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IMPACT OF DIGITAL PAYMENT METHOD 'UPI' ON ROADSIDE, MOHALLAH AND STALL SHOPS

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Abstract

This study explores the revolutionary impacts of the Unified Payments Interface (UPI) on small retail enterprises, which include grocery stores, luxury shops, tailors, vegetable vendors, beauty salons, and medical stores, as well as roadside, Mohallah, and stall shops. The survey, which is being conducted in the districts of Faridabad, Palwal, and Mewat in the state of Haryana, includes one hundred respondents who use digital payment methods for transactions. The principal objective is to identify the advantages and obstacles that these retail establishments encounter as a result of implementing digital payment methods. The results show that there is no meaningful relationship between the age of the client and their use of digital payments or between their age and the issues they have had with them. Through the extension of the research area beyond Mangalore city, this study provides valuable insights into the regional variations in digital payment integration, hence advancing our comprehension of the digitalization of financial transactions in informal marketplaces.

Keywords: *Digital Payment, UPI, Roadside, Mohallah, Stall Shops, Digitalization*

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1.INTRODUCTION

The increasing use of digital payment methods has significantly changed the financial transaction landscape in India in recent years. The Unified Payments Interface (UPI) is one of them that has stood out as a game-changer, altering how individuals conduct transactions in a variety of economic sectors. An increasing number of people are interested in learning how digital payments are influencing transactions in non-formal marketplaces, such as roadside, Mohallah, and stall shops, even though the effects of these technologies have received a lot of attention in official retail contexts like malls and supermarkets. By meeting the many requirements of the surrounding people and acting as significant hubs of economic activity, these unofficial retail businesses are vital to India's socioeconomic structure. These stores, in spite of their importance, have historically depended largely on cash transactions, frequently because they have no access to formal banking infrastructure and are unfamiliar with electronic payment methods.

This study intends to investigate the effects of the UPI on roadside, Mohallah, and stall stores in light of the aforementioned context, exploring the subtleties and complexity of digital payment acceptance in these unofficial retail environments. This study looks at the potential, risks, and effects of switching from cash to digital transactions in an effort to shed light on how the widespread use of UPI is changing the dynamics of local business. In addition to helping us understand the larger implications of financial inclusion, understanding the experiences of small-scale vendors and their clients with digital payments is crucial for guiding business strategies and policy interventions targeted at promoting digitalization in informal markets. This research study aims to investigate the many aspects of UPI acceptance among roadside, Mohallah, and stall shops using a blend of qualitative research techniques such as questionnaires, observational studies, and interviews. It aims to identify the fundamental forces and obstacles affecting the adoption of digital payment technology in these situations by gathering the opinions and voices of both suppliers and customers. Furthermore, this research aims to further our understanding of the revolutionary potential of digital payments in informal retail contexts by analyzing the socio-economic effects of UPI integration, including modifications to consumer behavior, business operations, and financial inclusion.

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1.1 Increased Sales Opportunities

UPI has created more chances for sales, roadside, mohallah, and stall stores have seen a transformation in their sales dynamics. UPI makes impulse purchases easier by enabling smooth cashless transactions that clients may quickly complete without having to carry actual cash. This ease of use not only simplifies the purchasing process but also motivates consumers to make impulsive purchases they might not have otherwise made. Additionally, by adopting UPI, these neighborhood stores reach a growing market of customers who favor electronic payments, expanding their clientele beyond those who only conduct cash transactions. This change improves consumer satisfaction while fortifying these companies' competitive advantage in a market that is changing quickly.

1.2 Enhanced Customer Convenience

With its quick and simple payment process, UPI transforms customer comfort, cutting wait times and raising satisfaction levels all around. UPI guarantees safer and more convenient transactions by doing away with the need for real cash, especially in locations where carrying big amounts of cash has security hazards. The smooth shift to digital payments not only improves transaction efficiency but also gives customers a sense of security and peace of mind, which encourages them to trust and stick with the companies who accept this cutting-edge payment option.

1.3 Objectives

- To Know About Digital Payment System.
- To Determine the Benefits of Using Digital Payment on Roadside Shop, Mohallah and Stall Shops
- To Highlight the Problems Faced by Roadside Shop, Mohallah and Stall Shops from Digital Payment System.

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2. REVIEW OF LITREATURE

Reserve Bank of India Annual Report (2015) An essential resource for comprehending India's economic environment is the Reserve Bank of India's annual report, especially in light of demonetization. It offers thorough information and analysis on a range of financial metrics, which is necessary to evaluate the effects of legislative actions like demonetization. The paper provides insightful information about the status of the economy prior to the demonetization decision and lays the groundwork for additional study and analysis.

Khanna and Dharmapala's (2017) This article examines the stock market's responses to India's historic demonetization in 2016. The authors' attention on the consequences for financial limitations, corruption, and tax evasion illuminates the complex effects of this policy on the economy. Their analysis offers empirical proof of how market players interpreted and reacted to the news of demonetization, providing important context for understanding the efficacy and fallout of such a big policy intervention.

Desk (2016) The human cost—a crucial factor that is sometimes disregarded in policy discussions—is highlighted in this investigative story by Express Web Desk. The article highlights the social consequences of economic policy by recording the deaths associated with the demonetization process. It acts as a reminder that judgments made about policy, no matter how well-intentioned, may have actual, often fatal effects on people and communities. This gives the conversation over demonetization a crucial new angle and encourages more research into its effects on society outside of the economy.

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Chandel and Sharma's (2017) A report delivered at the International Congress on Political, Economic, and Social Studies provides a thorough description of demonetization in India. Their work probably brings fresh perspectives and synthesizes previous research to give readers a systematic grasp of the issue. The writers add to a comprehensive knowledge of the impact of demonetization on India's political, economic, and social fabric by looking at a variety of factors, including the consequences for the economy, the repercussions on society, and the reasoning behind policy.

Sinha's work (2017) examines the philosophical justifications for and objections to demonetization, offering an insightful viewpoint. By interacting with philosophical frameworks, Sinha probably explores the political, moral, and ethical aspects of demonetization, challenging its justification and ramifications from a wider angle. This method provides readers with a more in-depth analysis of the underlying beliefs and values that influence economic decisions such as demonetization, adding philosophical nuance to the conversation.

3. RESEARCH METHODOLOGY

In the districts of Faridabad, Palwal, and Mewat in the state of Haryana, the study intends to look into the effects of the digital payment system known as "UPI" on roadside, mohallah, and stall stores. To collect information, both primary and secondary data will be used. A systematic questionnaire approach will be used to gather primary data, and websites and publications will be the source of secondary data. Descriptive statistics will be used in the study to look at the data, and the Chi-Square test will be used to estimate associations. The statistical software SPSS version 23.0 will be used to analyze the data, with p-values of less than 0.05 being regarded as significant. In order to draw conclusions, statistical methods like frequency, percentage, and mean will also be used. The research will encompass a total sample size of one hundred participants.

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3.1 Hypothesis

H0: There is no association between usages of digital payment system and age of the customers.

H0: There is no association between difficulties of digital payment system and age of the customers

4. DATA ANALYSIS AND INTERPRETATION

4.1 Demographic profile

Table 1: Demographic profile of the respondents Particulars No of respondents

Particulars	No of respondents	Percentage
Age		
Less than 30	25	25%
30-40	35	35%
40-50	30	30%
Above 50	10	10%
Total	100	100%
Type of respondents		
Medical shops	10	10%
Fancy	15	15%
Grocery shops	20	20%
Tailoring shops	10	10%
Beauty parlor	15	15%
Vegetable shops	10	10%
Bakery	10	10%
Stationery shops	10	10%
Total	100	100%
Years of experience		
Less than 5 years	20	20%

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5-10 years	40	40%
10-15 years	25	25%
More than 15 years	15	15%
Total	100	100%
Levels of income		
Less than 25000	20	20%
25000-40000	35	35%
40000-60000	30	30%
More than 60000	15	15%
Total	100	100%
Educational background		
SSLC	10	10%
PUC	20	20%
DEGREE	50	50%
OTHER	20	20%
Total	100	100%

It is clear that the respondents are spread rather evenly throughout the various age categories in terms of age distribution. The age group of 30–40 accounts for a significant fraction of the total responses (35%), closely followed by the 40–50 age group (30%). This suggests that the participants had a wide variety of viewpoints and experiences, which added to the depth of the information gathered. In terms of respondent types, the table presents a varied assortment of study-participating businesses. The largest section is made up of grocery stores (20%), followed by luxury and beauty salons (15%). This variety of company models guarantees a thorough comprehension of how UPI adoption affects different market segments, ranging from necessities like food to specialized services like cosmetic procedures.

Forty percent of the respondents had been in their individual firms for five to ten years, which is the bulk of years of experience. This implies that the participants have a high degree of industry

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expertise, which may have an impact on how they perceive and react to the use of digital payment mechanisms like UPI.

An even distribution across various income ranges is noted, taking into account the respondents' varying income levels. The majority, or 35%, are in the 25000–40000 range, suggesting that there is a sizable middle-class population in the sample. This distribution makes sure that the study's findings are representative of a wide range of socioeconomic statuses and levels of purchasing power. Finally, the table presents the respondents' educational background. Fifty percent of the total have a degree-level qualification. This indicates that the sample population is rather well educated, which may have an impact on their preparedness and capacity to adopt new technologies like digital payment systems.

4.2 Survey Questionnaire

Table 2: The different digital payment modes

PARTICULARS	NO OF RESPONDENTS
Google Pay	67
Phone Pe	15
Paytm	31
Amazon Pay	18
Internet Banking	61
Debit Card	75
Credit Card	35

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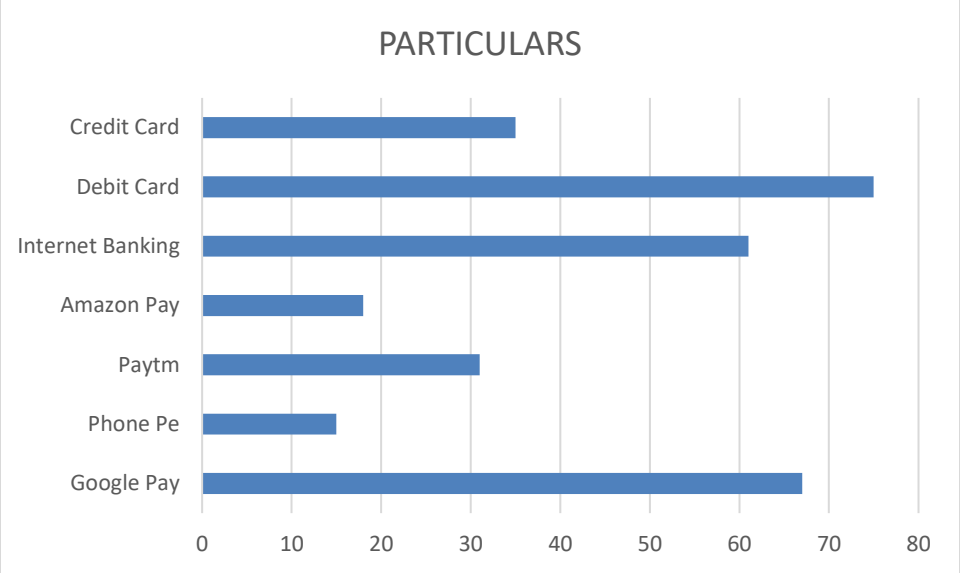

Figure 1: The different digital payment modes

A breakdown of respondents' preferences for various digital payment methods is given in the provided table. With 75 respondents, Debit Card is the most popular option out of those offered, suggesting that the surveyed population finds it widely accepted and uses it. Google Pay comes in second with 67 responses, indicating the platform's efficacy and popularity as a digital payment method. With 61 respondents choosing to use internet banking as their primary method of payment, it is evident that internet banking is widely used and valued for its accessibility and convenience. Even though only 35 respondents reported using credit cards, this indicates that a sizable portion of the sample prefers this method of payment, probably because of its advantages like reward points and purchase protection. A sizable portion of respondents (31 and 18 respectively) preferred Paytm and Amazon Pay, demonstrating the expanding acceptance of e-wallets and online payment systems in the digital economy. With only 15 responses, Phone Pe trails behind and might offer a smaller user base than the other options.

Overall, the data highlights how respondents' preferences for digital payments are varied, with different platforms meeting their needs and preferences. This diversity is a reflection of how the ecosystem surrounding digital payments is changing due to factors like accessibility, security, and convenience.

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Table 3: different uses of Digital Payments.

Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
Fast Payment	18	66	12	5	1	3.6
Convenient	20	71	6	Nil	Nil	5.12
Increased Customers	11	51	11	10	4	2.52
Reduced Credit Burden	11	49	16	16	5	2.1
Free from Handling Coins	18	53	11	12	2	2.77
Easily Traceable	17	71	13	Nil	Nil	3.12
Low Risk of Theft	16	60	15	9	Nil	2.71

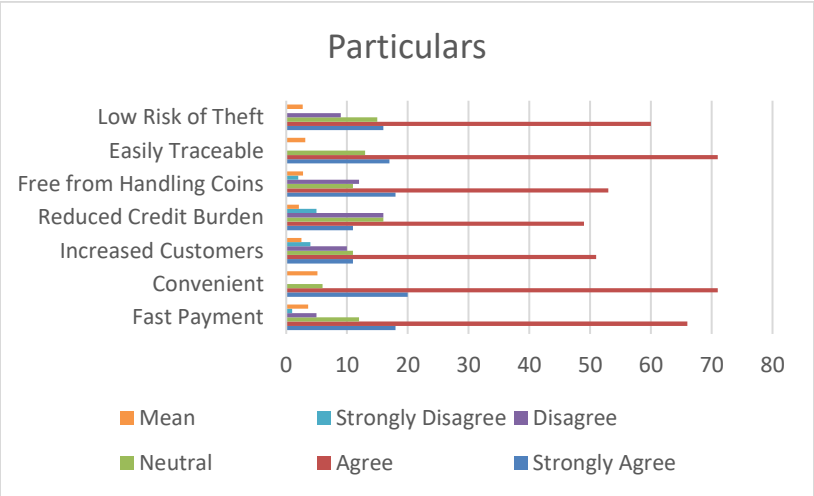

Figure 2: Graphical Representation on different uses of Digital Payments.

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The chart supplied displays the views of the respondents regarding a number of topics pertaining to digital payment methods, including ease of use, speedy payment, convenience, expanded clientele, lowered credit strain, freedom from managing coinage, simplicity of tracking, and potential for theft. Notably, the convenience factor received a high mean score of 5.12 from respondents, with 20 strongly agreeing and 71 agreeing. This suggests that respondents generally believe using digital payment methods to be convenient. Similarly, most respondents (mean score = 3.6) agreed or strongly agreed with the concept of quick payment, indicating that they thought digital payments were efficient in terms of transaction speed.

On some factors, however, opinions differed considerably. For example, even while most respondents agreed that digital payments eliminate the need to handle cash, the mean score of 2.77 indicates that not everyone may find this feature to be as easy as others. Comparatively speaking, the mean ratings for more customers, less credit burden, ease of traceability, and theft risk are lower, suggesting that respondents' opinions on these features of digital payments are more divided. Overall, the data points to areas where perceptions are more nuanced, indicating the need for additional research and potential improvements in specific areas of digital payment systems to address user concerns, even though there are clear benefits to digital payment methods, such as convenience and transaction speed.

Table 4: Results of chi-square test

Chi Square Value	Degrees of Freedom	0.05 Level of Significance	Result
17.5814	11	20.014	Not Significant

With a critical value of 20.014 and a chi-square value of 17.5814 with 11 degrees of freedom at the 0.05 level of significance, the result is "Not Significant." This suggests that the null hypothesis cannot be rejected due to insufficient evidence. Put otherwise, the variables under investigation do not significantly correlate with one another. The factors therefore seem to be independent of one another based on this study.

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Thus, we accept the null hypothesis and come to the following conclusion: "There is no correlation between the age of the customers and their use of digital payment systems."

Table 5: Problems of Digital payment

Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
Fear of Fraud	17	40	28	8	Nil	2.41
Lack of Knowledge	11	42	11	18	10	2.11
Server Problems	23	56	10	6	Nil	2.41
Connectivity Issues	14	71	5	10	2	2.71
Fear of Hacking	5	85	5	Nil	Nil	2.65
Technical Problems	16	73	3	Nil	Nil	3.10
Absence of Physical Cash	15	62	3	1	1	3.04
Need to Keep the Phone Constantly Charged	14	71	11	2	Nil	3.02

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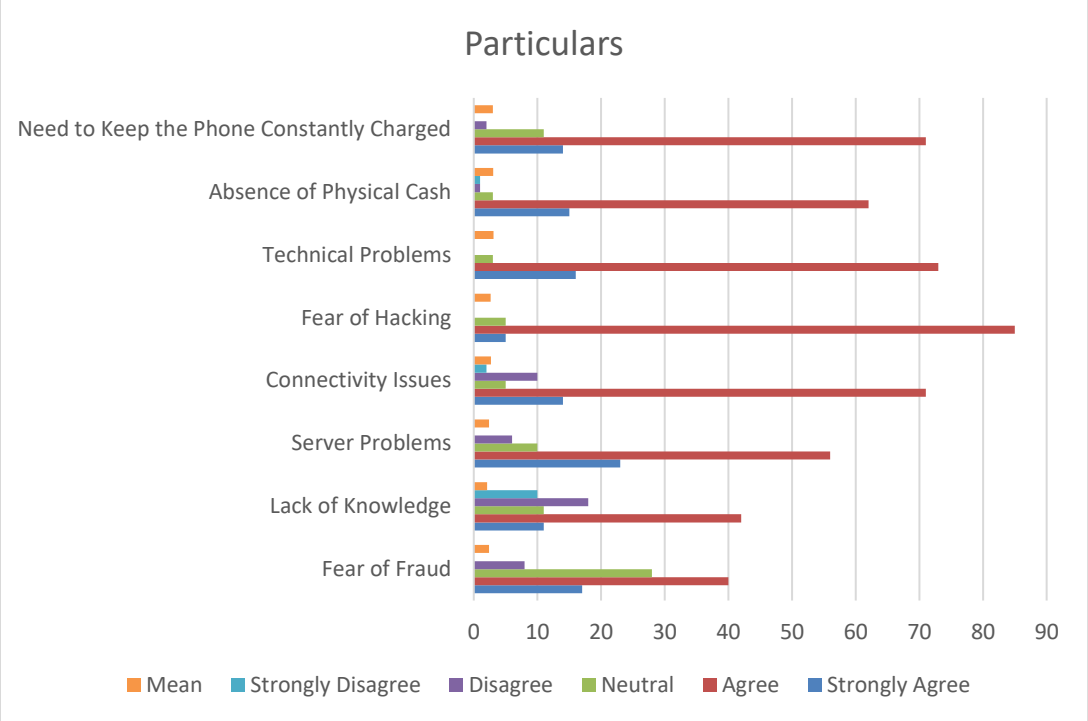

Figure 3: Graphical Representation on Problems of Digital payment

With 40 agreeing and 17 strongly agreeing, the mean score for respondents' fear of fraud is 2.41, suggesting that it is a serious concern. This implies that a significant proportion of participants have concerns regarding the safety of online transactions, which could influence their inclination to use such platforms.

Reliability is another common problem, as the answers suggest. With 42 respondents agreeing, 11 strongly agreeing, and a mean score of 2.11, it's clear that a lot of people believe they don't know enough about digital payment systems to be able to use them. Concerns about connectivity and server issues also stand up, with mean ratings of 2.71 and 2.41, respectively. This suggests that respondents believe there are dependability problems with digital payment platforms, such as connectivity or server outages, which may cause them to lose faith in these kinds of systems. A lower percentage of respondents—5 strongly agreeing and 85 agreeing—express fear about hacking, with a mean score of 2.65. Though it doesn't seem to be as common as other concerns, this one nonetheless highlights worries about the security of personal data and online transactions.

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The perceived significance of technical issues and the lack of physical cash is low, with mean scores of 3.04 and 3.10, respectively. This indicates that while utilizing digital payment methods, respondents are comparatively less concerned about running into technological difficulties or running out of actual currency. Finally, with a mean score of 3.02, the necessity of keeping the phone constantly charged is seen as a minor problem. Although the respondents agree that digital transactions require a suitable battery life, their overall impressions seem to be less affected by this feature.

H0: There is no association between difficulties of digital payment system and age of the customers.

Table 6: Results of chi-square test

Chi Square Value	Degrees of Freedom	0.05 Level of Significance	Result
4.3514	11	20.012	Not Significant

At the 0.05 level of significance, the chi-square value of 4.3514 with 11 degrees of freedom produces a critical value of 20.012, leading to the conclusion that the data is "Not Significant." This suggests that the null hypothesis cannot be rejected due to insufficient evidence. Put otherwise, the variables under investigation do not significantly correlate with one another. The factors therefore seem to be independent of one another based on this study.

Thus, we accept the null hypothesis and come to the following conclusion: "There is no correlation between the customers' age and the difficulties of the digital payment system."

Table 7: Do you want to use the Digital payment system in future

Particulars	No of Respondents
Yes	60
No	40
Total	100

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The data shown shows the answers to a particular question from a sample of one hundred people. Out of all those that responded, 60 said "yes," and 40 said "no." According to this breakdown, 60% of the sample, or the majority, answered in the positive, while the remaining 40% answered negatively. This implies that the population under survey has a degree of diversity in viewpoints or life experiences. Understanding public opinion, attitudes, or behaviors on a specific subject or topic might be aided by such insights.

5. CONCLUSION

Important insights into the effects of the Unified Payments Interface (UPI) on small retail stores in the Haryana State districts of Faridabad, Palwal, and Mewat are provided by the statistical testing and survey data analysis. Debit cards are the most popular digital payment option, despite the respondents' broad demographics, which include a range of business kinds, income brackets, and educational backgrounds. This indicates how consumer tastes are changing. Even while people value ease and transaction speed, there is always room for improvement in digital payment platforms due to ongoing worries about security, knowledge gaps, and technological difficulties. Statistical research shows no discernible correlation between the age of customers and their use of digital payments or the challenges they encounter, indicating that adoption is influenced by other factors. However, the majority indicate that they would be happy to keep adopting digital payments, indicating an increasing desire and acceptance among small retail sectors. These results highlight how crucial it is to respond to customer concerns and take advantage of their preferences in order to encourage the continued adoption of digital payment systems, which will improve financial inclusion and efficiency in unregulated markets.

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