

# From Kirana Stores to E-commerce: The Evolving Landscape of Consumer Perceptions on Digital Payments in India

Rohini Kumari<sup>1</sup>, Deepak Kumar<sup>2</sup>

<sup>1,2</sup>Assistant Professor, Economics, K.R. Mangalam University, Gurugram, Haryana, India.

Email id: [rohini.kumari@krmangalam.edu.in](mailto:rohini.kumari@krmangalam.edu.in)<sup>1</sup>, [deepak.kumar@krmangalam.edu.in](mailto:deepak.kumar@krmangalam.edu.in)<sup>2</sup>

Corresponding Author Orcid ID: <sup>1</sup>0000-0002-8531-6527, <sup>2</sup>0000-0002-7863-7031

## Abstract

India is not an exception to the global trend of the rising popularity of digital transactions. According to studies, effective systems of payment can contribute to a faster movement of liquidity throughout a country's economy. In this digital age, businesses that want to be agile and provide the best possible service to their customers need to offer digital payment options. This research investigates how individuals view online and digital payment methods and explores their apprehensions regarding the security of such transactions in an era dominated by interconnected technologies. Marketers need to understand how consumers view cashless payment methods, and this study provides valuable insights. The research being conducted is qualitative and analyses the idea of digital transactions through literature evaluations. The evaluations list a number of drawbacks and benefits when making payment methods that are digital. The results show that India accepts digital payment methods, and that usage is rising annually. The survey also outlines the benefits and difficulties that customers encounter when implementing digital payments. In general, this research offers insightful information on how digital transactions will develop in India. It is clear that digital payments are here to stay, and businesses that want to stay ahead of the curve need to offer these options to their customers.

**Keywords:** Consumer Perception, Security, Digital Payments, Transaction Security.

## 1. Introduction

In order for Digital India to achieve its vision of a faceless, paperless, and cashless economy, payment processes must be digitalized. Major factors influencing the development of Indian digital payment systems include the Indian Government's Digital India program, [1-4] a supportive framework for regulation, innovative payment services, and enhanced consumer experiences. By involving both the national and state governments, the Digital India program has established a foundation based on knowledge of technological change in government for its population. Citizens may now access a variety of services provided by the government online, such as tax submission, renewing licenses, and registering for benefits, thanks to this portal. Citizens may now pay for these kinds of amenities more easily and conveniently thanks to the digitization of payment

methods. This has enhanced government openness and decreased corruption. By making corporate transactions simpler, technology has also contributed [5] to increased growth in the economy. The prospects for digital payments in India appear promising. The government is dedicated to expanding the adoption of digital payment solutions, and the private sector is making substantial investments [6] in innovative payment technologies. Consequently, India stands poised to emerge as a frontrunner in the global digital payments arena. The Digital India program is a national initiative which focuses on three major areas such as infrastructure, governance, and digital empowerment. The program has had a significant impact on digital financial inclusion in India, helping to [7,8] bring the unbanked population into the mainstream economy.

One of the key drivers of digital financial inclusion in India has been the Pradhan Matri Jan Dhan Yojana (PMJDY), a flagship program launched by the government in 2014. The PMJDY has helped to open bank accounts for over 400 million Indians, and The Direct Benefit [9-13] Transfer (DBT), a government program that electronically pays subsidies and benefits directly to beneficiaries' accounts, uses these accounts as its primary method. The Unified Payment Interface (UPI), a real-time payment system that [14-17] enables users to send quick payments to anybody in India with an account with a banking institution, is another important tool for enabling financial inclusion through digital means in that country. UPI has been used to make over 1 trillion transactions in India since its launch in 2016. The demonetization policy implemented in 2016 also gave a boost to digital transactions in India. Demonetization led to a sharp increase in the use of digital payments as people were forced to switch to cashless modes [18-21] of payment. The Digital India program has been a major success in promoting digital financial inclusion in India. The program has made it simpler for people to receive financial services and assisted in integrating the nation without a bank account population into the mainstream financial system. The growth of digitalization in India has been aided by demonetization and other causes. [22,23] Digitization offers numerous benefits, including reducing pollution, accelerating transactions, and simplifying usage. [24-27] However, there are also challenges to digitization, such as lack of education, lack of government support, and safety issues. This is according to Shallu et al (2019), who argue that these three factors are essential for the successful implementation of digitization initiatives. Better systems refer to the need for robust and efficient IT infrastructure. This includes things like reliable networks, secure data centres, and user-friendly interfaces. Security is also essential, as digitization initiatives [28-31] often involve, the collection and processing of sensitive data. This data must be protected from unauthorized access, use, or disclosure. Finally, collaboration is

important because digitization initiatives often involve multiple stakeholders. These stakeholders must work together to ensure that the initiative is successful. [32-35] However, studies reveal that UPI has acquired greater momentum over time through popularizing digital payment systems. Demonetization has sparked the broad acceptance of digital transactions. After the fiscal year 2018–2019, UPI surpassed all other digital financial transaction instruments by quadrupling the number of transactions. Industry analysts claim that the accessibility of cell phones and internet connectivity has sped up their [36] general acceptance among consumers from all social classes. The development of society as well as the digitization of the economy both depend on the field of information and communication technology. [37] The phrase "Internet economy", or "digital economy" is frequently used to describe the economy. Everything has switched over to digital, including payments, purchases, and manufacturing. The growth of the internet has made it possible for users to conduct their transactions conveniently anytime and anywhere, thanks to online banking services and various mobile applications. The adoption of cashless/digital transactions has advantages of its own. Through [38-40] digital payments, a client may receive payments remotely, track and manage all of his transactions, pay directly from his bank account, and earn cash-back incentives and rewards. The same holds true for business owners, as customers utilize a range of online payment methods such as credit or debit cards, mobile wallets, the unified payment interface, and more. However, [41-43] customer perception affects whether these digital payment options are accepted. A cashless economy is not without its problems, despite the fact that big data, the Internet of Things, and other technical developments are gaining popularity. Identity theft and other cybercrimes, a technologically underdeveloped population, limited internet access, [44] low digital payment proficiency, and reluctance to embrace digital mediums for financial transactions are substantial impediments to the country's shift

toward a cashless economy. The paper tries to investigate how people see Internet payments and acquire an understanding of the numerous difficulties involved. [45-48]

## 2. Objectives of The Study

The ongoing research seeks to delve into consumers' perspectives on online payment security and its impact on their buying decisions. While consumer sentiments regarding credit card payments have been thoroughly examined, there is a dearth of knowledge regarding alternative payment methods and the hurdles [49-51] customers encounter when conducting digital transactions. This research primarily aims to grasp the prevalence of digital payments and unravel the consequences of the challenges consumers encounter while embracing digital payment methods, which could potentially influence consumer perceptions. [52]

- To Understand the idea and different kinds of digital payments
- To examine consumer perceptions of digital transactions and online payments, and especially the security and safety of these exchanges [53]

## 3. Research Methodology

Most of this research is exploratory, and it bases its conclusions on assessments of the literature and secondary information. The primary objective of this study is to provide future scholars with a valuable repository of secondary information. Since no primary data were gathered, the study's validity depends on the calibre and reliability of the secondary data sources used. [54-56]

## 4. Scope and Limitation of the Study

Majority of the study's literature reviews come from India. The examinations included anything from behavioural to usage studies. The key findings from these were examined. This largely relates to research on payment digitization. [57-59]

This paper constitutes a preliminary literature study focusing on the topic of digital payment. It does not delve into an exhaustive analysis. [60] Any sort of payment between a payer and payee that is made using digital tools or modes falls under the wide

definition of a "digital payment." As part of its Digital India initiative, the government has introduced various digital payment alternatives to facilitate cashless transactions. Some of these methods include: [61-63]

- 1. Banking Cards:** includes debit and credit cards, giving its customers freedom, simplicity, and safety. Using a secure PIN and an OTP, it guarantees the transaction's security.
- 2. Aadhaar Enabled Payment System (AEPS):** This utilizes the banking system to facilitate Internet payments. Given that it will be used to authenticate [64,65] transactions; the customer must have an Aadhaar Card connected to an account. Micro ATMs, and biometrics are two more essentials for such an operation.
- 3. Unified Payment Interface (UPI):** "Combines several bank accounts into a single mobile application." Smartphones with internet access and a mobile PIN are required for this payment mechanism. [66]
- 4. Mobile Wallets:** By integrating debit/credit information from the mobile device into the mobile wallet application, it enables the storage of funds [67-70] in digital wallets instead of carrying physical cash. Paytm, Airtel Money, SBI Buddy, and other popular digital wallets are listed here.
- 5. Point of Sale:** It is considered the point in time and place where the in-store purchase is completed. [71]
- 6. Internet Banking:** Users are able to execute financial transactions online thanks to it. Various methods are used, [72] including NEFT (National Electronic Fund Transfer). This may not include all of the literature that is available. It doesn't utilize any numerical information. Major thrust areas from the literature are projected in the essay. [73]

## 5. Digital Payment System and Methods

**Banking using Mobile:** This makes it possible for the client to carry out various financial operations remotely utilizing a smartphone or tablet. Every bank offers a mobile banking app. [74] **Micro ATMs:**

Bank business associates utilize card-swiping machines to extend essential banking services to customers situated in remote areas, thus providing the rural population with a convenient platform for accessing micro-banking services and achieving financial empowerment. [75-78]

## 6. Literature Review

India is home to the world's second-largest smartphone market, behind China. The support of Internet service providers is crucial for mobile devices and other amenities. The adoption of digital wallets and electronic payments has surged thanks to Reliance Jio. Online financial transactions require both mobile connectivity and an internet connection. As of the number of people who regularly use the internet 504 million people live in India (Digital in India 2019 by Nielsen and IAMAI). Monetary [79] assistance numerous organizations and businesses have attempted. when internet purchases rise and a type of software called "digital wallet" enables users to digitally save money, details about payments, and other items. Customers can execute numerous forms of cashless transactions using this software (McKinsey, May 2015). This is heavily [80] utilized for electronic payments. The reach and quality of the internet are the main obstacles to India's expansion in this industry. According to The Hindu's analysis (December 2019), India's internet download speed was rated 128th out of 140 nations. [81] For digital payments to be more successful, this must be enhanced. Although various of the major COVID-19-affected businesses have seen a decline in the use of digital payment, numerous other sectors, like the gaming industry, a utility payment company etc., have seen an increase in usage (PWC Report, 2020). Over time, the usage of mobile payments has increased. Indians are gradually converting to a cashless society. In their 2017 study titled "Public Perception on Cashless Transactions in India," Podile and Rajesh expressed the opinion that most consumers in the nation now use electronic payment methods for their purchases. According to Sumathy and Vipin (2017), supportive regulatory environments, the rise of next-generation payment

service providers, and improved [82] user experiences are the main factors accelerating the expansion of Indian digital payment systems. Garg and Punchal (2017) conducted a study to examine the benefits and difficulties of a cashless economy to gauge public knowledge of such a system. The result demonstrated that individuals favour a cashless economy since they believe it aids in the struggle against crime, corruption, etc. Das and Agarwal (2010) corroborate this hypothesis in their work, "Cashless Payment [83] System in India- A Roadmap." The country must switch from a made-with-cash to a digital (cashless) payment system. The costs of handling currencies, monitoring transactions, identifying the avoidance of taxes and other fraud, enhancing financial literacy, and merging the black market with the legal market will all be reduced in a cashless society. A 2019 ETBFSI report provided information on digital payments. In the last several months, the [84] customer demand has increased by over 100 per cent, according to the survey. Most digital payments were made with credit or debit cards, mostly in the restaurant industry, financial services, and tourism. Bengaluru has the highest usage rate, and cities have seen a growth in wallet use. Every aspect of business, from purchases to payments, is being significantly impacted by digitalization (Yuvaraj & Eveline 2018). According to Kumar and Chaubey's (2017) research, People [85] are embracing digitalization, albeit at a sluggish pace, primarily because they have few alternatives. Due to technological advancements and widespread Internet connectivity, people perceive smartphone applications and internet-based financial services as highly convenient. Customers now have more flexibility to do transactions wherever they are and whenever they choose. Despite customer concerns about their privacy and security while purchasing online, technological advancements [86] like big data and We can shift to a digital economy thanks to the Internet of Things. Andrew Stephen talked about the significance of raising awareness using social media and digital marketing in 2015. The adoption rate was brought up by certain academics. Electronic

payments expedite the purchase process, according to research by D. Sudhir Babu and P. Lakshmi Narayanamma (2018). Gokilavani et al. (2018) found a strong association between socioeconomic status and perception of digital payments in their research on the views of consumers about digital payment methods. The impression of consumers has a big impact on whether digital payments are accepted. Digital payment service companies must use sufficient vigilance to avoid unforeseen delays in payment processing. Other investigations have verified each of these criteria. According to a 2018 technology report by Reiss, D.G., the adoption of digital payments will increase as information and communication technology advances and internet access costs fall. Along with the other usage and convenience findings made by Kotecha P.S. in 2018, Neha Mehta and Sweety Shah in 2020, Vinitha K and Vasantha Shanmugam in 2017, Alaknanda Lonar et al in 2018, and Anoushka Sharma et al in 2015, this was another finding. Teoh et al. (2013)'s study of Malaysian respondents who used digital payments revealed the factors that had the greatest positive effects on digital payments, were self-efficacy and simplicity of use. But they discovered that there was a bad correlation between security and trust. According to Ardiansah et al. (2019), there is a favorable correlation between simplicity of use and purchase intention. Researchers D.N.V. Krishna Reddy and Dr M. Sudhir Reddy (2015) Highlight the ease of utilizing methods of online payment, security, and ease of usage. Akhila Pai (2018) also spoke about these topics. Apart from ease of use, consumer adoption of digital payments has been demonstrated to be notably impacted by social factors and the impression of the brand (Chua Chang Jin et al., 2020). Andrew T. Stephen's (2015) research backed up this claim as well. Dr. S. Manikandan and J. Mary Jayakodi (2017) also spoke on the loyalty aspect. In his paper, Brijesh Sivathanu (2018) discussed the significance of consumers' desired behaviors and their resistance to new developments regarding the use of digital payment. Junadi and Sfenrianto (2015) investigated the key

variables that affected the motivation for digital payments in Indonesia and identified five crucial variables: culture, perceived safety, performance expectations, effort expectations, and the effect of society. Gokilavani, R, Kumar Venkatesh, D, Durgarani, M, and Mahalakshmi R (2018) also investigated the many elements influencing the adoption rate of digital payments. Two studies emphasised the significance of digital payments in the banking industry. The reasons why customers embrace Internet banking, according to Roy, SK (2017), include technology adoption and risk management. According to Priyanka Philip (2020), internet banking increases the bank's operational effectiveness. According to Lin W-R et al. (2020), maintaining online banking's effectiveness while cutting expenses would keep clients satisfied and help banks retain them. M. Kavitha and K. Sampath Kumar, (2018) Satadruti Chakraborty and Dipa Mitra emphasized the importance of demography and the factors influencing consumer acceptability. Shamsheer Singh and Ravish Rana's 2017 study emphasized the importance of demographic variables such as education level, and it also examined the impact of internet accessibility and smartphone usage. Vally & Divya conducted research on the significance of age and education in affecting digital payments in 2018. According to Dr K. Kamatchi Eswaran (2019), the adoption of digital payments is only influenced by education. Singh and Rana's (2017) research provided a contrary opinion, proving that the use of digital payment systems is mostly unaffected by demographic variables. Vaishnav Kameswaran and Srihari Hulikal Muralidhar's 2019 study presented an alternative perspective, illustrating how visually impaired customers in urban India employ both cash and digital technology for payments. These parameters were also investigated in other research. A study conducted in Nigeria revealed the factors that determine digital payment and how this payment affects consumers' purchasing decisions. Infrastructure, economic inclusion, internet access, and digital literacy were also recognized in this study

as important factors influencing the uptake of digital payments in Nigeria. 2020 (L. Oyelami et al.). According to other studies, benefits and trust are positively correlated, whereas risk and trust are negatively correlated. This trust affected the client's decision to accept digital payment. Jungkun Park et al. (2018). The willingness of customers to accept digital payments is positively and significantly impacted by productivity, security, convenience, time and cost reductions, ease of use, and customer confidentiality (R. Gokilavani, 2018). Sushil Punwatkar and Dr Manoj Verghese (2018) made the case for the significance of economic and other benefits in addition to the safety aspect in influencing digital wallet payment. It has also been demonstrated that qualities like reliability, security, and how significant technology help the user influence online transactions in Gulf countries. Vaidya et al. (2020) have emphasized need for simplicity in digital payments together with connectivity issues and the rising use of mobile. Research conducted by Yao Meifang et al. (2018) highlighting the significant positive correlation between third-party payments and the ability of financial institutions to deliver value to their customers. This finding aligns with the 2017 study by Sampaio C.H. et al., which emphasized the advantages of mobile banking. Academic studies have also explored the importance of mobile wallets in facilitating the growth of cashless online transactions. Ramesh Sardar's 2016 study delved into the collaborative workings of mobile wallets, enabling consumers to enjoy fast and convenient transactions. Utilizing wallets for payments was shown to be influenced by several factors, including the value of social influence and the risk associated with utilizing mobile wallets (Madan. K. and Yadav. R., 2016). According to P. Tiwari, V. Garg, and A. Singhal (2019), the adoption of a digital wallet was found to be strongly influenced by cost. Mobile payment is influenced by personal, technological, and environmental aspects (Maris Karsen, 2019). Expectations for performance, as well as other technological variables, are more crucial than societal factors for the acceptance of

mobile banking systems in India or personal motivational elements (Gupta, K., and Arora, N., 2019). Mobile wallet usage among customers is impacted by usage intent, new technology adoption, price cuts, and other elements. It has been demonstrated that state-owned systems like BHIM are safer (2019; Neelu Tiwari and Naveen Kumar Singh). According to research by Dr Mamta Brahmabhatt (2018), residents in cities liked their wallets and were knowledgeable about government operations. Prof. Pushpa S. Abbigeri and Dr Rajeshwari M. Shettar (2018) also described the role played by the government and the platform run by the government. Hendy Mustiko Aji et al. (2020) also investigated how government backing affected the use of mobile wallets and discovered that the results varied by country. In her essay, Lavanya R (2019) also discussed digital banking services, government efforts, and their impact on the use of digital payments. Despite the widespread usage of plastic money its ease, safety, and trust are the key factors that prevent it from being utilized, according to Prasanth et al's (2019) research. Financial education, non-acceptance, infrastructural problems, and economic problems were found to be the most obstacles to the adoption of digital payments in rural areas. The Indian government has offered alternatives that involve strengthening these controls and confidence. 2019 (Renu Singh and Garima Malik). A bank's investment in information technology will benefit both its internet presence and customer use of digital payments. Prices, safety during transactions, willingness to use digital payment systems, and transaction capacity for handling are reportedly the main barriers to the adoption of digital payments in India (Masudul Hasan Adil, Neeraj R. Hatekar, 2020). Deepak Gupta and Asha (2020) found that poor infrastructure, internet literacy, and connection prevent the majority of the participants from completing digital transactions in a survey with 384 respondents in Haryana. customer acceptance of digital payments depends on methods for addressing customer concerns, government backing, and consumer

education. Fintech is significant in this context. (Debabrata Das, Ankita Das, May 2020). Several articles also looked into security vulnerabilities. According to Ardiansah et al. (2019), purchasing intention has a tenuous relationship with security. According to Vess Johnson et al. (2017), the main threat to the security of mobile payments is viewed as privacy, which has an impact on usage. However, the main obstacle to the adoption of digital payments is the danger associated with security concerns. Hem Shweta Rathore (2016) corroborated this literature with research on the "Adoption of digital wallets by consumers" in Mumbai. In 2017, Maryam Barkhordari and colleagues examined factors affecting Iranians' faith in digital payments. The study found that, while safety regulations and safety measures promote trust, digital transaction techniques and having access to protection guidelines have an impact on security. Strong trust facilitates a smooth transition to digital transactions. Digital payment security was studied by Hassan et al. (2020), found areas of protection as integrity and authorization. They also found that digital payment safety issues are more complicated than conventional security issues. Small businesses have a significant impact on the acceptance of transactions made without cash. In a survey of 117 stores in the state of Uttar Pradesh, it was found that the ease of transactions and security issues were the biggest obstacles to using the online system. Subho Chattopadhyay since 2018. The biggest obstacles to merchants adopting digital payments were determined to be less expertise, a smaller market, lack of trust, safety concerns, and insufficient benefit messages (Francisco Liébana Cabanillas, 2016). According to a related survey of shopkeepers in the city of Pune, a significant portion of them accepted digital payments despite having comparable knowledge, trust, and connectivity challenges (Upendra Lele, 2019). Vendors do not frequently accept digital payments. According to research on vendors, mobile payment aspects that affect respondents' behaviour are crucial. (Yadav, 2015; Sumerta, 2018; Madan, 2016; Tan, 2016). In their

study, Ligon E et al (2019) discovered that infrastructure, cost, and ease of use are not the barriers preventing more individuals from embracing digital payment. This was discovered through research of more than 1000 small company owners in Jaipur, where it was shown that taxes and the readiness to adopt digital modes are the biggest deterrents. Safety and security concerns are another deterrent to employing these techniques. In his essay from 2020, T.M. Praveen spoke on the improvements made to the digital payment industry as a result of developments in artificial intelligence (AI), the Internet of Things, and other technologies. The usage of biometric-based digital IDs is also becoming more significant. Mobile devices are increasingly being used for remote transactions and near-field communications. The technology of the future will make it possible to process payments simply by scanning with a mobile device's camera. The technology of the future will have a human interface. P. Chen, B. Jiang, and C. Wang (2017) investigated the use of a Bitcoin collection supervision system utilising blockchain technology. The study discovered that this system can manage transactions utilising digital media effectively, efficiently, and with more security. In their 2017 study, Avital, M., Hedman, and Albinsson examined how blockchain technology may be used to create a digital form of legal money that could be used as a medium of trade. Yoo, S. (2017) talked about the function of mobile device authentication and how it contributes to consumer transaction security. In their 2019 study, Paul J. Taylor and colleagues also looked at the importance of blockchain technology for online users' security. Cryptocurrencies may be used by businesses as methods of payment, which might speed up transactions and help them retain and draw in new customers. Achilleas Boukis of 2019. Future virtual currencies will mostly rely on Bitcoin. For this idea, certain norms and regulations are required, and a framework is essential. In contrast to their peers throughout the world, Indian poll respondents are, nevertheless, progressively indicating their approval of mobile-based payment options. A

significant obstacle might be presented to companies in the digital payment business by the large proportion of respondents who prefer to pay with cash or a debit card, which are closely ranked in terms of preferences at 66% and 67%, respectively. Numerous factors can impact a cashless society. The government may assist citizens in adjusting to cashless purchases. This is particularly relevant in light of the global epidemic. The influence of the government on people's attitudes towards cashless transactions in India is one of the main causes. Both commercial and public banks encourage and assist their clients in moving towards cashless transactions by providing mobile and online banking services. With the use of mobile wallets, customers may monitor, transact, make payments, reload, book, and other actions. Different offers, discounts, cashback, and other incentives aid in luring customers to make purchases without using actual money. Cryptocurrency is another element that has aided in the introduction and growth of digital payments. Agarwal et al. (2018) wrote a study that went into great length about the relevance of examining the role of cryptocurrency in digital transactions. Agarwal et al. (2018) talked about how cryptocurrencies affect the availability of money. They thought that the cashless and digital economies facilitated transactions for individuals. A research study recommended the value of digital payment methods. The report stressed the need for national governments to develop trustworthy cryptocurrencies. Through transactional efficiency in the money market, it's crucial to build customers' trust. Therefore, Government involvement in the development of cryptocurrencies has become essential for both the present and the future economy's regular commercial and economic conditions. There is mounting evidence that the money supply, GDP, and price level are closely related. According to Milton Friedman and others, the money supply accurately predicts future economic conditions as well as the rate of inflation and price growth. The cornerstone for central banks' monetary policy choices is the money supply. During

the preceding several decades, it has been shown that the connections between various measures of the money supply and variables like GDP growth and inflation are very unpredictable. The causes are mostly attributable to the unrestricted movement of money across borders through internet modes of money/savings transfers.

## 7. Findings

The following findings are reached after reading a selection of selected works and reviewing the literature. This executive summary provides details on consumer perceptions of online payment methods. Over the past ten years, digitalization and digital payment have grown as a result of demonetization, Digital India, and other programs. The advantages and disadvantages of digital payments While convenience, cost savings, and simplicity of use are among of the biggest positives, reach, infrastructure, and safety issues are the main drawbacks. Consumer acceptance of online payments is positively and significantly impacted by effectiveness, security, convenience, cost and time savings, ease of use, and confidentiality of customers. (R. Gokilavani, 2018; Cherinet Boke Chakiso, 2019). Concerns regarding security and confidentiality have been found to be obstacles to the use of digital transactions. Vess Johnson et al. (2017); Ardiansah et al. According to M. Kavitha and K. Sampath Kumar (2018), Satadruti Chakraborty, and Dipa Mitra (2018), age is a significant demographic component that influences consumer acceptance. Third-Party Payments: Yao Meifang et al. (2018) and Sampaio C.H. et al. (2017) researchers looked at how payments from third parties affected smartphone banking's advantages, such as transaction efficiency. Features of digital payments: According to Kotecha P.S. in 2018, Neha Mehta, Sweety Shah in 2020, Vinitha K., Vasantha Shanmugam in 2017, Alaknanda Lonar et al in 2018, and Anoushka Sharma et al in 2015, comfort and ease of use were the two primary aspects of digital payments. The value of the blockchain-based Bitcoin system was examined by P. Chen, B. Jiang, and C. Wang in 2017 and they discovered that it is crucial



for assuring the security of transactions. Obstacles: According to Masudul Hasan Adil and Neeraj R. Hatekar (2020), the primary obstacles to the adoption of electronic payment in India are costs, transaction security, acceptance of digital payment systems, and the ability to manage transactions. Retailers must also employ digital payments more frequently. The use of mobile wallets: According to P. Tiwari, V. Garg, and A. Singhal (2019), the cost was identified as a key determinant in the adoption of digital wallets. Mobile payment was shown to be influenced by environmental variables, technological factors, and personal considerations (Maris Karsen, 2019).

### **Conclusion and Results**

According to a literature review, Consumers are still hesitant to adopt methods of digital payment due to security concerns, but ease is enticing them. Articles have listed a number of benefits as grounds for using payment methods that are digital. For several causes, including not knowing about it, many people still do not utilize this. If safety concerns are resolved and better knowledge is generated, especially in rural areas, more people will adopt digital payment, which will make things easier and speed up the process. Innovation resistance and behavioural intention are only two examples of the independent characteristics that have already been taken into account for the study, but there may be many more. Further research that uses them, which would reinforce the study, is therefore still possible. Future research will be done, among other things, in this area. Future research can focus on using projective approaches, structured interviews, and observation to understand more about consumer perception. If secondary information has been acquired, content analysis can be used. The development of new methods for gathering and analysing data will help to shape new viewpoints on the issue. The essay highlights the value of electronic payments and its benefits, including usability. The importance of social and demographic concerns is also emphasized. Safety and reach are found to be the main issues with digital payments, and retailers and distributors need to have better access to these methods of payment. Blockchain, the use of AI, and

other technologies will be crucial to the overall expansion of digital payments in India. The government and other business companies play a significant role in boosting the implementation of digitalization in villages and rural areas. Due to its convenience, it is important to address any security issues in the area and spread awareness among the general public. A substantial amount of primary research might be carried out to support later studies by employing the results' indicated components. The amount of money spent by the government to enhance internet and technology access must rise. It is necessary to increase public awareness of the use of digital payments. It is necessary to increase internet speed. Users of the internet should quietly help them reach a wider audience. The usage of credit and debit cards has to be encouraged more by the banking sector. Promoting the usage of mobile wallets is necessary. Safety issues related to internet use must be addressed. This could be influenced by technology. The use of digitalization needs to be pushed on distributors and retailers. Further study is necessary in these domains. A comprehensive investment is required in this sector. Every element of human existence is impacted by the developments taking place in the digital world. Smartphones, internet access, and other technological advancements have made life more convenient. In the end, this enhances the demands and expectations of the clientele. The use of digital currencies has almost entirely supplanted traditional cash transactions in the contemporary environment. Despite these limitations, especially with regard to privacy and security concerns, everything depends on how consumers, banks, and other organizations utilise and handle the data. The study aims to comprehend customer perceptions of digital payments as a consequence. A large proportion of customers favour credit/debit cards and are comfortable making digital buys, the literature review indicates. Security is the most difficult barrier to use that has to be removed. Consumers appear to be adequately aware of the necessity for security of information in cashless transactions, according to the

poll. Since cashless transactions are rapid and flexible, they should be promoted. Even using online banking for transactions is growing in popularity. Thanks to computerization and current technology, future transactions will be more user-friendly. The research also demonstrates the connection between digitization and optimism and the urgent need for it given that consumers want to spend more money, make payments online, and express their creativity. In spite of connectivity and infrastructure problems, society is moving towards the Internet of Things and AI. Consumers must thus be able to adjust to these advancements, new elements, and procedures in order to advance. Given how crucial technology and digitalization are to today's enhanced customer service, the study is rather relevant. The guidelines provided by this study will help future researchers create efficient primary data collection and analysis techniques that will ensure superior results. Future research can benefit from these challenges and create new, innovative avenues. Since it highlights both good and negative aspects as well as the relevance of technology and safety issues, the research is crucial for the industry. Research on how businesses use digital currencies hasn't been done very much. Less study has been done on the impact of technology on digital payments, as well. Future researchers can concentrate their attention on these areas where further research is needed. Additional study might be done by gathering and using confirmatory factor analysis on primary data. To improve the usability and success of digital payments, cooperation between the banking industry, smartphone wallet providers of services, governments, and companies is urgently required.

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