

Role of National Payment Corporation of India in Digital Era and Impact of Service Quality on Customer Satisfaction with Special Reference to Bharat Bill Payment System

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Abstract: National Payment Corporation of India regulates all retail payment and settlement functions. It was found during the year 2008 and promoted by Reserve bank of India. Bharat bill payment system is one of the most important services rendered by national payments corporation of India. Bharat Interface for Money is a mobile application which can be used by a customer who holds a bank account. It allows the user to make bank to bank money transactions as well as merchant transaction if the merchant application is registered on BHIM interface in an easy, simple and quick manner using Unified Payments Interface (UPI). Responsiveness and accessibility are the most important features of this system. Bharat bill payment, Bharat interface for money and Bharat quick response code solution are the major components of this system. This paper aims to assess the impact of service quality on customer satisfaction with special reference to Bharat Bill Payment System. The researcher also emphasizes on the role of National Payment Corporation of India in the digital era.

Keywords: National payment corporation of India, Bharat bill payment system

1. Introduction

Bharat bill payment system is an integrated bill payment system in India which offering enormous bill payment services to customers. National Payment Corporation of India functioned as the centralised authority for bharat bill payment system. Now the RBI has expanded the scope of bharat bill payment system by adding various other categories of recurring payments. Bharat bill payment system is a centralised and authenticated platform that enables the customers to pay various bills such as telephone, water, gas, electricity etc. with the expansion of the scope of bharat bill payment system, other facilities like school fees, insurance premium can also be paid via bharat bill payment system.

Service quality means a form of an attitude, related but not equivalent to satisfaction of the customers that result from the comparison of expectation level with actual performance. The customers generally use certain criteria to evaluate service quality of a product or service by examining assurance,

reliability, responsiveness, empathy and other physical aspects. Customer satisfaction is different from service quality but both are interrelated. The paper tries to measure the impact of service quality of bharat bill payment system on customer satisfaction. Customer satisfaction measures how products and services supplied by a company meet the expectation level of its customers. An organization's main goal must be to satisfy its customers. This applies to industrial firms, retail and wholesale businesses, government bodies, and every subgroup within an organization.

2. Objectives of the study

- To analyse awareness level of customers regarding bharat bill payment system.
- To understand customer perception towards bharat bill payment system.
- To measure the relationship between service quality of bharath bill payment system and customer satisfaction.
- To measure the impact of service quality of bharat bill payment system on customer satisfaction.

3. Research methodology

The study follows descriptive and casual research methods. Both primary and secondary data are used in the study. The primary data was collected through questionnaire. Secondary data was collected from academic journals and books and websites. The sample size taken for the purpose of the study is 70 online banking customers. Simple random sampling is used as sampling technique and the study is conducted at Coimbatore city. Chi square test, t test, correlation, and regression are used for data analysis.

4. Review of literature

Shamshersingh (2017) made a study of consumer perception of digital payment mode. The objectives of the study are to find out the customer perception and impact of demographic factors

on digital payment mode. The data was collected from 150 respondents from various parts of Delhi and interview method is used for data collection. Percentage analysis and ANOVA are mainly used for data analysis. It revealed that consumer perception on digital payment has significant and positive impact on adoption of digital payment. Education was found to more significant influence for the adoption of digital payments.

Anjali R and suresh A (2019) studied customer satisfaction of bharat interface for money. The main objective of the study was to find out the intensity of the relation between the factors selected and the customer satisfaction of BHIM application. The data was collected from 140 respondents and questionnaire was used for data collection. Correlation and regression were mainly used for data analysis. Results revealed that speed and ease of use has a moderately positive relationship with customer satisfaction.

5. Analysis and interpretation

A. Chi-square test

H0: There is no association between gender of the respondent and awareness on bharat bill payment system.

Table 1
 Association between gender and awareness on bharat bill payment system

| Gender | Bharat bill payment system | | |
|--------|-------------------------------------|------------|--------------|
| | Dimensions | Chi square | significance |
| | Bharat bill payment | 169.45 | .000 |
| | Bharat interface for money | 166.12 | .000 |
| | Bharat quick response code solution | 157.65 | .000 |

Source: primary data.

Table 1 states the chi-square association between the gender and customer awareness on bharat bill payment system. It is inferred from the table gender and awareness on bharat bill payment has significant association with chi-square value 169.45.

B. Independent sample t test

H1: There is no association between gender of the respondents and perception on features of bharat bill payment system.

Table 2
 The significance difference between gender and perception on features of bharat bill payment system

| No | Particulars | t | significance |
|----|----------------------|-------|--------------|
| 1 | speed | 9.83 | 0.001 |
| 2 | convenience | 1.47 | 0.06 |
| 3 | Customer service | 8.92 | 0.001 |
| 4 | Customer benefits | 0.29 | 0.11 |
| 5 | Information security | 2.90 | 0.001 |
| 6 | Time considerations | 10.94 | 0.001 |

Source: primary data.

Table 2 states the significance difference on the perception of customers towards features of bharat bill payment system

based on the gender of the respondents. The P value for each construct is less than 0.05 except customer benefits and convenience, which indicates the null hypothesis, is rejected. Thus there is significance difference the perception of customers based on their gender and perception on features of bharat bill payment system except customer benefits and convenience.

6. Correlation analysis

H3: There is no relation between service quality of bharat bill payment system and customer satisfaction.

Table 3
 Relation between service quality of bharat bill payment system and customer satisfaction

| Dependent variable | Independent variable | Pearson correlation | significance |
|-----------------------|----------------------|---------------------|--------------|
| Customer satisfaction | reliability | 0.512 | 0.001 |
| | assurance | 0.517 | 0.001 |
| | responsiveness | 0.670 | 0.001 |

Table 3 portrays the correlation between the dependent variable customer satisfaction and independent variable service quality of bharat bill payment system. Customer satisfaction has shown highest significant relation with P value 0.001.

7. Regression analysis

H06: There is no significant impact of service quality of bharat bill payment system on customer satisfaction.

Table 4
 Significant impact of service quality of bharat bill payment system on customer satisfaction

| Model | R square | Adjusted R square |
|---|----------|-------------------|
| Impact of service quality of bharat bill payment system on customer satisfaction. | 0.542 | 0.523 |
| Predictors: reliability, assurance, responsiveness Dependent variable: customer satisfaction | | |

The above table shows the impact of service quality of bharat bill payment system on customer satisfaction. The R-Square value shows that any change in the chosen predictors will yield 54% changes in the dependent variable that is the customer satisfaction. The adjusted r-square value shows the change in the r-square value when a predictor is added or deleted from the existing regression model. The minimum discrepancy between the r-square and adjusted r-square value shows the absence of multi-collinearity issues between the predictor variables.

8. Findings of the study

- Gender of the respondents and awareness level of bharat bill payment system are closely associated.
- Majority of the respondents are satisfied with the features of bharat bill payment system.
- There is a significant difference in the opinion of features of except customer benefits and convenience aspects based on gender of the respondents.

- Service quality of bharat bill payment system and customer satisfaction is closely related.
- Service quality of bharat bill payment system made an impact on customer satisfaction.

9. Conclusion

Present study has made an attempt to understand customer perception regarding bharat bill payment system and measure the impact of service quality on customer satisfaction. It was found that service quality has significant impact on customer satisfaction. Independent sample t test results shows that there is a significant difference in the opinion of respondents based on their gender. The volume of digital transaction has witnessed potential growth in volume and value whether it is digital wallet, interbank transfer or credit card and debit card transactions. At merchant places the number of electronic card transaction at point of sale terminal have witnessed a huge surge

which reflects that people have ready to make the payment by their electronic cards instead of withdrawing cash from ATM to make payment.

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