

IMPACT OF UPI ON IMPULSIVE BUYING BEHAVIOUR

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ABSTRACT

Consumers find easy to make payments via usage of Unified Payments Interface (UPI) during their purchases and shopping. In Future payments by the UPI, the person makes an impulsive purchase by becoming influenced by the products. Using UPI also becomes economic status in the society, and it makes life and payment easier. The purpose of this study is to ascertain how Chennai consumers' use of UPI affects their tendency for impulsive purchases. In India, UPI is a well-liked mobile-based payment mechanism that makes payments quick and simple. Data was gathered from a sample respondent who had experience with UPI-based transactions using a survey-based methodology. The findings imply that UPI significantly influences impulsive buying behaviour. The platform's simplicity and convenience, as well as its quick processing times and flawless transaction experiences, are recognized as key factors in impulsive buying. The research reveals that the relationship between UPI and impulsive purchasing behaviour is moderated by demographic parameters such as age, gender, etc.

Keywords: Impulsive Buying, UPI, Gender, Age, Marital Status.

INTRODUCTION

Digital payments have revolutionized the way people transact with each other. The increasing use of mobile phones, internet connectivity, and technological advancements has made digital payments more accessible and convenient for people. Digital payments have also impacted the way people shop, especially in terms of impulsive buying. Digital payments refer to the exchange of money or value through electronic means, such as online transactions, mobile payments, digital wallets, and other forms of electronic transfers. With the increasing use of smartphones and internet connectivity, digital payments have become more popular and accessible to individuals and businesses worldwide. Digital payments offer several advantages over traditional payment methods, including convenience, speed, and security. For consumers, digital payments provide a fast and easy way to pay for goods and services without the need to carry cash or cards. Digital payment systems also offer enhanced security features, such as encryption and authentication, which help protect against fraud and unauthorized access.

Impulsive buying refers to the unplanned and spontaneous purchase of goods or services without careful consideration of the consequences. It is a common behaviour that can be triggered by various factors, such as emotions, personal values, social influence, and situational cues. Impulsive buying can have both positive and negative consequences. On the one hand, it can stimulate economic growth by increasing demand for goods and services, especially in the retail industry. Impulsive buying can also provide individuals with a sense of pleasure, satisfaction, and self-expression. On the other hand, impulsive buying can lead to financial problems, especially if individuals make purchases without considering their budgets or financial goals. Impulsive buying can also result in wasteful consumption, which can be harmful to the

environment. In extreme cases, impulsive buying can lead to compulsive buying disorder, which is a mental health condition characterized by uncontrollable and excessive buying behaviour. Factors that can influence impulsive buying behaviour include emotional states, such as stress, boredom, or excitement, social influence, such as peer pressure or advertising, and situational cues, such as sales promotions or store displays. Understanding these factors can help individuals and businesses take steps to minimize the negative consequences of impulsive buying and promote responsible consumption.

Impulsive buying is a phenomenon where individuals make unplanned purchases without considering the consequences. The rise of digital payments has made impulsive buying easier and more convenient, as consumers can now make purchases with just a few clicks on their mobile phones. This ease of payment can lead to impulsive buying, which may have both positive and negative effects on the economy. On one hand, impulsive buying can stimulate economic growth by increasing demand for goods and services. On the other hand, it can lead to financial problems for individuals who make purchases without considering their budgets or financial goals. Additionally, impulsive buying can lead to wasteful consumption, which can be harmful to the environment. Therefore, it is important to study the impact of digital payments on impulsive buying behaviour. This research aims to investigate the relationship between digital payments and impulsive buying, including the factors that influence impulsive buying and the consequences of impulsive buying on individuals and the economy. The findings of this research can help policymakers, businesses, and individuals understand the implications of digital payments on consumer behaviour and make informed decision.

LITERATURE REVIEW

Baran, (2015) studied to determine the impact of Turkish consumers' credit usage on impulsive buying. Consumers make more impulsive purchases with credit, even when they do not have cash, because the credit card allows for future payment. The use of credit cards influences impulsive buying. Shilpa (2018) studied current use of digital payments and their impact on consumer purchasing behaviour. The current study attempted to investigate the government policy and initiatives for India's digital payments ecosystem. It attempted to assess the evolution of digital payments in India and their impact on consumer purchasing behaviour. Bijin, (2019) tried to identify customer preferences for unified payment interfaces and to determine the impact of unified payment interfaces on customer satisfaction. According to the findings of this study, customers have a positive attitude toward unified payment interface services, and there is a link between respondents' education and their use of UPI services. Kathiravan et al. (2019) studied at the components that drive online shopping and to develop an understanding of the variables that influence consumer online shopping. This study attempted to comprehend the points of interest in online purchasing behaviour. The different part of impulse buying in the setting of online stores is incorporated. Ittaqullah, et al. (2020) determined the impact of mobile marketing, discounts, and lifestyle on the impulse purchasing behaviour of marketplace consumers in students. Mobile marketing and discount have no effect on impulse purchasing behaviour. This means that increased use is not related to an increase in impulse buying behaviour. Lifestyle influences impulse purchasing behaviour in a positive and significant way. Nikma et al. (2020) examined the changes in purchasing decisions when conducting transactions with cash and digital payment systems. The conclusion is that cash and digital payment systems have no difference in influencing purchasing decisions on all transactions, and that the cash payment system still has a very high value in society. Erwin et al. (2020) studied to see if the following variables: E-

payment System, Impulsive Purchase, Trust, and Behaviour Control influence Purchase Intention in E-commerce. E-payment systems have a significant impact on impulse purchases. The existence of an Electronic Payment System makes people more impulsive. Streamlining and ease of use perspective.

Radhi & Fandis (2020) studied the relationship between satisfaction perception and preferences and the usage rate of the digital payment system, as well as the comparison of test differences between gender and age groups. There was a positive and statistically significant relationship between user perception and satisfaction with digital payment application products. Siby, (2021) studied consumer perceptions of digital payment methods based on demographic factors such as gender, age, education, profession, and employment. These factors had no effect on the use of digital payment methods during the Covid pandemic Manawati et al. (2020).

In India, a well-liked payment system called UPI (Unified Payments Interface) enables customers to send quick digital payments using a mobile smartphone. Many studies have been done to investigate how UPI affects consumer behaviour, especially impulsive purchase behaviour. However, because different studies may utilize different study methods, sample sizes, and assessment methodologies. Basically, others try to find the satisfaction of customers and how they have had impact on UPI, in this study tried to find how it have impact of UPI on Impulsive buying behaviour.

METHODOLOGY

The purpose of this research is to examine how Chennai consumers' UPI behaviour affects their probability of impulsive purchases. By considering the demographic characteristics of the participants, descriptive research was used to determine whether the UPI usages of the consumers who answered the questionnaire had an impact on impulsive buying. The research's target audience consists of customers who utilize UPI and reside in Chennai.

By using the questionnaire method, the primary data required for the study were gathered. Six demographic questions on the participants' gender, age, marital status, education, and income status are included in the questionnaire form, along with questions about the use of UPI. The sample size is 154. It contains a 5-point scale for impulsive purchases. It analyses how people feel about UPI. A 5-point Likert scale was used in the surveys on attitudes regarding UPI use and impulsive buying.

Used Method

SPSS 18.0 for Windows was used to evaluate the research-related data that was gathered. Regression analysis and the t-test were used in the study to examine how impulsive purchase patterns varied by age, gender, and other demographic factors.

Data Analysis

Out of the 152 respondents, 95 were male (63%), 56 were female (37%), and 1 did not specify their gender (1%). Most of the respondents were male. Out of the 152 respondents, 133 were single (88%) and 19 were married (13%). Most of the respondents were single. Out of the 152 respondents, 123 were in the age group of 18-25 (81%), 20 were in the age group of 26-35 (13%), 5 were in the age group of 36-45 (3%), 3 were in the age group of 46-55 (2%), and 1 was in the age group of 56-65 (1%). The largest age group was 18-25. Out of the 152 respondents, 81 did not specify their income (53%), 32 had an income of 1,00,000-5,00,000 (21%), 20 had an income of 5,00,000-10,00,000 (13%), 8 had an income of less than 1,00,000 (5%), and 7 had an income of more than 15,00,000 (5%). Most of the respondents did not specify their income. Out of the 152 respondents, Most of the respondents had an undergraduate degree.

Out of the 152 respondents, 115 regularly used UPI payments (76%), 27 sometimes used UPI payments (18%), 7 never used UPI payments (5%), and 3 rarely used UPI payments (2%). The most preferred UPI payment method was Google Pay (62%), followed by Phonepe (22%), and then Paytm (14%). Out of the 152 respondents who used UPI payments, 94 preferred Google Pay (82%), 33 preferred Phonepe (29%), 22 preferred Paytm (19%), 1 preferred Amazon Pay (1%), and 2 did not prefer any of the listed UPI payment methods (2%). Out of the 15 respondents, 105 preferred UPI as their method of payment (69%), 20 preferred cash (13%), 16 preferred debit card (11%), and 11 preferred credit card (7%). The most preferred method of payment was UPI.

H1: Demographic factors affect impulsive buying behaviour.

To determine whether there are any differences in impulsive purchase behaviour based on gender and marital status, an independent groups t-test was conducted.

H2: The attitude towards UPI and UPI usage affects impulsive buying behaviour.

It was determined using regression analysis whether UPI use has an impact on customers' impulsive purchasing tendencies. Impulsive purchasing was used as the dependent variable in the regression analysis and the components of the UPI scale as the independent variable.

There is a significant difference between men and women in terms of impulsive purchase, as shown by the value derived from gender-specific t-tests, which is $p=0.041<0.05$. There is a significant difference between married people and single people in terms of impulsive buying, as shown by the value obtained from t-tests conducted according to marital status, which is $p=0.008<0.05$.

According to the test result ($F=169.473$, $p=0.000<0.05$), it was determined that the regression model was significant. The F test was used to determine whether the established regression model is statistically valid, i.e., significant.

CONCLUSION AND SUGGESTION

The UPI has an impact on consumers' purchasing behaviours because it is a payment method that can be used in place of cash and offers payment convenience. Even when they lack cash, consumers use UPI frequently because of the convenience that a UPI offers as they need not to carry cash always in their hands. Two significant findings were made in this study. First off, buyers in Chennai behave similarly to consumers overall in terms of making impulsive purchases. The findings from the study show that UPI usage has an impact on impulsive purchasing. Second, age and marital status are two demographic factors that have an impact on impulsive buying.

The use of UPI influences impulsive buying behaviour because it increases spending tendencies despite income, is viewed as a sign of power and status, and promotes a sense of confidence when shopping. A significant portion of the industry is made up of young consumers. Consequently, it will be useful to understand these consumers' sentiments in target marketing research.

Several factors can influence impulsive purchasing. However, just the UPI and demographic aspects were considered and examined in this study. According to the research, impulsive purchase behaviour can be influenced by a variety of factors, including price, promotion, distribution, available funds, time, etc. Consequently, by addressing other factors affecting impulsive buying in the future studies, a more comprehensive model can be developed.

The fast, safe, and simple digital payment platform known as Unified Payments Interface (UPI) has significantly changed consumer behavior, including impulsive buying. Without using cash or credit cards, users may make purchases immediately through UPI. This ease of use, along with the simplicity of access to goods and services, may encourage impulsive buying.

According to studies, the implementation of UPI has increased online shopping and impulsive purchasing. Consumers may now make payments instantly, without any delays or extra procedures, which reduces on the time and effort needed to execute a transaction. As a result, consumers are more likely to make impulsive purchases because the payment procedure for products is made simpler. But it's crucial to remember that, even though UPI could encourage hasty spending, the decision to buy is ultimately up to the buyer. It's critical for customers to practice discipline and limit their purchases to items that fit their demands and budgetary limitations.

In conclusion, UPI has significantly changed consumers' impulsive shopping patterns by making it simpler and more practical for them to buy things right away. While this ease could encourage impulsive buying, it's crucial for customers to practice discipline and make wise choices. Additionally, it is crucial for companies to be open and honest about their pricing and to avoid from employing fraudulent techniques to promote purchases on impulse.

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