

# PERCEPTION OF STREET VENDORS TOWARDS DIGITAL PAYMENTS: A STUDY OF SIRCILLA TOWN OF TELANGANA STATE

**Dr. M. Malla Reddy**

Asst. Professor of Commerce

V. Sushma, M. Laharika, G. Yashwanth Kumar, E. Rajesh & P. Anirudh  
Scholars, Department of Commerce, Govt. Degree College, Sircilla, Telangana State

## ABSTRACT

India is one of the leading countries in the world in digital payments adoption. India is steadily marching towards a Digital Economy. With the advent of technology, mounting of smartphone usage and increasing awareness, most of the businesses, companies, wholesalers, retailers and customers are using digital payments at an increasing rate. Starting from the local vegetable vendors to big malls, everyone is adopting the Digital Payment System. Interestingly, the street vendors, the newest retailers have also started using the digital payment system due to increasing demand from the customers and self-motivation. The present research is aimed at studying the perception of Street Vendors towards Digital Payments in Sircilla Town and exploring the issues and challenges being faced by the Street Vendors towards adoption of Digital Payments. The study is descriptive and an analytical type of research in nature and is based on both Primary and Secondary Data. A Simple Random Sampling Technique has been adopted to select the sample respondents and the size of the sample is 150 Street Vendors in Sircilla Town. Simple statistical tools like Percentages, Averages, Chi-Square, and ANOVA were used to analyze the data. The survey was carried out from 10 – 25 November 2022 in Sircilla Town. It is found that majority of the street vendors are adopting digital payment system because of the customers influence, self-motivation, easy access to bank account etc. It is diagnosed that even though digital payment system is being adopted, the majority of the customers are still paying in cash. Further, it is explored that the network issues, amount not being credited immediately, no immediate messages alerts and heavy speaker charges are some of the issues and challenges being faced by the street vendors. It is concluded that extensive awareness should be created by the Government, Banks and Mobile Wallets companies among the street vendors about adoption of digital payment system. It is suggested that mobile wallets companies should reduce the annual charges for the QR code speakers with a view to encourage the street vendors to use them effectively.

**Keywords:** *Digital Payments, Street Vendors, Mobile Wallets, Issues and Challenges in Digital Payments.*

## I. INTRODUCTION

Indian is one of the economies in the world with the quickest growth rates. Despite the instability in the world economy, India's economy has been concentrating on development. Significant changes in the Indian financial sector over the past few years have caused profound revolutions, trends, and changes in the nature of business. Although the Indian government has been focused on efforts involving digital transactions for the past few years, the actual impact of these payments on India only became apparent during the demonetization period.

India, which is leading the world's digital economy, logged the most digital payment transactions in 2022—roughly 70 billion. Compared to the similar sum of 44 billion in 2021 (Mahuva Venkatesh, 2022) [1] this represents a significant increase. India has been recording over 280 million digital transactions each day on average. In India, the number of digital transactions has gradually increased.

The idea of a cashless economy is becoming quite popular and is good for India's development. India is progressing steadily in the direction of a digital economy. The government is aiming to develop a society that lessens its reliance on cash and gradually transitions to a digital economy. Digital payments have increased as a result of the explosion in smartphones, expanded internet access, and e-commerce. The digital payment system is going through an exciting phase right now as more and more individuals start using them.

The majority of people—businesses, corporations, wholesalers, retailers, and customers—are embracing digital payments at an increasing rate thanks to the development of technology, rising smartphone usage, and growing awareness. Additionally, retailers have recently begun to implement digital payment systems due to their convenience, safe and secure transactions, and ability to maintain accurate records of their daily transactions, and guarantee that not a single penny is lost. Surprisingly, due to rising customer demand and independent motivation, street vendors, the newest businesses, have begun embracing the digital payment method.

## II. STREET VENDORS

Street Vendor is a person who offers goods for sale to the public at large without having a permanent built-up structure. Street vendors may be stationary in the sense that they occupy space on the pavements or public or private spaces or they may be mobile in the sense that they move from place to place by carrying their wares on push carts (hawkers) or in baskets on their hands. Street vendors' main objective is to make money by selling items that people need or want. Street vendors form an integral part of the Indian economy—most of the population depends on hawkers for affordable goods and services. About 2.5 per cent of India's population is engaged in street vending (Bhowmik, 2003) [2]. Besides being a source of self-employment and entrepreneurship, vending plays a central role in urban life. Over 1 Crore street vendors in India contribute 50% of the country's savings (Sankrit, 2015).

According to the Union Housing and Urban Affairs Ministry, Government of India [3], about 49.48 lakh street vendors have been identified in the country with Uttar Pradesh having the maximum at 8.49 lakh, followed by Madhya Pradesh at 7.04 lakh. In Telangana about 5.02 lakh street vendors have been identified. There are about 7, 252 street vendors selling various types of goods in Sircilla Town according to data provided by the Municipal Corporation, Sircilla.

## III. REVIEW OF LITERATURE

Various studies pertaining to the perception of street vendors towards digital payments were reviewed and the summary has been placed hereunder.

A critical analysis of digital payments and their drawbacks, including street vendors and the Indian government's push for cashless transactions, was published by Priyanka, Ch., Vaishnav, K. et al. (2018) [4]. The study found that external pressures against prevailing transactional practises, trust, and control push towards technology adoption. The study suggested that the shift towards digital payments needs to be seen as part of a larger project of technology-driven modernity that motivates these activities. In her research report, Sivajothi, R (2019) [5] claimed that there is a significant chance that India's rural economy will transition to a cashless system. The study made the case that the government could turn the cashless rural economy from a pipe dream into reality by utilizing the programmes and policies put in place by the Ministry of Rural Development to bring the population under the electronic payment system.

Shinki Katyayani Pandey (2022) [6] conducted a study with a view to examine how various kinds of digital payments have changed over time and how COVID-19 has affected the digital payment systems in India. The analysis found that, in addition to the rise of 44.2% in the prior year, digital payments in India experienced a strong growth of 26.2% in terms of volume during 2020–21. The study critically evaluated how, during the COVID-19 Pandemic, individuals switched to this method because they were worried about health rules and were scared of cash transactions, which led to an increase in the use of various digital payment systems. Swathi, P.K. (2019) [7] has made a research on usage of E-Wallet among the Street Food Vendors in Bangalore and examined that e-wallet was accepted by the Street Food Vendors as the customers influenced. The study found that a few Street Vendors have faced some difficulties like network problems and delay in crediting the amount and lack of access to their account. It was also observed that majority street vendors felt very happy with e-wallet services and they felt it was very easy to access. Komal Chopra (2019) [8] examined the adoption of M-wallet technology by Indian street vendors in his study report. According to the study's findings, the three biggest barriers to the adoption of M-wallet payment technology are confidence, safe transactions, and data privacy.

In their research study, Shamsheer Sing and Ravish Rana (2020) [9] attempted to examine how consumers perceive digital payments. According to the study's findings, there was no discernible difference in respondents' perceptions of consumers according to their demographic characteristics, including their gender, age, profession, and annual income. However, it was discovered that education had a substantial impact on the uptake of digital payments. In Mathikere, Bangalore, Anuradha, T. N. (2020) [10], investigated how new-age banking affected the operations of kirana stores and street vendors. The study found that the convenience of doing business and the speed of service had increased vendor effectiveness. The survey discovered that street vendors and kirana businesses had adopted digital payments very quickly. The study recommended that in order to keep street vendors and owners of kirana businesses interested in digital payment apps, they should be informed of the most recent deals and discounts.

Varun Ramdas and Shivangi Mittal (2021) [11] studied how Indians interacted with digital payments. The findings indicate that efforts should be made to raise service quality. Both new policies and enhanced existing ones should be implemented. By establishing standards, raising awareness, and facilitating access to infrastructure, the quality



of experience foundation for digital payments could be preserved. Amit Verma, Gajendra Kumar Gupta, Prabhat Srivastava, and Singh, M. P. (2022) [12] conducted research on how simple PayTM is for street vendors in the context of Lucknow City. They also looked at the issues that Lucknow's street vendors face, including obstacles like fraudulent transactions, the risk of losing money, and the risk of identity theft. According to the study's findings, the majority of respondents utilize Paytm, despite having certain usage issues. The study suggested that various steps are to be taken to overcome the obstacles and hurdles in using mobile payment apps and steps must be taken to educate the street vendors on various e-payment options available to receive the amount from the customers. In her study article, Pushpita Dey (2022) [13] emphasized that by the financial year 2024, digital payments in India will reach a saturation point. According to the study, cash will still be utilized in India by 2027, but digital payment methods like UPI transfers and credit card transactions would also be accepted.

In the light of above review of literature, it is clearly evident that there were a very few research studies carried out on Street Vendors Perception towards Digital Payments. Further, it is found that no research study was carried out on Digital Payments among the street vendors in Sircilla Town particularly. This prompted the researchers to embark on the present study which is aimed at studying the perception of Street Vendors towards Digital Payments in Sircilla Town and examining the issues and challenges being faced by the Street Vendors in adopting the Digital Payment system.

#### **IV. NEED AND IMPORTANCE OF THE STUDY**

It's interesting to note that most business owners and traders are embracing digital payments for ease of use, and customers are also making purchases utilizing a variety of mobile wallets. Street vendors, who are crucial to the Indian economy, are quickly embracing digital payments. Therefore, it is thought that it is necessary to understand their impression of how mobile wallets, QR codes, and digital payment systems operate. In order to better understand how street vendors in Sircilla Town feel about digital payments and the problems they encounter, the current study was conducted. The study is crucial and vital in order to comprehend how street vendors are aware of digital payments and to pinpoint the problems and obstacles they face while implementing them, so that solutions may be suggested. The findings of the study will also be helpful to the government, officers, practitioners, clients, shoppers, and street vendors in planning appropriate actions to advance digital payments, which will open the door to the digital economy.

#### **V. OBJECTIVES OF THE STUDY**

1. To study the perception of Street Vendors towards Digital Payments in Sircilla Town of Telangana State.
2. To explore the issues and challenges being faced by the Street Vendors towards adoption of Digital Payments.

➤ **HYPOTHESIS OF THE STUDY**

1. Ho: There is no significant association between Age of the Street Vendors and most preferred Digital Wallets by the street vendors.
2. Ho: There is no significant association between Age of the Street Vendors and Digital payments to Manufacturer/Wholesaler.
3. Ho: There is no significant difference between Age of the Street Vendors and Satisfaction towards Digital Payments.
4. Ho: There is no significant association between Age of the Street Vendors and Overall Opinion on the Digital Payments.

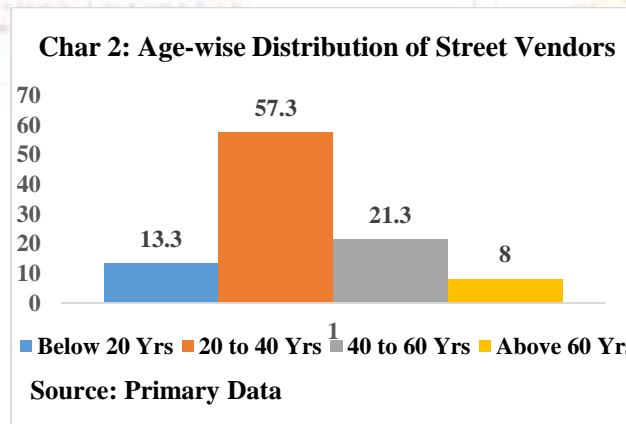
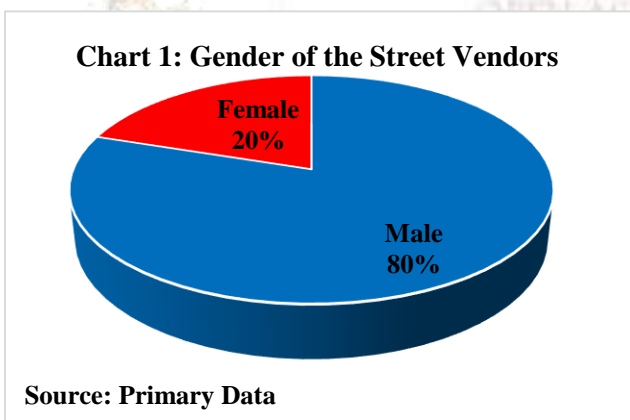
**VI. RESEARCH METHODOLOGY**

The present study is a descriptive and an analytical type of research and is based on both Primary and Secondary Data. The present study is based on the survey method. A simple Random Sampling Technique has been adopted to select the sample respondents. The size of the sample is 150 Street Vendors in Sircilla Town. The primary data for the study has been collected from a sample of 150 Street Vendors in Sircilla Town by administering a structured and pre-tested questionnaire. The secondary data has been collected from various sources such as Press Notes of the Ministry of Finance, Govt. of India, Articles published in Journals and Magazines, Online Database and Newspapers, etc. The primary data so collected has been processed and analyzed by adopting various statistical tools like Percentages, Averages, Chi-Square, and ANOVA with the help of SPSS. The survey was carried out in Sircilla Town from 10 to 25<sup>th</sup> November 2022 to collect the responses from a sample of 150 Street Vendors.

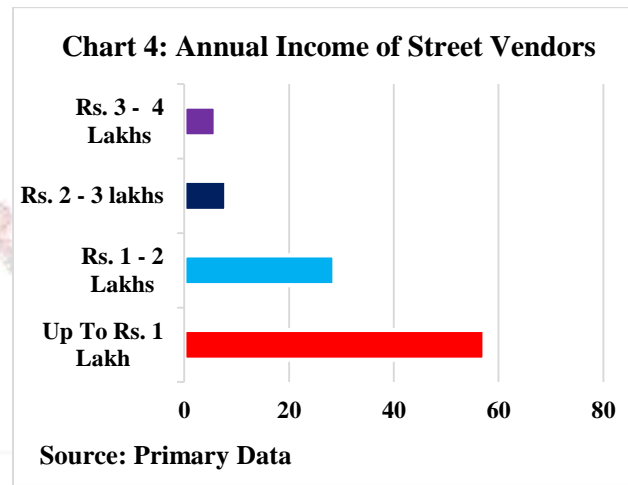
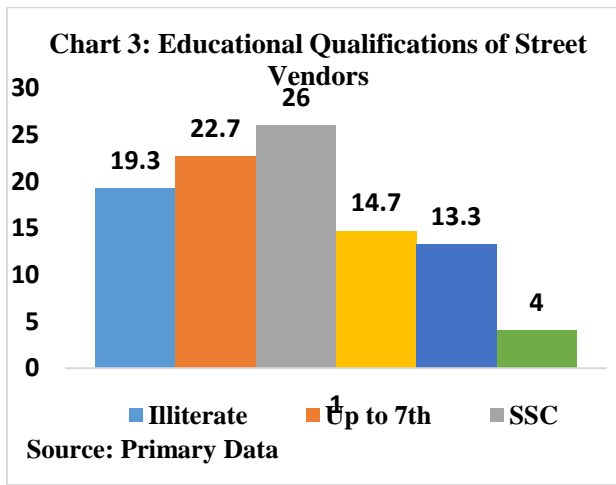
**VII. RESULTS AND DISCUSSION**

**a. Demographic and Socio-Economic Profile of the Respondent Street Vendors**

The data pertaining to the Demographic and Socio-Economic Profile of the respondent Street Vendors has been placed in Table 1. It can be seen from Table 1 and Chart 1 that an overwhelming majority of the respondent street vendors are of Male which account for 80 per cent and remaining respondents are of Female that account for 20 per cent.



As far as the Age wise distribution of the street vendors as show in chart 2 that the majority of the street vendors’ i.e., about 57.3 per cent age is 20 to 40 years, followed by about 21.3 per cent of them belong to the age group of 40 to 60 years. Interestingly, while about 13.3 per cent of the respondents’ age is below 20 years, about 8 per cent of their age group is above 60 years.



With regard to Educational Qualifications, about 26 per cent of the street vendors have completed their SSC, closely followed by about 22.7 per cent of the street vendors’ qualification is up to 7<sup>th</sup> Class. However, 19.3 per cent of the street vendors are illiterates and about 14.7 per cent of them completed their Intermediate. Interestingly, Post Graduates are also vending the items who account for about 4 per cent.

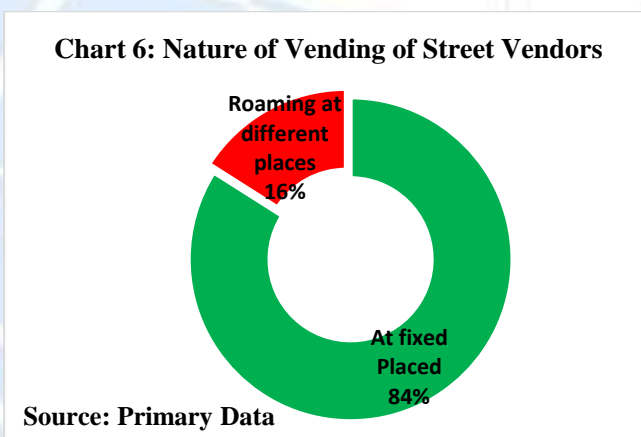
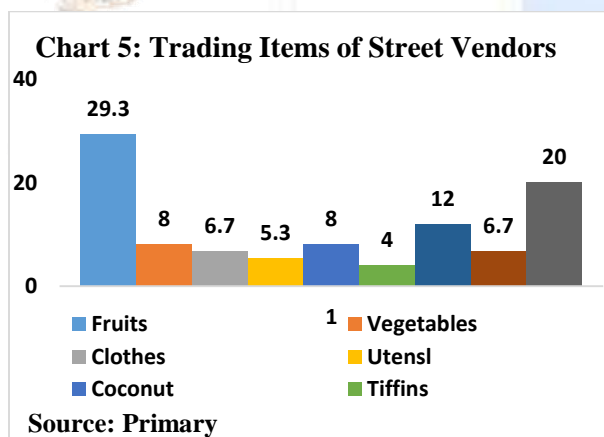
**Table 1: Demographic and Socio-Economic Profile of the Street Vendors**

Sl. No	Particulars	Classification	Frequency	%
1	Gender	Male	120	80.0
		Female	30	20.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>
2	Age	Below 20 Years	20	13.3
		20 to 40 Years	86	57.3
		40 to 60 Years	32	21.3
		Above 60 Years	12	8.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>
3	Educational Qualifications	Illiterate	29	19.3
		Up to 7th	34	22.7
		SSC	39	26.0
		Inter	22	14.7
		UG	20	13.3
		PG	6	4.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>
4	Annual Income	Up to Rs. 1 Lakh	86	57.3
		Rs. 1 - 2 Lakhs	43	28.7
		Rs. 2 - 3 lakhs	12	8.0
		Rs. 3 - 4 Lakhs	9	6.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>

<b>5</b>	<b>Type Items</b>	Fruits	44	29.3
		Vegetables	12	8.0
		Clothes	10	6.7
		Utensils	8	5.3
		Coconut	12	8.0
		Tiffin's	6	4.0
		Juices, Drinks & Pani Puri	18	12.0
		Gaggles and Masks	10	6.7
		Any other if any	30	20.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>
<b>6</b>	<b>Nature of Vending</b>	At fixed place	126	84.0
		Roaming at different places	24	16.0
		<b>Total</b>	<b>150</b>	<b>100.0</b>

Source: Primary Data

Analysis of the Annual Income of Street Vendors reveals that an overwhelming majority of the respondent street vendors' annual income is below Rs. 1 lakh which account for 57.3 per cent, followed by about 28.7 of the street vendors' Income is between Rs. 1 – 2 lakhs and about 8 per cent of the street vendors' Annual Income fell between Rs. 2 – 3 Lakhs. Dramatically about 6 per cent of the street vendors under the study are earning even more than Rs. 3 lakhs per annum which is considered to be the good income.



Trading Items of the street vendors is concerned that 29.3 per cent of the street vendors selling fruits, followed by about 12 per cent of them are selling Panipuri, Juices and Drinks and about 8 per cent of them are selling Coconuts. On the other hand about 20 per cent of the street vendors are involving in selling of different types of items such as Bombay Kharies, Belts & Purses, Mobile Temper Glasses, Footwear, Nepal Ruggs and Bedsheets, Flowers, Knives, toys and imitation Jewelry etc. With regard to nature of vending that an overwhelming majority of the street vendors are selling their items at fixed place which account for 84 per cent and remaining 16 per cent of them are roaming in different parts of the Town for selling their products.



## VIII. PERCEPTION OF STREET VENDORS TOWARDS DIGITAL PAYMENTS IN SIRCILLA TOWN

An attempt is made in this section to analyze the perception of Street Vendors towards Digital Payments in Sircilla Town of Telangana State and to explore the issues and challenges being faced by the Street Vendors in adopting the Digital Payment System.

### (1) Mobile Facility

Having the mobile facility by both street vendors and customers is a prerequisite for successful adoption of Digital Payment System. Smartphone is very useful for payment and receipt of digital transactions. The data pertaining to the type of mobile phone that the street vendors having has been shown in Table 2.

**Table 2: Type of Mobile Phone of Street Vendors**

Particulars	Frequency	Percent
Smartphone	126	84.0
Feature Phone	24	16.0
Total	150	100.0

Source: Primary Data

It can be analyzed from Table 2 that an overwhelming majority of the respondent street vendors have smartphones which account for 84 per cent and about 24 per cent of them have feature phone facility. Smartphones enable the street vendors to use different types of Digital Wallets for transfer of amount and to accept the Digital Payments.

### (2) Accepting the Digital Payments

Now a days, vendors from small scale to large scale are adopting the digital payment system for want of convenience and demand from the customers as well. The information relating the accepting of Digital Payments has been placed in Table 3. It is very clear from Table 3 that the majority of the respondent street vendors are accepting the Digital Payments from the customers which account for about 80 per cent. On the other hand about 20 per cent of the street vendors are not accepting the Digital Payments due to various reasons such as not having the smartphone facility, lack of awareness and illiteracy and tiny trading etc.

**Table 3: Accepting the Digital Payments by the Street Vendors**

Particulars	Frequency	Percent
Yes	120	80.0
No	30	20.0
Total	150	100.0

Source: Primary Data

### (3) Preferred Mobile Wallets/Mobile Payment Apps

Mobile Wallets/Payment Apps are used as medium of transfer of money from customer bank account to trader bank account. There are numerous Mobile Wallets/Payment Apps available for both customers and traders. An attempt has been made to ascertain the preferable Mobile Payments Apps of street vendors. Table 4 shows the data pertaining to the most preferred Digital Wallet/Payment Apps being used by the street vendors.



**Table 4: The Most Preferred Digital Wallet/Payment Apps used by the Street Vendors**

Particulars	Frequency	Percent
G-Pay	56	46.67
Phone Pe	28	23.33
BHIM App	10	8.33
Pay TM	20	16.67
Others	6	5.0
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary Data

It is clearly evident from Table 4 that out of 120 street vendors who are accepting Digital Payments, about 46.67 per cent of the street vendors are using Google Pay, followed by about 23.33 per cent of them are adopting Phone Pe and about 16.67 per cent of them are using Pay TM Wallet for Digital Transactions. Interestingly, about 8.33 per cent of the street vendors are using BHIM App and about 5 per cent of them are using other mobile payment apps. Interestingly, it is examined that majority of the street vendors are using more than two mobile wallets for their convenience of digital transactions.

**(3.1) Hypothesis 1:** The following hypothesis is formulated and tested.

Ho: “There is no significant association between Age of the Street Vendors and most preferred Digital Wallets by the Street Vendors.”

The results of the Chi-square test have been placed in Table 5.

**Table 5. Chi-Square Test Results: Age and Most Preferred Digital Wallets by the Street Vendors**

Test	Value	df	Sig. (2-sided)
“Pearson Chi-Square”	17.739 <sup>a</sup>	6	.007
“Likelihood Ratio”	18.961	6	.004
“Linear-by-Linear Association”	.421	1	.516
“No. of Valid Cases”	120		

“Source: Calculation on SPSS”

It can be seen from Table 5 that the Chi-Square value is 17.739 at 6 df and P-value is 0.007 which is less than 0.05 at a 5 percent level of significance. Hence, the null hypothesis has been rejected as the P-value is less than 0.05. It can be inferred that there is a significant association between the Age of the street vendors and preferred Digital Wallets by the Street Vendors.

**(4) Reasons for not adopting the Digital Payment System**

Some street vendors are still not accepting the digital payments and not using mobile wallets due to various reasons. The information with regarding to reasons for not adopting the digital payment system has been depicted in Table 6.

**Table 6: Reasons for Not Adopting the Digital Payment System by the Street Vendors**

Particulars	Frequency	Percent
No Smartphone	12	40.0
Insecurity	7	23.33
Fear of Losing Money	5	16.67
Lack of awareness	6	20.0
Total	30	100.0

Source: Primary Data

When the respondents were asked to respond on the reasons for not adopting the digital payment system, they have cited various reasons. It can be analyzed from Table 6 that about 40 per cent of those street vendors who are not adopting the digital payments clearly stated that they didn't have smartphone facility, followed by 23.33 per cent of them cited insecurity and about 20 per cent of them cited lack of awareness on operating the Mobile Wallets as the other reasons. About 16.67 per cent of the street vendors have cited fear of losing money as one of the reasons.

### (5) Measures for Adoption of Digital Payments

When the street vendors were asked to state what they want to adopt the digital payment system, they clearly stated certain measures. The data regarding the measures or steps to be taken has been shown in Table 7.

**Table 7: Measures for Adoption of Digital Payments by the Street Vendors**

Particulars	Frequency	Percent
Awareness	13	43.33
Smartphone	9	30.0
Security for the Transaction	5	16.67
Bankers help	3	10.0
<b>Total</b>	<b>30</b>	<b>100.0</b>

Source: Primary Data

Analysis of Table 7 reveals that 43.33 per cent of the respondent street vendors opined that they are in need of awareness, followed by about 30 per cent of them expressed that they need smartphone facility for adopting the digital payments system. Similarly, 16.67 per cent of the street vendors stated that they need security for the transactions and about 10 per cent of them want bankers help to adopting the digital payments system successfully.

### (6) Type of QR Code and Speaker Facility

QR Codes are used to transfer the money from customer's bank account to the merchant bank account with help of Unified Payment Interface (UPI). Street vendors are using different company QR Codes for receiving the money from the customers. Different companies are providing the QR Codes for Digital Payments along with the speakers. QR Code Speaker normally enables the vendor to listen to the voice whether digital payment received or not. Table 8 depicts the data relating to the Brand of QR Codes and Speaker Facility being used by the street vendors.

Retrospection of Table 8 reveals that majority of the street vendors i.e., 48.3 per cent are using Pay TM QR Code for accepting Digital Payments from the customers, followed by about 30 of the street vendors are using Bharath Pay QR Code and about 21.7 per cent of them are using Phone Pe QR Code for Digital Payments. Surprisingly, an

overwhelming number of street vendors are not using Speaker facility for their QR Codes and only 30 per cent of them are using this facility to confirm the receipt of the digital payment through voice. The main reasons for not using the Speaker facility are high recharge fee of Rs. 600 per annum, not properly working and other reasons.

**Table 8: Brand of QR Codes and Speaker Facility Used by the Street Vendors**

Particulars	Particulars	Frequency	Percent
<b>Brand of QR Code</b>	Pay TM	58	48.3
	Bharath Pay	36	30.0
	Phone Pe	26	21.7
	<b>Total</b>	<b>120</b>	<b>100.0</b>
<b>Speaker facility for the QR Code</b>	Yes	36	30.0
	No	84	70.0
	<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

### (7) Reasons for using Digital Payments

Today from big traders to small vendors are extensively using the Digital Payments due advent of technology, awareness and smartphones. Demonetization further expanded the usage of Digital Payments due to shortage of currency supply. The data on motivation for using the digital payments by the street vendors has been depicted in Table 9.

**Table 9: Reasons for using Digital Payments by the Street Vendors**

Particulars	Frequency	Percent
Consumer Influence	52	43.3
Easy Access to Bank Account	24	20.0
Safe and Secure	28	23.3
Convenient for Payment	16	13.3
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

It can be seen from Table 9 that the major chunk of the respondent street vendors i.e., 43.3 per cent were being motivated to accept the digital payments because of the consumers influence, followed by about 23.3 per cent of the street vendors stated that safe and secure transactions were other motivating factors and about 20 per cent them said that easy transfer to bank account was the other reason for adopting the digital payments. About 13.3 per cent of the respondent street vendors opined that convenient for receipt of payments from the customers is other reason.

### (8) Tenure of Adoption of Digital Payments

Table 10 shows the information relating to the time since street vendors have been using Digital Payments.

**Table 10: Time since Street Vendors have been using Digital Payments**

Particulars	Frequency	Percent
Less than 1 Year	50	41.7
1-2 Years	41	34.2
2-3 Years	17	14.2



More than 3 Years	12	10.0
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

It is examined from the Table 10 that about 41.7 per cent of the street vendors have been adopting for the last one year period, followed by about 34.2 per cent of them have been adopting the digital payments for the last 1-2 years. Interestingly, about 10 per cent of the street vendors have been successfully using the digital payments since more than 3 years.

### (9) The Majority of the Transactions

The information with regard to majority of the transactions has been depicted in Table 11.

**Table 11: The Majority of the Transactions of Street Vendors**

Particulars	Frequency	Percent
Cash	84	70.0
Digital	36	30.0
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

It can be observed from Table 11 that overwhelming majority of the street vendors still receiving cash receipts which account for 70 per cent and about 30 per cent of them are receiving through digital. Even though 80 per cent of the street vendors using QR Codes for Digital Payments, still customers are paying cash for the small items purchased from the street vendors.

### (10) Issues and Challenges of Digital Payments

The information related to issues and challenges being faced by the street vendors in Digital Payments has been placed in Table 12.

**Table 12: Issues and Challenges being faced in Digital Payments**

Particulars	Frequency	Percent
Network Problems	45	37.5
Amount not credited immediately	25	20.83
No immediate message alerts	7	3.5
Speaker Charges	20	16.67
No issues	23	19.17
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

It can be analyzed from Table 12 that the major issue and challenge being faced by the street vendors is network problems which account for 37.5 per cent, followed by amount not being credited immediately which account for 20.83 per cent and imposing heavy charges for QR Code speaker is another challenge being faced by the street vendors. However, about 19.17 per cent of the respondent street vendors said that there was no issue and challenge.

## (11) Payments to Manufacturer or Wholesaler

Street Vendors normally purchase the merchandize from Manufacturers or Wholesalers. An attempt has been made here to ascertain in which way the street vendors normally pay the amount to their suppliers whether is it cash or digital. The data regarding the payments to Suppliers by the street vendors has been placed in Table 13.

**Table 13: Payments to Manufacturers or Wholesaler by the Street Vendors**

Particulars	Frequency	Percent
Cash	80	66.7
Digital	40	33.3
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

Retrospection of the Table 13 reveals that the majority of the street vendors i.e., 66.7 per cent pay the amount to their suppliers in cash even though they have mobile wallets. On the other hand, about 33.3 per cent of them stated that they normally pay digitally to their suppliers.

**(11.1) Hypothesis 2:** The following hypothesis is formulated and tested.

Ho: “There is no significant association between Age of the street vendors and Digital Payments to Manufacturers/Wholesalers.”

Chi-Square Test results have been shown in Table 14.

**Table 14. Chi-Square Test Results: Age and payments to Manufacturers/Wholesalers.**

Test	Value	df	”Sig. (2-sided)
“Pearson Chi-Square”	7.639 <sup>a</sup>	3	.054
“Likelihood Ratio”	7.854	3	.049
“Linear-by-Linear Association”	6.874	1	.009
“No. of Valid Cases”	120		

”Source: Calculations on SPSS””

It is clearly evident from Table 14 that the value of Pearson Chi-Square is 7.639 at 3 df and P-value is 0.05 which is equal to 0.05 at a 5 percent level of significance. Therefore, the null hypothesis has been rejected as the P-value is equal to 0.05. It is observed that there is a significant association between Age of the Street Vendors and Digital Payments to the Manufacturers/Wholesalers.

## (12) Impact of Digital Payments on Sales Turnover

Digital Payments impact positively on sales of the street vendors as the customers prefer to buy the items from those street vendors who maintain QR Code for Digital Payments and hence that may increase the sales of the street vendors. The information pertaining to the impact of Digital Payments on Sales Turnover has been placed in Table 15.

**Table 15: Impact of Digital Payments on Sales Turnover of the Street Vendors**

Particulars	Frequency	Percent
Yes	40	33.3
No	22	18.3
Can't Say	58	48.3
<b>Total</b>	<b>120</b>	<b>100.0</b>

Source: Primary Data

It can be analyzed from the Table 15 that when the respondents were asked to respond on whether sales increased due to Digital Payments, interestingly, 33.3 per cent of the street vendors said that their sales increased while 18.3 per cent of them clearly opined that sales are not increased. However, about 48.3 per cent of the respondent street vendors said that they can't say about increase of sales due to Digital Payments.

### (13) Satisfaction of Street Vendors Towards Digital Payments Adoption

The responses on satisfaction of the street vendors towards Digital Payments adoption has been collected on Likert's five point scale ranging from Strongly Agree to Strongly Disagree and placed in Table 16.

**Table 16: Satisfaction of Street Vendors Towards Digital Payments Adoption**

Parameter		SA	A	N	DA	SDA	Total
1. Digital Payments are very convenient	Freq.	60	32	10	06	12	120
	%	50	26.67	8.33	5	10	100
2. Most of the Customers pay through digital	Freq.	45	50	05	12	08	120
	%	37.5	41.67	4.17	10	6.67	100
3. QR Code is working properly	Freq.	70	20	15	05	10	120
	%	58.33	16.67	12.5	4.17	08	100
4. No technical issues are faced	Freq.	30	14	16	40	20	120
	%	25	11.67	13.33	33.33	16.67	100
5. COVID-19 Pandemic induced to adopt Digital Payments	Freq.	65	32	05	10	08	120
	%	54.17	26.67	4.17	8	6.67	100

Source: Primary Data

Analysis of Table 16 reveals that the majority of the street vendors i.e., 50 per cent strongly agree with the digital payments are very convenient, followed by about 26.67 per cent of the street vendors expressed that they agree with the statement. As far as payment through digital, about 41.67 per cent of the street vendors stated that they agree and 37.5 per cent of them strongly agree. With regard to working of QR Codes, interestingly about 58.33 elicited their opinion as strongly agree and about 16.67 per cent said that they agree. About 33.33 per cent of the respondents opined that they disagree about no technical issues are faced and about 25 per cent of them strongly agree. When the street vendors are asked to respond on COVID-19 Pandemic induced them to adopt digital payments, about 54.17 per cent of the street vendors expressed that they strongly agree, followed by about 26.67 per cent of them opined agree with the statement.

### (14.1) Hypothesis 3: The following hypothesis is formulated and tested.

Ho: "There is no significant difference between Age of the Street Vendors and Satisfaction towards Digital Payments."



**Table 17: ANOVA Results: Age and Satisfaction towards Digital Payments**

Parameters		Sum of Squares	df	Mean Square	F	Sig.
<b>1. Digital Payments are very convenient</b>	Between Groups	7.521	3	2.507	1.496	.219
	Within Groups	194.446	116	1.676		
	Total	201.967	119			
<b>2. Most of the Customers pay through digital</b>	Between Groups	5.768	3	1.923	1.362	.258
	Within Groups	163.699	116	1.411		
	Total	169.467	119			
<b>3. QR Code is working properly</b>	Between Groups	7.055	3	2.352	1.466	.227
	Within Groups	186.070	116	1.604		
	Total	193.125	119			
<b>4. No technical issue are faced</b>	Between Groups	36.385	3	12.128	6.474	.000
	Within Groups	217.315	116	1.873		
	Total	253.700	119			
<b>5. COVID-19 Pandemic induced to adopt Digital Payments</b>	Between Groups	8.500	3	2.833	1.918	.131
	Within Groups	171.367	116	1.477		
	Total	179.867	119			

Source: Calculations on SPSS

The results of the ANOVA test have been shown in the Table 17. It is evident from the Table that the p-values for about 1 variable such as ‘**No technical issue are faced**’ shown in the above table is less than 0.05 at 5 per cent level of significance and hence the null hypothesis of this variable “**There is no statistically significant difference between Age of the Street Vendors and their Satisfaction towards Digital Payments**” has been rejected. Hence, it can be inferred that there is a statistically significant difference between Age of the Street Vendors and their Satisfaction towards Digital Payments.

” On the other hand, it can be analyzed from the Table 17 that the p-values for about 4 variables such as ‘**Digital Payments are very convenient**’, ‘**Most of the Customers pay through digital**’ and ‘**QR Code is working properly**’ and ‘**COVID-19 Pandemic induced to adopt Digital Payments**’ as depicted in the above table are more than 0.05 at 5 per cent level of significance and hence the null hypotheses of these variables “**There is no statistically significant difference between Age of the Street Vendors and their Satisfaction towards Digital Payments**” have been accepted. Therefore, it can be concluded that there is no statistically significant difference between Age of the Street Vendors and their Satisfaction towards Digital Payments.

### **(18) Overall Opinion on the Digital Payments**

Table 18 shows data pertaining to overall opinion of the Street Vendors on the Digital Payments and responses were collected on five point scale ranging from Excellent to Poor. It is very clear from the Table 18 that about 36.7 per cent of the respondent street vendors stated that Digital Payments System is excellent, followed by 29.2 per cent of them opined very good and about 25 per cent of them stated good. However, about 5 per cent of the street vendors expressed that the Digital Payment System is average and about 4.2 per cent stated poor.

**Table 18: Overall Opinion on the Digital Payments**

Particulars	Frequency	Percent
Excellent	44	36.7
Very Good	35	29.2
Good	30	25.0
Average	6	5.0
Poor	5	4.2
Total	120	100.0

Source: Primary Data

**(18.1) Hypothesis 4:** The following hypothesis is formulated and tested.

Ho: "There is no significant association between Age and Overall Opinion on the Digital Payments."

Chi-Square Test results have been shown in Table 19. It is clearly evident from Table 19 that the value of Pearson Chi-Square is 28.735 at 12 df and P-value is 0.004 which is less than 0.05 at a 5 percent level of significance. Hence, the null hypothesis has been rejected as the P-value is less than 0.05. It is inferred that there is statistically significant association between Age of the Street Vendors and Overall Opinion on the Digital Payments.

**Table 19. Chi-Square Test Results: Age of Street Vendors and Overall Opinion**

Test	Value	df	"Sig. (2-sided)"
"Pearson Chi-Square"	28.735 <sup>a</sup>	12	.004
"Likelihood Ratio"	33.978	12	.001
"Linear-by-Linear Association"	.924	1	.336
"No. of Valid Cases"	120		

"Source: Calculations on SPSS"

## IX. FINDINGS OF THE STUDY

- It is found that an overwhelming majority of the street vendors have Smartphones which account for 84 per cent and remaining 24 per cent of them have feature phone facility.
- It is examined that about 80 percent of the street vendors are accepting the Digital Payments and about 20 per cent of them are not adopting the same.
- As far as the most preferred mobile wallets/payment apps are concerned the most preferred Mobile Wallet App by Street Vendors is Google Pay (46.67%) and other preferred Wallets include Phone Pe (123.33), Pay TM (16.67%), and BHIM App (8.33%) etc.
- It is found that there is a significant association between the Age and preferred Digital Wallets by the Street Vendors.
- It is observed that about 40 per cent of those street vendors who are not adopting the digital payments as they do not have smartphone facility, followed by other reasons include insecurity (23.33%), lack of awareness (20%) and fear of losing money (196.67) etc.

- It is inferred that the majority of the street vendors i.e., 48.3 per cent are using Pay TM QR Code for accepting Digital Payments from the customers, followed by about 30 per cent of the street vendors are using Bharath Pay QR Code and about 21.7 per cent of them are using Phone Pe QR Code for Digital Payments.
- It is examined that the major chunk of the respondent street vendors i.e., 43.3 per cent were being motivated to start digital payments system because of the consumers influence, followed by safe and secure of transactions (23.3%), easy transfer to bank account (20%), Convenient for receipt of payments (13.3%) are among other reasons.
- It is examined that about 41.7 per cent of the street vendors have been adopting for the last one year period, followed by about 34.2 per cent of them have been adopting the digital payments for the last 1-2 years period. Interestingly, about 10 per cent of the street vendors have been successfully using the digital payments since more than 3 years.
- It is found that an overwhelming majority of the street vendors still receiving cash receipts which account for 70 per cent and about 30 per cent of them are receiving through digital mode.
- It is observed that the major issue and challenge being faced by the street vendors is network problems which account for 37.5 per cent and other issues and challenges include amount not being credited immediately (20.83%), charging heavy charges for QR Code speakers (16.67%), and no immediate message alerts (3.5%) etc. However, about 19.17 per cent of the respondent street vendors said that there was no issue.
- It is found that majority of the street vendors i.e., 66.7 per cent paying the amount to their suppliers in cash even though they have mobile wallets and about 33.3 per cent of them paying digitally.
- It is observed that there is statistically significant association between Age of the Street Vendors and Digital Payments to their Manufacturers/Wholesalers.
- It is explored that when the respondents were asked to respond on whether sales increased due to Digital Payments, about 33.3 per cent of the street vendors said that their sales increased while 18.3 per cent of them clearly opined that sales are not increased. However, about 48.3 per cent of the respondent street vendors said that they can't say about increase of sales due to Digital Payments.
- As far as satisfaction of Street Vendors towards Digital Payments, it is found that majority of the street vendors i.e., 50 per cent strongly agree and about 26.67 per cent agree with the digital payments are very convenient. Regarding customer's payment through digital, about 41.67 per cent of the street vendors stated that they agree and 37.5 per cent of them strongly agree. Interestingly about 58.33 elicited their opinion as strongly agree and about 16.67 per cent said that they agree with working of QR Codes. About 54.17 per cent of the street vendors expressed that they strongly agree and about 26.67 per cent of them opined agree with the statement of COVID-19 Pandemic induced to adopt digital payments.
- It can be inferred that there is statistically significant difference between Age of the Street Vendors and their Satisfaction towards Digital Payments as far as 'No technical issues are faced'.



- It is clearly found that about 36.7 per cent of the respondent street vendors stated that Digital Payments System is Excellent, followed by 29.2 per cent of them opined Very Good and about 25 per cent of them stated that it is good. However, about 5 per cent of the street vendors expressed that the Digital Payment System is Average and about 4.2 per cent stated Poor.
- It is inferred that there is statistically significant association between Age of the Street Vendors and Overall Opinion on the Digital Payments. .

## **X. SUGGESTIONS**

- It is suggested that the street vendors are encouraged to use smartphones to adopt the Digital Payments System and to accept the Digital Payments as about 24 per cent and 30 per cent of them respectively are still using feature phones and not accepting the Digital Payments.
- Government and Banks should encourage the street vendors to use the Digital Payments System by instilling the confidence and security for the digital transactions.
- It is advised the street vendors to use the QR Codes along with the Speakers to recognize the receipt of the amount as about 70 per cent of the street vendors are still not using the speakers.
- Measures should be undertaken to address the various issues and challenges being faced by the street vendors. Speaker facility should be provided by the Companies at a subsidized price to the small street vendors as the most of the street vendors are considering the charges as burdensome.
- Government and Banks with help of Municipalities, Municipal Corporations should create extensive awareness on Digital Payments and their benefits so that every street vendor will adopt the digital payments.

## **XI. CONCLUSION**

Street Vendors are playing a significant role in contributing to the India's economic growth. Digital payments adoption is growing among the street vendors with various mobile wallets availability and awareness. The study is aimed at studying the perception of street vendors towards digital payments and to explore the issues and challenges being faced. It is found that majority of the street vendors are adopting digital payment system because of the customers influence, self-motivation, easy access to bank account etc. It is diagnosed that even though digital payment system is being adopted, the majority of the customers are still paying in cash. Further, it is explored that the network issues, amount not being credited immediately, no immediate messages alerts and heavy speaker charges are some of the issues and challenges being faced by the street vendors. It was also examined that there was no sufficient evidence that the sales increased due to digital payment system. It is concluded that extensive awareness should be created by the Government, Banks and Mobile Wallets companies among the street vendors about adoption of digital payment system by instilling the confidence and security for their digital transactions. It is suggested that mobile wallets companies should reduce the annual charges for the QR code speakers with a view to encourage the street vendors to use them effectively.

## XII. SCOPE FOR FUTURE RESEARCH

The digital payment system is one of the emerging and ever growing topic and hence there is a greater scope for further research on the Digital Payments. The present study is confined to Digital Payments among the street vendors in Sircilla Town only. Hence, the future research can be carried out on Digital Payments among the Retailers and Wholesalers and Consumers as well.

### REFERENCES:

- [1] Mahua Venkatesh “India Tops World Ranking in Digital Payments”. *Indianarrative.com*. 2022. Retrieved from: <https://www.indianarrative.com/economy-news/india-tops-world-ranking-in-digital-payments-62451.html>
- [2] Sharit K. Bhowmik. “National Policy for Street Vendors”. *Economic and Political Weekly*, 38(16), 1543–1546. 2003. <http://www.jstor.org/stable/4413453>
- [3] PIB. “Street Vendors are not encroachers, they are self-employed, contributors in our collective dream of a ‘new India’”. *Press Information Bureau, Government of India*. July 23, 2022. <https://pib.gov.in/PressReleasePage.aspx?PRID=1844213>
- [4] Priyanka, Ch. and Vaishnav, K. et al. “Digital Payment and Its Discontents: Street Shops and the India Government’s Push for Cashless Transactions”. Conference Paper. April 21-26, 2018.
- [5] Sivajothi, R. “Digital Payments for Rural India-Challenges and Opportunities”. *Research Explorer*, Vol. VII, Issue 2. Pp. 26-29. 2019.
- [6] Shinki Katyayani Pandey. “A Study on Digital Payments System & Consumer Perception: An Empirical Survey”. *Journal of Positive School Psychology*, Vol. 6, No. 3, Pp.10121 – 10131. 2022.
- [7] Swathi, P.K. “A Study on Usage of E-Wallet among Street Food Vendors in Bangalore”. *Journal of Engineering Technologies and Innovative Research*, Vol. 6, Issue 3, Pp. 414 – 421, 2019.
- [8] Komal Chopra. “M-Wallet Technology Acceptance by Street Vendors in India”. *Proceedings of the 2nd International Conference on Data Engineering and Communication Technology, Advances in Intelligent Systems and Computing* 828, 2019. [https://doi.org/10.1007/978-981-13-1610-4\\_18](https://doi.org/10.1007/978-981-13-1610-4_18)
- [9] Shamsher Sing and Ravish Rana. “Study of Consumer Perception of Digital Payment Mode”. *Journal Internet Banking and Commerce*. 2020
- [10] Anuradha, T.N. “A Study on the Impact of New Age Banking on business of Kirana Stores and Street Vendors”. *International Journal of Scientific Development and Research*, Vol. 5, Issue 12, Pp. 242 -250, 2020
- [11] Shivangi Mittal and Varun Ramdas. “User Experience with Digital Payments in IndiaJ”. *Koam Advisory Group*, Pp 1-45. 2021.
- [12] Amit Verma, Gajendra Kumar Guptha, Prabhat Srivastava & Singh, M. P. “Gauge The Ease Of Payment Among Street Vendors with Reference to Lucknow City”. *Journal of Positive School Psychology*, Vol. 6, No. 8, Pp. 4939 -4944, 2022.
- [13] Pushpita Dey. “Digital payments in India to reach saturation point by FY27”: CLSA, Money Control Budget 2023. August 2, 2022. <https://www.moneycontrol.com/news/business/banks/digital-payments-in-india-to-reach-saturation-point-by-fy27-clsa-8918181.html>