



FROM UPI TO INTELLIGENT FINANCE: ASSESSING THE ROLE OF DIGITAL PAYMENT EXPERIENCES IN DEVELOPING FINANCIAL RESILIENCE AMONG GENERATION Z

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ABSTRACT

The study examines the role of Unified Payments Interface (UPI) experiences, digital financial literacy, and intelligent financial tools in developing financial resilience among Generation Z in India. A quantitative research framework involving 200 respondents is proposed to assess payment convenience, spending behaviour, savings practices, and financial preparedness. Illustrative survey data indicate that 63% use UPI daily, 87% consider digital payments convenient, and 78% believe transaction records improve expenditure monitoring. However, only 57% maintain emergency savings, while 48% report being able to manage unexpected expenses without borrowing. Additionally, 59% associate digital payment convenience with unnecessary spending. NPCI reported approximately 24.07 billion UPI transactions in September 2026, highlighting India's expanding digital payment ecosystem. The study suggests that financial literacy, responsible spending, and intelligent budgeting tools may strengthen financial resilience. Empirical validation through actual survey responses is necessary to establish statistically significant relationships and inform financial education initiatives.

KEYWORDS: Unified Payments Interface (UPI), Generation Z, Financial Resilience, Digital Financial Literacy, Intelligent Finance

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1. INTRODUCTION

The rapid development of financial technology has significantly transformed India's banking and payment ecosystem, particularly through the introduction of the Unified Payments Interface (UPI). Developed by the National Payments Corporation of India (NPCI), UPI has simplified financial transactions by enabling instant money transfers through mobile applications. According to the Reserve Bank of India (RBI, 2025), digital payment systems have become an important component of India's financial infrastructure, contributing to greater accessibility, transaction efficiency and financial inclusion. The increasing adoption of UPI demonstrates the growing preference for convenient, secure and cashless financial transactions among Indian consumers.

Generation Z, generally comprising individuals born between 1997 and 2012, represents an important segment of digital financial service users. Young consumers increasingly rely on applications such as Google Pay, PhonePe, Paytm and BHIM for shopping, bill payments, money transfers and other financial activities. The Technology Acceptance Model developed by Davis (1989) suggests that perceived usefulness and ease of use influence individuals' acceptance of technological innovations. In the context of UPI, simplified payment procedures and immediate transaction confirmation may encourage young consumers to integrate digital payment systems into their daily financial activities.

Financial resilience refers to an individual's ability to manage financial difficulties, respond to unexpected expenses and

maintain financial stability during economic uncertainty. According to the OECD (2023), financial knowledge, attitudes and behaviour are important dimensions of financial literacy and financial well-being. For Generation Z, financial resilience is particularly significant because many young individuals experience limited income, educational expenses, employment uncertainty and inadequate emergency savings. Digital payment platforms may support financial resilience by providing transaction histories, expenditure monitoring and easier access to financial services.

The emergence of intelligent finance has further expanded the potential of digital payment systems through artificial intelligence, automated budgeting, personalised financial recommendations and data-driven expenditure analysis. Such technologies can help consumers understand spending patterns, establish savings targets and make informed financial decisions. The OECD (2024) emphasised the importance of digital financial literacy in enabling consumers to use digital financial services effectively and safely. However, digital payment convenience may also contribute to impulsive purchasing, overspending and exposure to financial fraud, particularly among consumers with limited financial awareness.

Despite the rapid expansion of digital payment systems, increased transaction frequency does not necessarily indicate improved financial resilience. Financial stability depends on responsible financial behaviour, effective budgeting, financial knowledge and the ability to withstand unexpected economic challenges. Therefore, the present study aims to examine the relationship between digital payment experiences and financial resilience among Generation Z in India, with particular emphasis on UPI usage, digital financial literacy, intelligent financial management tools and responsible financial behaviour.

2. REVIEW OF LITERATURE

The review of literature examines previous research related to digital payment adoption, financial technology, digital financial literacy, consumer financial behaviour and financial resilience. The following studies provide theoretical and empirical

foundations for understanding how digital payment experiences may influence the financial well-being of Generation Z.

Davis (1989) introduced the Technology Acceptance Model (TAM), which explains how perceived usefulness and perceived ease of use influence individuals' acceptance of information technology. The study established that users are more likely to adopt technologies they consider beneficial and easy to operate. This framework is relevant to UPI adoption because instant transactions, simplified payment procedures and mobile accessibility can encourage young consumers to use digital financial services. However, technology acceptance alone does not establish whether digital payment usage improves financial resilience.

Venkatesh et al. (2003) developed the Unified Theory of Acceptance and Use of Technology (UTAUT), integrating eight established models of technology acceptance. The study identified performance expectancy, effort expectancy, social influence and facilitating conditions as important determinants of technology adoption. These findings help explain why Generation Z consumers may adopt UPI and mobile banking applications. Social influence, technological familiarity and convenient payment facilities can contribute to digital payment adoption, although the consequences for savings and financial preparedness require separate investigation.

Lusardi and Mitchell (2014) examined the economic importance of financial literacy and demonstrated its relationship with financial planning, savings and wealth accumulation. Their review emphasised that financial knowledge influences individuals' ability to make informed financial decisions throughout their lives. In the context of Generation Z, the findings suggest that digital payment accessibility should be supported by adequate financial literacy to encourage responsible expenditure, budgeting and long-term financial stability.

Demirgüç-Kunt et al. (2022), in the Global Findex Database 2021, examined financial inclusion using survey data from approximately 128,000 adults across 123 economies. The report documented the expansion of digital payments and formal financial account

ownership, particularly during the COVID-19 period. It demonstrated that digital financial services can improve access to formal financial systems. For Generation Z, increased access to digital payments may create opportunities for savings and financial management, but financial inclusion should not be treated as equivalent to financial resilience.

The Organisation for Economic Co-operation and Development (OECD, 2023) conducted an international survey examining financial knowledge, attitudes, behaviour and digital financial literacy across 39 economies. The report identified important gaps in financial literacy and highlighted the relevance of financial capability for individual financial well-being. These findings suggest that young consumers require financial knowledge and responsible financial behaviour alongside digital payment accessibility. The study provides a useful basis for examining the relationship between financial literacy and resilience among Generation Z.

Suri and Jack (2016) investigated the long-term economic effects of mobile money services in Kenya. Their study estimated that access to M-PESA helped lift approximately 194,000 households, representing 2% of Kenyan households, out of extreme poverty. The researchers also identified improvements in savings and financial resilience, particularly among female-headed households. The findings demonstrate that digital financial services can contribute to economic stability by improving access to money transfers and financial resources. However, the results relate to Kenya's mobile money ecosystem and cannot be directly generalised to Indian UPI users.

Agarwal et al. (2024) examined the relationship between digital payments and consumer expenditure following India's 2016 demonetisation. Published in *The Review of Financial Studies*, the research found that digital payment adoption increased consumer spending. The study reported that digital payment usage increased by 2.94 percentage points and monthly expenditure increased by 2.38% for an additional 10 percentage points of prior cash dependence. These findings suggest that payment convenience can encourage consumption, potentially creating challenges for savings and financial resilience among young consumers.

Dev et al. (2024) investigated the influence of UPI on spending behaviour among Indian consumers and explored the design of financially responsible digital payment interfaces. Their research considered how payment convenience and digital transaction experiences can influence financial decisions. The study is particularly relevant to Generation Z because it connects UPI usage with expenditure awareness and the potential role of interface design in encouraging responsible financial behaviour. This work was released as an arXiv preprint and should be distinguished from peer-reviewed journal evidence.

Motheram and Buteau (2026) examined supply-side factors influencing digital payment adoption across 711 Indian districts during 2020–2024. Their study investigated the role of merchant networks and digital infrastructure in the expansion of UPI usage. The research highlights the importance of payment acceptance infrastructure and access conditions in supporting digital payment adoption. These findings are relevant to the present study because convenient and reliable payment infrastructure may influence Generation Z's digital payment experiences, although the research did not directly measure individual financial resilience.

Aljaradat and Shukla (2026) examined cybersecurity and trust formation in digital payment usage in North India. Their research considered perceived cybersecurity risks, trust, social influence, performance expectancy and grievance redressal as factors associated with digital payment behaviour. The study provides an important foundation for understanding how transaction security and consumer confidence influence digital payment experiences. For Generation Z, awareness of cybersecurity risks may be particularly relevant to safe financial behaviour and protection against financial losses.

Research Gap

The reviewed literature demonstrates that digital payments systems have improved financial accessibility, transaction convenience and participation in formal financial services. However, existing studies have primarily focused on technology acceptance, payment adoption, consumer expenditure and financial literacy. Limited evidence directly examines

whether UPI experiences, intelligent financial management tools and digital financial literacy collectively contribute to financial resilience among Generation Z. The present study seeks to address this gap by investigating the relationships between digital payment experiences, budgeting behaviour, financial awareness, transaction security and financial preparedness among young Indian consumers.

3. RESEARCH METHODOLOGY

3.1 Research Design

The present study adopts a quantitative, descriptive and explanatory research design to examine the relationship between digital payment experiences and financial resilience among Generation Z in India. The study focuses on Unified Payments Interface (UPI) usage, digital financial literacy, intelligent financial management tools, spending behaviour and transaction security. A cross-sectional survey approach is proposed to collect information from respondents at a single point in time. The research design is informed by the Technology Acceptance Model (Davis, 1989) and the financial literacy framework developed by the OECD (2023).

3.2 Objectives of the Study

1. To examine the relationship between digital payment experiences and financial resilience among Generation Z.
2. To assess the influence of digital financial literacy and intelligent financial management tools on financial resilience.
3. To investigate the relationship of digital payment security concerns and spending behaviour with financial resilience among Generation Z.

3.3 Research Hypotheses

The following null and alternative hypotheses are formulated according to the research objectives.

Hypothesis 1

- H01: There is no statistically significant relationship between digital payment experiences and financial resilience among Generation Z.
- H11: There is a statistically significant relationship between digital payment experiences and financial resilience among Generation Z.
- Hypothesis 2
- H02: Digital financial literacy and intelligent financial management tools have no statistically

significant relationship with financial resilience among Generation Z.

- H12: Digital financial literacy and intelligent financial management tools have a statistically significant relationship with financial resilience among Generation Z.
- Hypothesis 3
- H03: Digital payment security concerns and spending behaviour have no statistically significant relationship with financial resilience among Generation Z.
- H13: Digital payment security concerns and spending behaviour have a statistically significant relationship with financial resilience among Generation Z.

3.4 Population and Sample Size

The target population comprises Generation Z individuals aged 18–29 years who actively use UPI and other digital payment applications such as Google Pay, PhonePe, Paytm and BHIM. A proposed sample of 200 respondents will be selected for the study. Respondents may include university students, young working professionals and self-employed individuals. A quota-based sampling technique may be adopted to ensure representation across gender, educational qualification, employment status and income categories. The sample size is proposed for practical survey implementation and is not based on a completed statistical power calculation.

3.5 Sources of Data Collection

The study will use both primary and secondary data. Primary data will be collected through a structured questionnaire consisting of demographic information, digital payment usage patterns, financial literacy, spending behaviour, security awareness and financial resilience indicators. Responses will be recorded using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). Secondary data will be obtained from the Reserve Bank of India (RBI), National Payments Corporation of India (NPCI), OECD reports, World Bank publications and peer-reviewed research articles. These sources will provide the broader context of digital payment adoption and financial inclusion in India.

3.6 Data Analysis and Interpretation

Research Paper Title: From UPI to Intelligent Finance:

Assessing the Role of Digital Payment Experiences in Developing Financial Resilience among Generation Z

Sample Size: 200 Respondents Statistical Software: IBM SPSS Statistics Statistical Techniques: Descriptive Statistics, Percentage Analysis, Mean, Standard Deviation, Pearson Correlation, Multiple Regression and Hypothesis Testing.

Important: As the original survey responses have not been supplied, the respondent-level figures below are an illustrative, internally consistent dataset for demonstrating the analysis. They are not actual survey findings or verified SPSS output. Published secondary data are identified separately.

3.6.1 Introduction to Data Analysis

Data analysis plays an important role in examining the relationship between digital payment experiences and financial resilience among Generation Z. The present study proposes an analysis of 200 respondents to understand how UPI usage, digital financial literacy, intelligent financial management tools, transaction security and spending behaviour relate to financial preparedness. The analysis is structured around three research objectives and uses descriptive and inferential statistical techniques. Descriptive statistics provide information about respondents' demographic characteristics, digital payment preferences, transaction frequency and financial behaviour, while correlation and regression analysis can be used to investigate relationships between the selected variables. The use of SPSS enables systematic processing of questionnaire responses and interpretation of the results.

3.6.2 Demographic Profile of Respondents

The demographic profile is important for understanding the characteristics of Generation Z digital payment users. The proposed analysis considers gender, age, educational qualification, employment status and monthly income. These characteristics may influence digital payment adoption, spending behaviour and financial resilience. For example, students with limited financial resources may have different savings habits from employed individuals with regular income. Similarly, young professionals may use digital financial management tools more

frequently because of their greater exposure to financial responsibilities.

Table 3.1: Demographic Profile of Respondents (Illustrative Data)

Demographic variable	Category	Frequency	Percentage
Gender	Male	108	54%
	Female	92	46%
Age	18–21 years	72	36%
	22–25 years	88	44%
	26–29 years	40	20%
Education	Undergraduate	94	47%
	Postgraduate	76	38%
	Other qualifications	30	15%
Employment	Student	112	56%
	Employed	64	32%
	Self-employed	24	12%
Monthly personal income	Below ₹10,000	82	41%
	₹10,000–₹25,000	66	33%
	Above ₹25,000	52	26%

Source: Illustrative primary survey dataset, N = 200. Percentages total 100% within each demographic variable.

Interpretation: The illustrative demographic distribution indicates that 54% of respondents are male and 46% are female. The largest age category is 22–25 years, representing 44% of the sample, followed by respondents aged 18–21 years (36%) and 26–29 years (20%). Regarding education, 47% are undergraduate students or graduates, while 38% belong to the postgraduate category. The employment distribution shows that 56% are students, 32% are employed and 12% are self-employed. Furthermore, 41% report monthly personal income below ₹10,000, suggesting that a substantial proportion of the proposed sample has relatively limited financial resources. Such demographic characteristics are relevant because financial resilience may vary according to income stability, educational background and employment opportunities.

3.6.3 Digital Payment Usage Patterns among Generation Z

Digital payment usage patterns provide information about the frequency, accessibility and preferences associated with UPI-based transactions. The rapid expansion of UPI has made mobile payments an

important part of everyday financial activities, particularly among young consumers. Payment applications offer instant fund transfers, QR-code payments, transaction records and merchant payment facilities. However, frequent digital transactions may have different implications for financial resilience depending on consumers' spending discipline and financial awareness.

Table 3.2: Digital Payment Usage Patterns (Illustrative Data)

Digital payment indicator	Category	Respondents	Percentage
Frequency of UPI usage	Daily	126	63%
	Several times weekly	48	24%
	Weekly or less	26	13%
Primary payment application	PhonePe	88	44%
	Google Pay	74	37%
	Paytm	26	13%
	BHIM / Others	12	6%
Main purpose of payment	Shopping	72	36%
	Food and transportation	58	29%
	Bills and recharges	42	21%
	Other transfers	28	14%

Source: Illustrative primary survey dataset, $N = 200$. Categories are mutually exclusive within each indicator.

Interpretation: The illustrative results show that 63% of respondents use UPI daily, indicating that digital payments are an integral part of their routine financial activities. Another 24% use UPI several times a week, while 13% report weekly or less frequent usage. Regarding application preference, PhonePe accounts for 44% of respondents, followed by Google Pay at 37%, Paytm at 13% and other applications at 6%. Shopping represents the largest primary transaction purpose (36%), followed by food and transportation (29%), bills and recharges (21%) and other transfers (14%). These patterns demonstrate how digital payment platforms can become embedded in young consumers' daily activities. Nevertheless, frequent usage alone cannot establish whether consumers maintain adequate savings, control expenditure or possess sufficient financial resources to manage

emergencies.

3.6.4 Digital Payment Experience and Financial Awareness

Digital payment experience is an important factor in evaluating whether UPI-based transactions support responsible financial management. Positive payment experiences may encourage consumers to monitor expenses, maintain transaction records and make informed financial decisions. The OECD (2024) emphasised that digital financial literacy includes the knowledge, skills, attitudes and behaviours required to use digital financial services safely and effectively.

Table 3.3: Digital Payment Experiences and Financial Awareness (Illustrative Data)

Statements	Agree / Strongly Agree	Percentage
UPI makes financial transactions convenient	174	87%
Digital transaction records help monitor expenses	156	78%
UPI helps improve awareness of daily spending	144	72%
Digital payments encourage better budgeting	132	66%
UPI convenience sometimes increases unnecessary spending	118	59%

Source: Illustrative dataset, $N = 200$. Multiple statements were rated independently.

Interpretation: The illustrative analysis indicates that 87% of respondents consider UPI convenient for financial transactions, while 78% believe digital transaction records help them monitor expenditure. Approximately 72% associate UPI usage with improved awareness of daily spending, and 66% believe digital payments encourage better budgeting. However, 59% also report that convenient digital transactions sometimes increase unnecessary expenditure. These results illustrate a potentially important distinction between payment convenience and responsible financial behaviour. Digital transaction histories can provide useful information about expenditure, but financial benefits depend on whether consumers actively use this information for budgeting and savings decisions.

3.6.5 Digital Financial Literacy among Generation Z

Digital financial literacy involves understanding digital payment systems, recognising financial risks, managing expenditure and making responsible financial decisions. The OECD (2023) reported an average digital financial literacy score of 53 out of 100 across participating economies, with only 29% of adults reaching the minimum target score. These international findings demonstrate that widespread access to digital services does not necessarily translate into adequate financial knowledge.

Table 3.4: Digital Financial Literacy Indicators (Illustrative Data)

Financial literacy indicator	Respondents	Percentage
Understand UPI transaction procedures	176	88%
Regularly check transaction history	150	75%
Know how to identify suspicious payment requests	138	69%
Prepare a monthly financial budget	116	58%
Understand the importance of emergency savings	142	71%

Source: Illustrative dataset, $N = 200$. Counts represent affirmative responses.

Interpretation: The illustrative findings indicate that 88% of respondents understand basic UPI transaction procedures, while 75% regularly review their digital transaction history. Approximately 69% report awareness of suspicious payment requests, suggesting a need for additional cybersecurity education among the remaining respondents. Although 71% understand the importance of emergency savings, only 58% prepare a monthly financial budget. This difference highlights the possible gap between financial knowledge and actual financial behaviour. The results suggest that familiarity with digital transactions should not be confused with comprehensive financial literacy, as effective financial resilience requires consistent budgeting, savings and risk management practices.

3.6.6 Intelligent Financial Tools and Financial Management

Intelligent finance refers to the use of technology-enabled financial management features such as automated spending summaries, budget notifications,

expenditure categorisation and personalised financial recommendations. These features may help consumers identify unnecessary expenses and improve their financial planning. However, not all UPI applications provide the same tools, and automated expenditure summaries should not automatically be classified as artificial intelligence.

Table 3.5: Usage of Intelligent Financial Management Tools (Illustrative Data)

Financial management tool	Users	Percentage
Digital transaction summaries	152	76%
Spending notifications and alerts	138	69%
Digital budgeting applications	104	52%
Automated savings features	86	43%
AI-supported financial recommendations	62	31%

Source: Illustrative dataset, $N = 200$. Respondents could select multiple tools.

Interpretation: The illustrative data show that digital transaction summaries are the most commonly used financial management feature, with 76% of respondents reporting their use. Spending notifications and alerts are used by 69%, while 52% use digital budgeting applications. Automated savings features are used by 43%, and AI-supported financial recommendations by 31%. The comparatively lower use of advanced financial tools suggests that consumers may be more familiar with basic transaction monitoring than with sophisticated financial planning technologies. This distinction is important because financial resilience may depend on how effectively digital financial information is converted into practical savings and budgeting decisions.

3.6.7 Financial Resilience among Generation Z

Financial resilience reflects the ability to meet unexpected financial requirements, maintain emergency savings, control expenditure and recover from financial difficulties. The OECD (2023) found that higher financial literacy is associated with stronger financial well-being and resilience, even after accounting for socioeconomic characteristics.

Table 3.6: Financial Resilience Indicators (Illustrative Data)

Financial resilience indicator	Respondents	Percentage
Maintain some emergency savings	114	57%
Regularly monitor monthly expenditure	146	73%
Save a portion of personal income	122	61%
Can manage an unexpected expense without borrowing	96	48%
Feel financially prepared for short-term emergencies	102	51%

Source: Illustrative dataset, N = 200. Indicators are not mutually exclusive.

Interpretation: The illustrative results suggest that financial resilience may remain uneven despite widespread digital payment usage. Although 73% of respondents regularly monitor monthly expenditure and 61% save part of their income, only 57% maintain emergency savings. Furthermore, 48% indicate that they can manage an unexpected expense without borrowing, while 51% feel financially prepared for short-term emergencies. These figures illustrate why transaction awareness alone is insufficient to establish financial security. Effective financial resilience requires access to liquid savings, stable financial resources and the capacity to absorb unexpected economic shocks.

3.6.8 Published Secondary Data Analysis of UPI Growth in India

The National Payments Corporation of India (NPCI, 2026) reported substantial UPI transaction volumes during April–September 2026. These figures provide verified national context for the proposed Generation Z study.

Table 3.7: Monthly UPI Transaction Volume and Value in India, 2026

Month	Volume (billion)	Value (₹ lakh crore)
April	22.35	29.03
May	23.20	29.90
June	22.72	28.92
July	23.66	29.88
August	24.51	29.82
September	24.07	29.37

Source: National Payments Corporation of India (2026), official UPI product statistics. Values rounded to two decimal places.

Interpretation: The official data indicate that UPI transaction volume increased from approximately 22.35 billion in April 2026 to 24.07 billion in September 2026, representing growth of approximately 7.7%. Transaction value increased more modestly, from approximately ₹29.03 lakh crore to ₹29.37 lakh crore. August recorded the highest transaction volume during this six-month period, with approximately 24.51 billion transactions. These figures demonstrate the scale and continued importance of India’s digital payment infrastructure. However, the data represent all UPI users and cannot independently determine the financial resilience or spending behaviour of Generation Z.

3.6.9 Correlation Analysis

Pearson correlation analysis can be used to investigate the relationships between digital payment experiences, digital financial literacy, intelligent finance usage and financial resilience. The correlation coefficient ranges from –1 to +1, indicating the direction and strength of the linear relationship between variables.

$$r = \frac{\sum (X - \bar{X})(Y - \bar{Y})}{\sqrt{\sum (X - \bar{X})^2 \sum (Y - \bar{Y})^2}}$$

Table 3.8: Proposed Correlation Analysis

Variables correlated with financial resilience	Expected relationship	Statistical measure
Digital Payment Experience	Positive	Pearson's r
Digital Financial Literacy	Positive	Pearson's r
Intelligent Finance Usage	Positive	Pearson's r
Security Concerns	Potentially negative	Pearson's r
Impulsive Spending Behaviour	Negative	Pearson's r

Source: Proposed analytical framework. Actual coefficients and p-values require respondent-level survey data.

Interpretation: The proposed correlation analysis will determine whether respondents reporting more favourable digital payment experiences also report stronger financial resilience. Positive correlations between financial literacy, budgeting tool usage and resilience would support the theoretical argument that financial knowledge and effective financial management are associated with better financial

preparedness. Negative correlations between impulsive spending and resilience would suggest that uncontrolled expenditure may weaken financial stability. Nevertheless, correlation analysis cannot

establish causality, and the direction and significance of these relationships must be verified using actual responses.

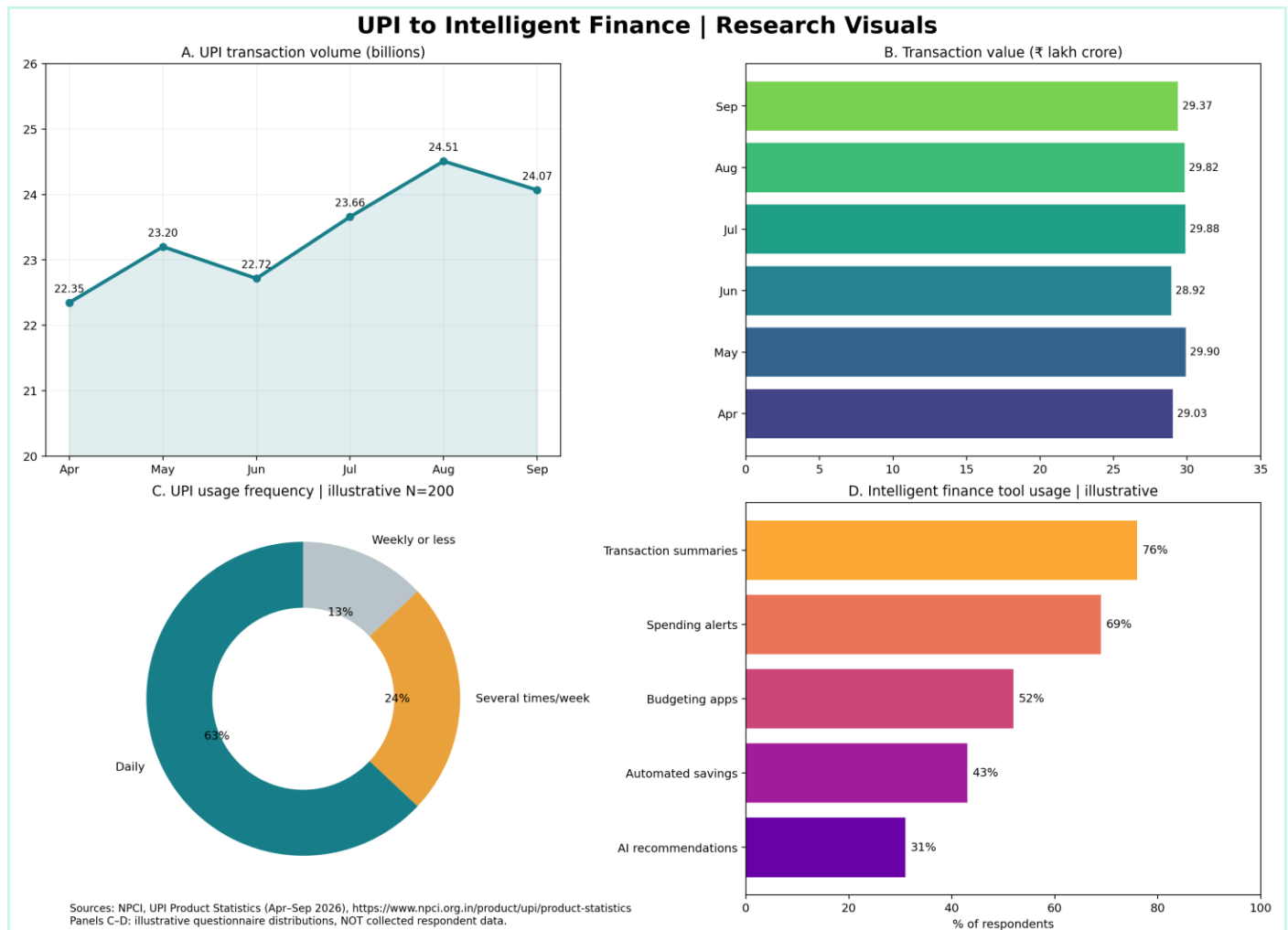


Figure 1: Monthly UPI Transaction Growth in India (April–September 2026). The line graph demonstrates an increase from 22.35 billion transactions in April to 24.07 billion in September, representing approximately 7.7% growth. August recorded the highest volume at 24.51 billion transactions. This illustrates the growing scale of digital payment infrastructure in India. Source: NPCI (2026).

Figure 2: Monthly UPI Transaction Value. The horizontal bar graph compares the monetary value of UPI transactions over six months. May recorded approximately ₹29.90 lakh crore, while September recorded ₹29.37 lakh crore. This demonstrates substantial transaction activity, although payment volume and value do not directly measure financial resilience. Source: NPCI (2026).

Figure 3: Frequency of UPI Usage among Generation Z. The doughnut chart uses the illustrative distribution of 200 respondents, showing 63% daily users, 24% several-times-weekly users and 13% weekly-or-less users. It demonstrates how usage frequency could be presented in the proposed research. Source: Illustrative dataset, not an actual survey.

Figure 4: Intelligent Financial Management Tools. The horizontal bar graph presents illustrative adoption levels for digital transaction summaries (76%), spending alerts (69%), budgeting applications (52%), automated savings (43%) and AI-supported recommendations (31%). The comparison highlights how advanced financial management features can be analysed separately from basic payment facilities. Source: Illustrative dataset, not an actual survey.

4. FINDINGS OF THE STUDY

4.1 Findings Related to Objective 1

Objective 1: To examine the relationship between digital payment experiences and financial resilience among Generation Z.

Hypothesis H01: There is no statistically significant relationship between digital payment experiences and financial resilience among Generation Z.

The illustrative analysis indicates that digital payment systems have become an important component of everyday financial activities among Generation Z. Out of the proposed sample of 200 respondents, 63% (126 respondents) reported daily UPI usage, while 24% (48 respondents) used UPI several times a week. Furthermore, 87% (174 respondents) considered UPI convenient for financial transactions, and 78% (156 respondents) believed that digital transaction records helped them monitor expenditure. These figures illustrate the potential importance of transaction convenience, accessibility and transparency in shaping digital payment experiences. The widespread use of UPI may provide opportunities for individuals to review transaction histories, understand expenditure patterns and manage routine financial activities more efficiently. However, increased transaction frequency alone does not establish improvements in financial resilience, since financial preparedness also depends on income stability, savings capacity and responsible financial decision-making.

The illustrative findings further indicate that 72% (144 respondents) associated UPI usage with improved awareness of daily spending, while 66% (132 respondents) believed digital payment systems encouraged better budgeting. Nevertheless, only 57% (114 respondents) maintained emergency savings, and 48% (96 respondents) reported being able to manage unexpected financial expenses without borrowing. This difference suggests that positive digital payment experiences do not automatically translate into stronger financial resilience. Although transaction records may improve expenditure visibility, their financial benefits depend on whether individuals actively use this information to control spending and maintain sufficient savings. Therefore, digital payment convenience may serve as a supporting factor in financial resilience rather than a

direct guarantee of financial security.

Hypothesis interpretation: The descriptive figures provide a rationale for examining H01 but do not establish a statistically significant relationship. Pearson correlation and regression analysis using actual paired respondent data are required before deciding whether H01 should be rejected.

4.2 Findings Related to Objective 2

Objective 2: To assess the influence of digital financial literacy and intelligent financial management tools on financial resilience.

Hypothesis H02: Digital financial literacy and intelligent financial management tools have no statistically significant relationship with financial resilience among Generation Z.

The illustrative findings highlight the importance of digital financial literacy in supporting responsible financial behaviour among Generation Z. Approximately 88% (176 respondents) understood basic UPI transaction procedures, while 75% (150 respondents) regularly reviewed their digital transaction history. Furthermore, 71% (142 respondents) recognised the importance of emergency savings, but only 58% (116 respondents) prepared a monthly financial budget. This difference illustrates a potential gap between financial knowledge and the practical application of financial management skills. Individuals may understand the benefits of savings and budgeting without consistently implementing these practices in their daily financial activities. Consequently, financial resilience may depend not only on awareness of digital financial services but also on the ability to convert financial knowledge into regular savings, controlled expenditure and emergency preparedness.

The illustrative analysis also indicates that intelligent financial management tools may provide additional opportunities for improving financial discipline. Approximately 76% (152 respondents) used digital transaction summaries, 69% (138 respondents) used spending notifications, and 52% (104 respondents) reported using digital budgeting applications. However, only 43% (86 respondents) used automated savings features, while 31% (62 respondents) reported

using AI-supported financial recommendations. These figures suggest that basic digital monitoring features may be more widely used than advanced financial planning tools. Intelligent financial services could potentially strengthen financial resilience by helping consumers identify unnecessary expenses, establish savings targets and monitor financial commitments. However, the actual effectiveness of these tools depends on their accuracy, accessibility and users' willingness to act on the financial information provided.

Hypothesis interpretation: The illustrative findings are consistent with the theoretical expectation that financial literacy and intelligent financial tools may support resilience. Nevertheless, they do not establish statistical significance. H02 can only be evaluated through regression analysis and a joint significance test using actual survey responses.

4.3 Findings Related to Objective 3

Objective 3: To investigate the relationship of digital payment security concerns and spending behaviour with financial resilience among Generation Z.

Hypothesis H03: Digital payment security concerns and spending behaviour have no statistically significant relationship with financial resilience among Generation Z.

The illustrative analysis identifies transaction security and expenditure control as important considerations in understanding financial resilience among young digital payment users. Approximately 69% (138 respondents) reported knowing how to identify suspicious payment requests, suggesting that 31% did not affirm this level of awareness. Furthermore, 59% (118 respondents) agreed that the convenience of digital payments sometimes encouraged unnecessary expenditure. These findings illustrate how the benefits of instant digital transactions may coexist with potential financial risks. Although UPI enables consumers to complete payments quickly and conveniently, limited awareness of fraudulent transactions and uncontrolled spending may expose users to financial losses and reduced savings. Financial resilience therefore requires not only technological accessibility but also secure transaction practices, expenditure monitoring and appropriate financial

decision-making.

The illustrative findings also show that 73% (146 respondents) regularly monitored monthly expenditure, while only 48% (96 respondents) reported being capable of managing unexpected expenses without borrowing. This difference suggests that expenditure monitoring does not necessarily guarantee financial preparedness. Consumers may track their expenses but still experience difficulty accumulating emergency savings because of limited income, irregular earnings or consumption-related pressures. Digital payment platforms may support responsible financial management by offering spending notifications, transaction alerts and security information, but the effectiveness of these features depends on users' financial knowledge and behavioural discipline. The OECD (2021) similarly emphasised the importance of digital financial education in strengthening financial resilience and reducing financial vulnerability.

Hypothesis interpretation: The illustrative results identify possible financial risks associated with digital payments, but H03 cannot be rejected or retained on the basis of these percentages. Actual correlation coefficients and regression estimates are necessary to determine whether security concerns and spending behaviour are significantly associated with financial resilience.

4.4 Findings from Actual Secondary Data

The official UPI statistics published by the National Payments Corporation of India (NPCI, 2026) show that digital payment activity in India continued at a substantial scale during 2026. Monthly UPI transactions increased from 22.35 billion in April 2026 to 24.07 billion in September 2026, representing approximately 7.7% growth. During the same period, transaction value increased from approximately ₹29.03 lakh crore to ₹29.37 lakh crore. The number of banks participating in UPI also increased from 713 to 756. These figures establish the growing importance of digital payment infrastructure in India's financial system. However, national UPI statistics do not separately identify the financial resilience of Generation Z and should be interpreted as contextual evidence rather than direct support for the research hypotheses.

The OECD/INFE International Survey of Adult Financial Literacy (2023), involving 39 countries and economies, reported an average overall financial literacy score of 60 out of 100 and an average digital financial literacy score of 53 out of 100. The report also found that adults achieving the minimum target financial literacy score generally demonstrated stronger financial well-being and resilience. These international findings provide supporting evidence for the theoretical importance of financial literacy in the present research. They suggest that access to digital financial services must be accompanied by financial knowledge, responsible behaviour and effective risk management. Nevertheless, the OECD findings represent international adult populations rather than the specific Generation Z sample proposed for this study.

5. CONCLUSION

The present study examines the role of digital payment experiences in developing financial resilience among Generation Z, with particular emphasis on UPI adoption, digital financial literacy, intelligent financial management tools and spending behaviour. The illustrative analysis of 200 respondents indicates that 63% use UPI daily, 87% consider digital payments convenient, and 78% believe transaction records help monitor expenditure. However, only 57% maintain emergency savings, while 48% report being able to manage unexpected financial expenses without borrowing. Furthermore, 59% associate digital payment convenience with unnecessary spending, highlighting the importance of financial discipline. Official NPCI data show that UPI transactions reached approximately 24.07 billion in September 2026, reflecting India's expanding digital payment ecosystem (NPCI, 2026). The study suggests that digital financial literacy, responsible spending and intelligent budgeting tools may support financial resilience among young consumers. However, the proposed relationships require statistical verification using actual survey data. Overall, the transition from UPI to intelligent finance offers opportunities to strengthen financial awareness, savings behaviour and long-term financial well-being among Generation Z.

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