups	33.84	134	0.253	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	19.725	11	1.793	4.404	<0.001
	Within Groups	54.556	134	0.407	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	35.233	11	3.203	5.485	<0.001
	Within Groups	78.253	134	0.584	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	13.389	11	1.217	0.611	0.817
	Within Groups	266.946	134	1.992	-	-
	Total	280.336	145	-	-	-
Location	Between Groups	3.109	11	0.283	1.487	0.143
	Within Groups	25.474	134	0.19	-	-
	Total	28.582	145	-	-	-

(*Source: Author's calculation)*

The ANOVA table summarizes the variance analysis for different demographic variables (Gender, Age, Education, Occupation, and Location) among respondents. Significant findings include Age and Education, where between-group variances (19.725and 35.233, respectively) are statistically significant ($F = 4.404$and 5.485, $p < 0.001$). These results indicate that differences in Age and Education levels among respondents contribute significantly to overall variance in Extent of Usage. In contrast, Gender, Occupation, and Location show non-significant between-group differences ($p > 0.05$).

3.3.2. Preferred Application

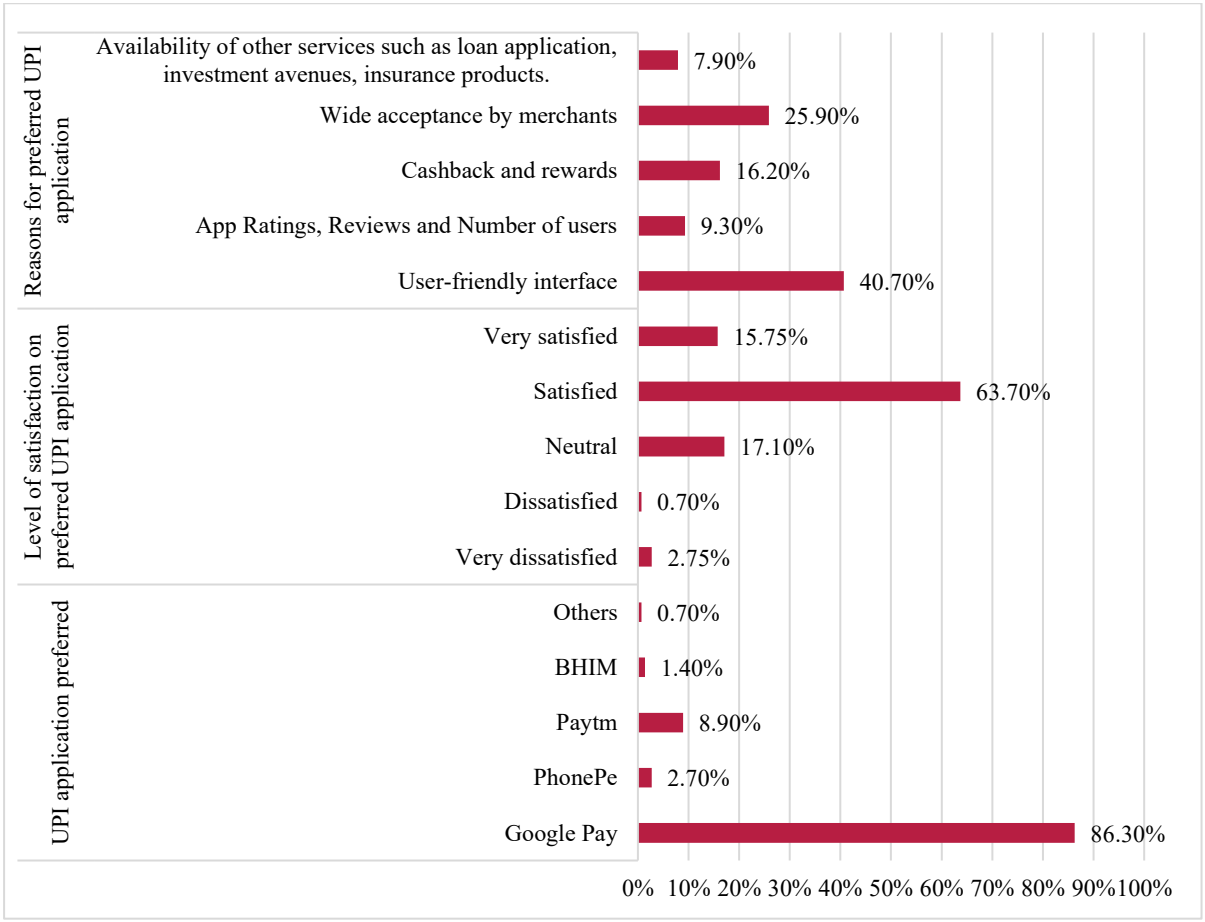


Figure 2: Statement wise percentage distribution under Preferred Applications

Figure 2 reveals a dominant preference for Google Pay, favoured by 86.30 percent of respondents, significantly surpassing other applications like PhonePe, Paytm, BHIM, and Others. It indicates that a majority of users are satisfied with the user interface of their preferred UPI application, with 63.70 percent expressing satisfaction and 15.75 percent being highly satisfied. It also highlights the most appealing features of UPI applications, with a user-friendly interface being the most valued attribute at 40.70 percent, followed by wide acceptance by merchants at 25.90 percent, while the other 33.4 percent comprises of cashback and rewards, app ratings and reviews, and availability of other services such as loans, investments and insurances.

Table 3: Descriptive statistics on Preferred Applications

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
How satisfied are you with the user interface of your preferred UPI application?	Google Pay	126	3.8889	.73997	.06592	3.7584	4.0194	1.00	5.00
	PhonePe	4	4.2500	.95743	.47871	2.7265	5.7735	3.00	5.00
	Paytm	13	3.5385	1.26592	.35110	2.7735	4.3035	1.00	5.00
		2	4.5000	.70711	.50000	-1.8531	10.8531	4.00	5.00
	Other	1	3.000	-	-	-	-	3.00	3.00

			0						
	Total	146	3.8699	.80741	.06682	3.7378	4.0019	1.00	5.00
Why do you prefer this UPI application? (Select all that apply)	Google Pay	126	1.9762	1.10609	.09854	1.7812	2.1712	1.00	5.00
	PhonePe	4	1.0000	.00000	.00000	1.0000	1.0000	1.00	1.00
	Paytm	13	2.3077	1.31559	.36488	1.5127	3.1027	1.00	4.00
	BHIM	2	2.0000	1.41421	1	-10.706	14.7062	1.00	3.00
	Other	1	3.0000	-	-	-	-	3.00	3.00
	Total	146	1.9863	1.12026	.09271	1.8031	2.1695	1.00	5.00

(Source: Author's calculation)

The table presents descriptive statistics on user satisfaction with the user interface of various UPI applications. Google Pay, with a sample size of 126, has a mean satisfaction score of 3.89 and a standard deviation of 0.74, indicating moderate variability in user satisfaction. For PhonePe, Paytm, BHIM, and other applications, the sample sizes are too small to make indicative statements about user satisfaction.

Additionally, the table highlights reasons behind users' choice of their preferred UPI application. Google Pay is favoured for its user-friendly interface and extensive acceptance among merchants, as reflected in its high mean satisfaction score. PhonePe and Paytm are chosen for their reliability and variety of services, indicated by their mean scores of 4.25 and 3.54. These factors underscore the importance of user experience, security, and added incentives in shaping consumer preferences for digital payments applications.

3.3.3. Frequency of Use

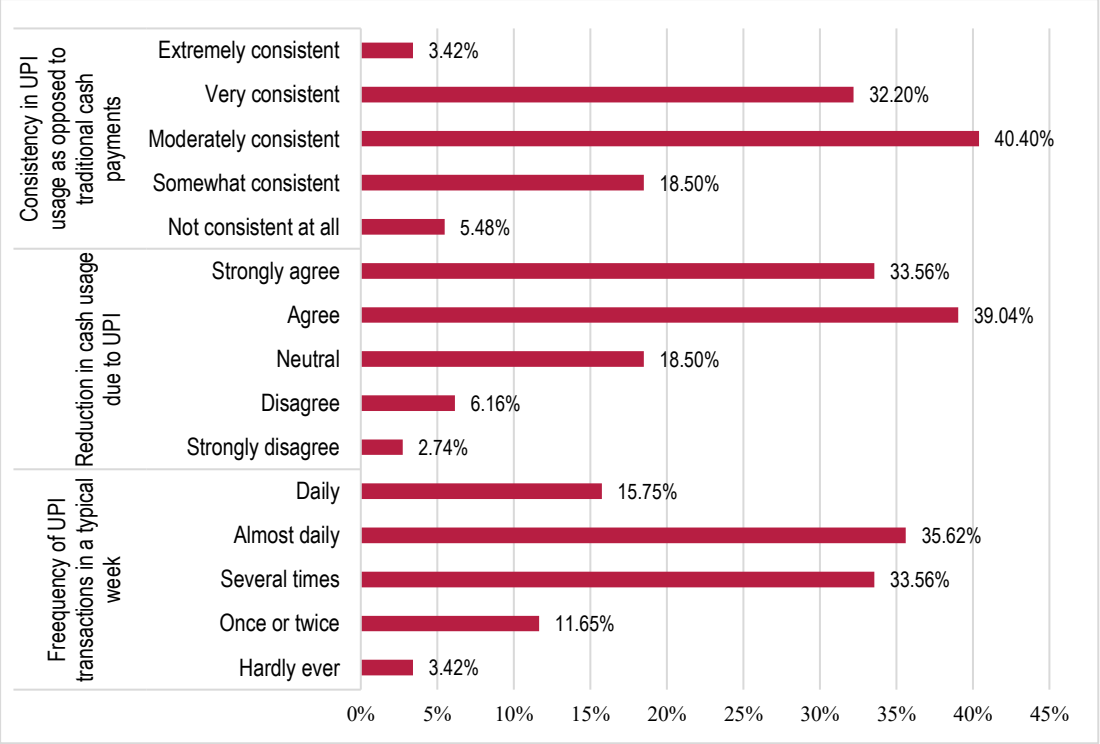


Figure 3: Statement wise percentage distribution under Frequency of Use

Figure 3 shows that most respondents use UPI daily or several times a week, reflecting its integration into routine financial activities. It also highlights a shift toward reduced cash usage and moderate consistency in UPI use compared to traditional methods.

Table 4: ANOVA comparing frequency of use across demographic variables

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	1.926	11	0.175	0.678	0.757
	Within Groups	34.574	134	0.258	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	10.666	11	0.97	2.042	0.029
	Within Groups	63.615	134	0.475	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	7.381	11	0.671	0.847	0.593
	Within Groups	106.106	134	0.792	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	17.709	11	1.61	0.821	0.619
	Within Groups	262.627	134	1.96	-	-
	Total	280.336	145	-	-	-
Location	Between Groups	3.077	11	0.28	1.47	0.15
	Within Groups	25.505	134	0.19	-	-
	Total	28.582	145	-	-	-

(*Source: Author's Calculation)*

Table 4 shows that respondents' age has a significant F value of 2.042 ($p = 0.029$), highlighting age having the most significant variation in relation to their Frequency of Use. Gender, education, occupation, and location exhibit non-significant differences ($p > 0.05$).

Table 5: ANOVA comparing User Behaviour across demographic variables.

		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
Gender	Between Groups	9.092	29	0.314	1.327	0.148
	Within Groups	27.408	116	0.236	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	24.713	29	0.852	1.994	0.005
	Within Groups	49.568	116	0.427	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	36.722	29	1.266	1.913	0.008
	Within Groups	76.765	116	0.662	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	54.623	29	1.884	0.968	0.52
	Within Groups	225.713	116	1.946	-	-

	Total	280.336	145	-	-	-
Location	Between Groups	5.115	29	0.176	0.872	0.655
	Within Groups	23.467	116	0.202	-	-
	Total	28.582	145	-	-	-

(*Source: Author's Calculation)*

The analysis reveals significant differences in user behaviour based on Age and Education, with F-values of 1.994 and 1.913, and p-values of 0.005 and 0.008, respectively. Whereas, Gender, Occupation, and Location show no significant differences.

3.3.4. Personal Finance

3.3.5. Spending Behaviour

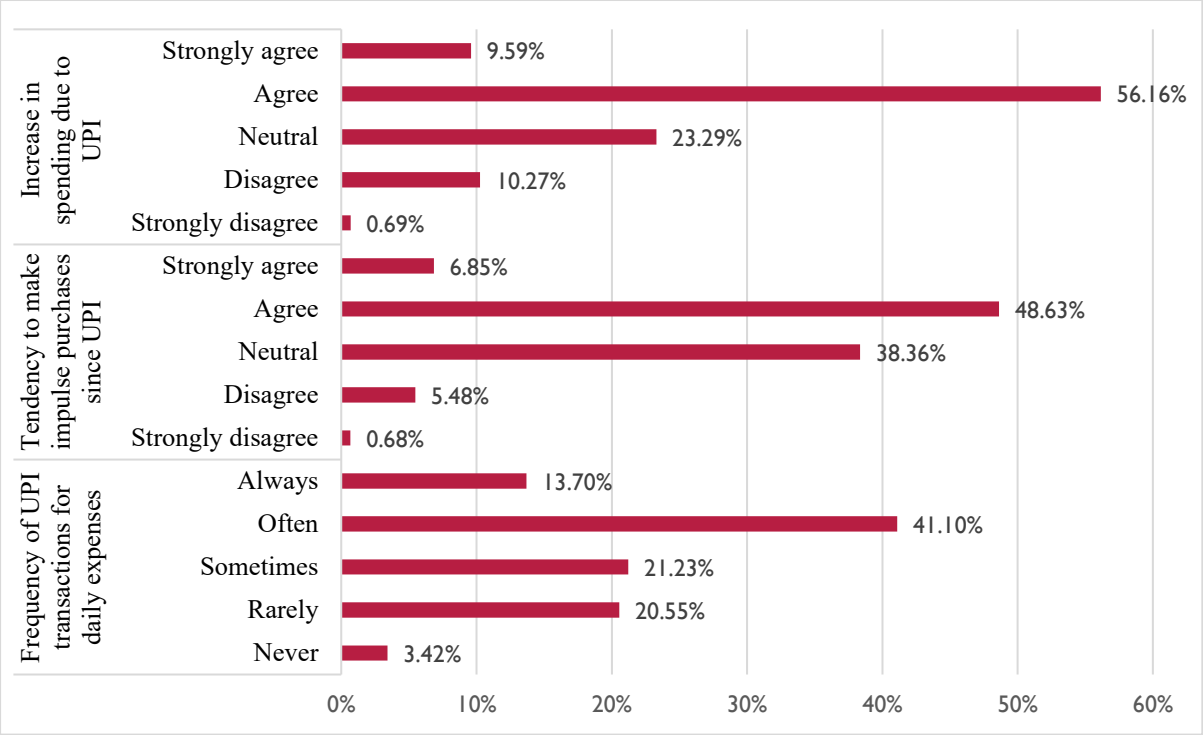


Figure 4: Statement wise percentage distribution under Spending Behaviour

Figure 4 shows varied UPI usage: 41.10 percent use it "Often" and 13.70 percent "Always," reflecting high reliance, while 3.42 percent "Never" use it, indicating barriers. Engagement levels differ, with 20.55 percent "Rarely" and 21.23 percent "Sometimes" using UPI. Additionally, 55.48 percent believe UPI increases impulse buying, and 65.75 percent agree it leads to higher spending, highlighting its influence on consumer behaviour.

Table 6: ANOVA comparing Spending Behaviour across demographic variables

		Sum of Squares	**df**	**Mean Square**	**F**	Sig.
Gender	Between Groups	1.329	11	0.121	0.46	0.924
	Within Groups	35.171	134	0.262		
	Total	36.5	145			
Age	Between Groups	11.311	11	1.028	2.188	0.018
	Within Groups	62.97	134	0.47		
	Total	74.281	145			

Education	Between Groups	10.078	11	0.916	1.187	0.302
	Within Groups	103.409	134	0.772		
	Total	113.486	145			
Occupation	Between Groups	11.912	11	1.083	0.541	0.873
	Within Groups	268.423	134	2.003		
	Total	280.336	145			
Location	Between Groups	2.595	11	0.236	1.216	0.282
	Within Groups	25.987	134	0.194		
	Total	28.582	145			

(*Source: Author's Calculation)*

The 'Age' of the respondent's variable shows a significant F-ratio of 2.188 with a p-value of 0.018, indicating a statistically significant difference in spending behaviour among different age groups. Other variables, such as gender, education, occupation, and location, do not show significant differences, as indicated by their higher p-values (all above 0.05). This suggests that age is a key demographic factor influencing spending behaviour, while other factors do not significantly impact spending patterns in this sample.

3.3.6. Budgeting Practices

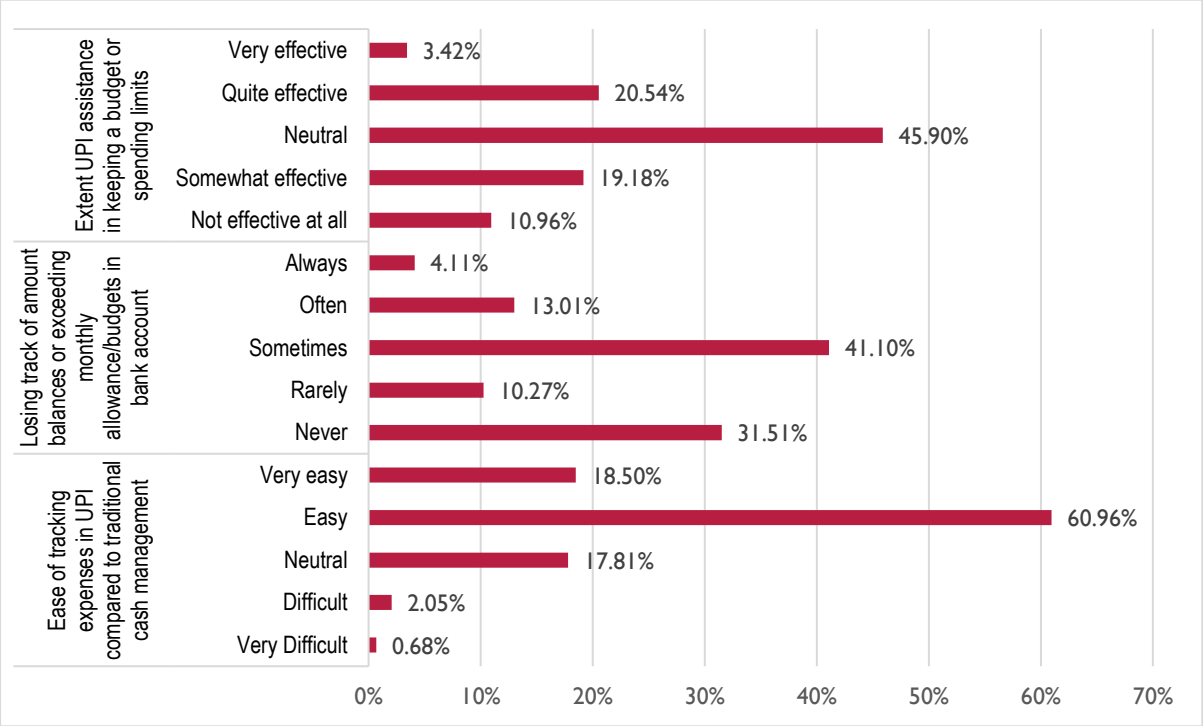


Figure 5: Statement wise percentage distribution under Budgeting Practices

Figure 9 reveals that 79.46% of respondents find UPI easy for tracking expenses, while only 2.73% find it difficult, underscoring its convenience. However, 58.22% struggle with budget management, with 41.10% sometimes losing track and 17.12% often or always exceeding their budgets. In contrast, 41.78% rarely or never lose track, indicating better financial management. While UPI aids in expense tracking, it may not prevent overspending, this data aligns with the high impulse purchase as seen in Figure 4. Additionally, 45.90% of respondents are "Neutral" while 20.54 percent find UPI "Quite effective," 19.18 percent "Somewhat effective," and 10.96 percent "Not effective at all" and only 3.42 percent find UPI "Very effective", highlighting varying perceptions and potential areas for improvement in financial management in this mainstream adoption of UPI.

Table 7: ANOVA comparing Budgeting Practices across demographic variables

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	1.524	9	0.169	0.658	0.745
	Within Groups	34.976	136	0.257	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	2.094	9	0.233	0.438	0.912
	Within Groups	72.187	136	0.531	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	3.092	9	0.344	0.423	0.921
	Within Groups	110.395	136	0.812	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	20.753	9	2.306	1.208	0.295
	Within Groups	259.583	136	1.909	-	-
	Total	280.336	145	-	-	-
Location	Between Groups	1.085	9	0.121	0.596	0.799
	Within Groups	27.497	136	0.202	-	-
	Total	28.582	145	-	-	-

(*Source: Author's Calculation)*

The results indicate that none of the demographic variables show statistically significant differences in budgeting practices, as all significance levels (Sig.) are above the conventional threshold of 0.05. For example, the Gender category has an F value of 0.257 and a Sig. of 0.613, suggesting no significant difference in budgeting practices between genders. This analysis implies that budgeting practices are relatively consistent across different demographic groups within the sample population.

3.3.7. Savings, Investments and Insurances

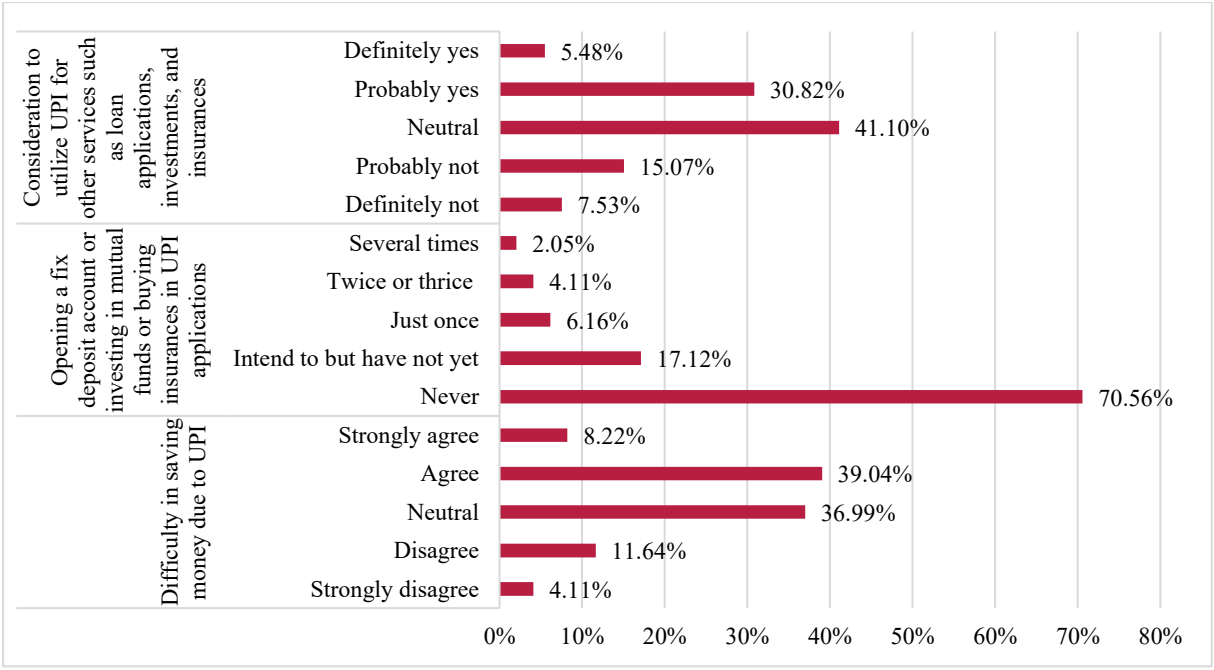


Figure 6: Statement wise percentage distribution under Savings, Investments & Insurances

Figure 6 shows that 47.26 percent of respondents find saving money harder with UPI, while 36.99 percent are neutral, and 15.07 percent disagree. A majority of 70.56 percent, have never used UPI for saving deposits, preferring traditional methods. Additionally, 41.10 percent are neutral about using UPI for financial services, with 36.3 percent open to it and 22.6 percent reluctant. These findings point to an adoption gap and opportunities for user education and trust-building.

Table 8: ANOVA comparing Savings, Investments & Insurances across demographic variables

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	0.813	8	0.102	0.39	0.924
	Within Groups	35.687	137	0.26	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	3.34	8	0.417	0.806	0.598
	Within Groups	70.941	137	0.518	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	7.124	8	0.89	1.147	0.336
	Within Groups	106.363	137	0.776	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	20.126	8	2.516	1.325	0.236
	Within Groups	260.21	137	1.899	-	-
	Total	280.336	145	-	-	-
Location	Between Groups	1.681	8	0.21	1.07	0.388
	Within Groups	26.901	137	0.196	-	-
	Total	28.582	145	-	-	-

(Source: Author's Calculation)

The significance values (Sig.) for all variables are above the conventional threshold of 0.05, suggesting that none of the demographic variables, including Gender, Age, Education, Occupation, Income, and Location, show statistically significant differences on savings, investments, and insurances. If there is any consolation, occupation may have a relatively stronger effect, although it is not statistically significant in this context.

Table 9: ANOVA comparing Personal Finance across demographic variables

		Sum of Squares	df	Mean Square	F	Sig.
Gender	Between Groups	6.516	28	0.233	0.908	0.602
	Within Groups	29.984	117	0.256	-	-
	Total	36.5	145	-	-	-
Age	Between Groups	17.44	28	0.623	1.282	0.18
	Within Groups	56.841	117	0.486	-	-
	Total	74.281	145	-	-	-
Education	Between Groups	10.887	28	0.389	0.443	0.993
	Within Groups	102.599	117	0.877	-	-
	Total	113.486	145	-	-	-
Occupation	Between Groups	42.807	28	1.529	0.753	0.805

	Within Groups	237.528	117	2.03	-	-
	Total	280.336	145	-	-	-
Location	Between Groups	3.347	28	0.12	0.554	0.964
	Within Groups	25.235	117	0.216	-	-
	Total	28.582	145	-	-	-

(Source: Author's calculation)

None of the demographic variables show significance values below the 0.05 threshold, suggesting that all demographic variables do not have a statistically significant effect on personal finance. This analysis implies that personal finance does not significantly vary across these demographic categories.

Table 10: Pearson correlation between User Behaviour and Personal Finance

		User Behaviour	Personal Finance
User Behaviour	Pearson Correlation	1	0.47**
	Sig. (2-tailed)	-	<0.001
	N	146	146
Personal Finance	Pearson Correlation	0.47**	1
	Sig. (2-tailed)	<0.001	-
	N	146	146

(Source: Author's calculation)

The Pearson Correlation coefficient of 0.47000 indicates a moderate positive correlation between these variables, suggesting that as user behaviour improves, personal finance tends to improve as well. The significance level (Sig. 2-tailed) of <0.001 confirms that this correlation is statistically significant. This analysis highlights that user behaviour has a positive influence on personal financial management outcomes.

6. DISCUSSION

The study on Unified Payments Interface (UPI) in Lucknow provides insights into how digital payments systems shape consumer behaviours and financial practices. Demographically, age and education significantly influence UPI usage behaviours, with younger and more educated individuals demonstrating higher levels of engagement. In contrast, factors like gender, occupation, and location show minimal impact on UPI usage patterns, indicating the platform's accessibility and appeal across diverse demographic groups in Lucknow. In addition, Google Pay emerges as the preferred UPI application among users, driven by its intuitive interface and widespread merchant acceptance. High satisfaction levels among users underscore the importance of user experience in driving adoption and loyalty within the digital payment ecosystem.

Since its inception, UPI has rapidly adopted in Lucknow, specifically due to Covid-19, indicating integration into daily transactions. The data on this study shows stabilization in growth rates, indicating most users have embraced UPI, underscoring its role in the local economy. Transaction data reveals a diverse usage pattern, with Merchant transactions, Peer-to-Peer transfers, and Online purchases emerging as the predominant transaction types. This versatility highlights UPI's adaptability across various financial activities, reflecting its widespread acceptance among consumers for both routine and occasional transactions. Despite its popularity for everyday payments, a significant proportion of respondents do not utilize UPI for more complex financial services such as investments, loans, or insurance. This reluctance may stem from perceived barriers such as awareness and trust in UPI's suitability for advanced financial operations. Interestingly, there is notable interest among respondents to explore these services in the future, suggesting potential growth opportunities if barriers can be addressed through targeted education and service improvements.

The impact of UPI on spending behaviours and budget management reveals mixed outcomes. While many users find it convenient for expense tracking, effective budget management remains a challenge for a significant segment. This dichotomy suggests opportunities for enhancing UPI's features to better support comprehensive financial planning and management among users. Furthermore, perceptions of UPI apps effectiveness for personal finance management vary among respondents, with a notable proportion maintaining a neutral stance. This suggests room for improvement in UPI apps functionalities related to budgeting and financial planning to align more closely with user expectations and needs.

Overall, the analysis reveals a moderate positive correlation between favourable UPI usage behaviours and improved personal finance outcomes. This correlation underscores the role of user behaviour of UPI apps in shaping financial habits and outcomes, highlighting opportunities for stakeholders to enhance UPI's capabilities and promote more effective financial practices among users in Lucknow.

7. IMPLICATIONS

The study on post adoption of UPI in Lucknow reveals significant implications for stakeholders such as policymakers, financial institutions, and technology providers. UPI's widespread adoption highlights its potential for promoting digital financial inclusion, yet areas for improvement exist to enhance user experience and expand its utility. Stabilization in UPI adoption rates suggests future growth will depend on deepening engagement with existing users rather than acquiring new ones. This emphasizes the need to enhance functionality and reliability to enrich user satisfaction. Specifically, introducing features that not only track but also analyse spending patterns, settings for personalized budgeting, providing advice on savings or integrating with artificial intelligence to enhance its features can significantly improve the user experience.

Despite UPI's popularity for transactions, a notable gap remains in its use for financial services such as investments or loans, signalling the necessity for comprehensive educational campaigns and seamless integration of advanced financial services. Demographic trends indicate higher engagement among younger, educated individuals, prompting strategies to broaden UPI adoption among older and less educated groups. Stakeholders should draw lessons from Google Pay's success, emphasizing user-friendly interfaces and extensive merchant networks to enhance satisfaction and usage consistency.

8. CONCLUSION

This research explores the utilization of the Unified Payments Interface (UPI) in Lucknow, providing a nuanced understanding of user behaviour and broader implications for personal finance management. Our study reveals the significant role UPI plays in daily financial activities, marking a pivotal shift towards digital transactions in the region.

The data analysis section illustrates a robust adoption of UPI over the past several years, reflecting its growing acceptance and integration into the financial lives of users in Lucknow. This widespread adoption underscores the increasing reliance on digital payment methods, highlighting UPI's effectiveness in facilitating convenient and efficient financial transactions.

Moreover, the research underscores the diverse ways in which UPI is utilized, from merchant transactions to online purchases. However, it also points to areas where UPI's potential remains under-utilized, particularly in complex financial services such as investments and loans. This gap presents an opportunity for stakeholders to enhance user awareness and trust, thereby expanding the scope of UPI's application.

Demographic analysis within the study provides insights into how factors such as age and education influence UPI usage, offering valuable information for tailoring future digital financial services to meet the needs of different user groups.

Overall, this research contributes to a deeper understanding of user behaviour on the digital payments systems and their personal finance management in Lucknow, offering a foundation for future studies and practical applications in enhancing digital financial inclusion and literacy. The insights gained from this study can inform strategies for improving UPI services, ensuring they are more inclusive, accessible, and beneficial for all users.

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