

Digital Platforms Role in Improving the Aspects of Lives of Vegetable Vendors of Dehradun City in Pertaining to the Cashless Payment Mode of an Unorganized Sector: A Survey-based Descriptive Study in Encouraging Financial Liberties

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Abstract

Online payment has accelerated cashless economy in various ways. The digital India campaign has paved the way for higher reach of UPI payments from corporates to vegetable vendors inclusive of all classes and age. The present study has focused on how the online payment world has changed the social and economical lives of vegetable vendors. The study has highlighted how the biggest contributor of informal sector has registered itself formally in the banks which has accelerated the economic growth and opened the doors for clean economy.

Keywords

Online platforms, UPI, vegetable vendors, cashless payment.

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Introduction

The use of digital payments has penetrated all levels of transactions, from online shopping to the level of street vendors. The rise of digital payment methods has been aided by technological advancements and government programs like Digital India. The economy of the nation is shifting more and more toward cashless transactions as a better and more convenient way of payment, according to the Indian Mobile Payments Market Study 2020. With the help of technology, mobile users can now use the applications that have been downloaded on their smartphones to conduct financial transactions or make payments. The use of electronic payment, which allows for the purchase of goods and services without the use of physical currency, has become more popular as a result of the expansion of digital payment. Following Demonetization in India, electronic payment systems, particularly mobile or digital wallets, have emerged as the preferred method for transactions that do not require physical presence. Over the last five years, the digital wallet market has experienced rapid growth, and as a result, it has reached to the extent of street vendors in India, who have started using these digital payment methods for transaction purposes. The informal sector accounts for a staggering 92% of the labor force in India. In the urban informal labor market, street vendors are one of the most neglected, disadvantaged, and vulnerable groups. An unskilled migrant with aspirations to earn money for his livelihood may turn to street hawking as their first option. Street vending is an important economic activity where there is no permanent built-up structure. National Policy for Urban Street Vendors (NPUSV 2006), defines “Street vendors as self-employed people who operate in the urban informal economy and offer their labor in exchange for selling goods or providing services on the streets”. According to the Ministry of Housing and Urban Poverty Alleviation, India has 10 million street vendors who make up around 11% of the country’s urban employees and contribute in several ways to the city life. In India, the adoption of digital payments by street sellers has been rapid. It was observed that during the Covid pandemic, a substantial portion of the target market has produced an unprecedented level of demand for QR codes in order to accept digital payments from all parties, including clients and customers. Street vendors have allegedly adapted to this wave of change remarkably quickly. They have even promoted the practice of accepting and making digital payments through the same channels. The usage of digital payments is becoming more and more common among Indian street sellers, which has pushed them to open bank accounts that are linked to these digital payment systems. The present study specifically targets the street vendors selling vegetables in Dehradun city since they occupy a significant position in the city’s unorganized

sector. The main goal of the study is to ascertain both the impact of using digital payment methods on these vegetable street vendors and the factors that led to their adoption. Finally, the study investigates the hindrances that were faced by these vegetable street vendors after using digital payments.

Review of Literature

Among the urban poor, street sellers are the most disadvantaged groups (Nandru, et.al, 2021). In emerging economies like India, digital wallets might be regarded as bearers of financial inclusion (Joshi, et.al, 2019). The study conducted by Rizwana M. et. al, (2021) states that the widespread use of mobile technology has created great opportunities for the advancement of digital payment systems and opened the door for many previously unbanked people who were outside the ambit of the banking system. Due to demonetization, more people are using electronic payments, which has boosted the number of cashless transactions. People also pay attention to cashless transactions for the sake of their own sanity, health, and hygiene, which indicates a move toward a cashless society and economy (Kant and Kamal, 2019). As a result, the e-commerce transactions in the payment gateways will boost the economy's transparency, which will further the development of the nation and its GDP (Gincy, 2021). For the government, accepting cash as payment is an expensive notion. The nation must transition from a cash-based economy to one that uses a cashless payment system. This will help lower the cost of managing the currency, track transactions, detect fraud, tax evasion, etc., improve financial inclusion, and integrate the parallel economy with the mainstream (Agarwal, et.al, 2010). Kishore, K.S., et.al, (2013) conducted "An empirical study on Consumer Adoption of mobile payments" and the results revealed that perceived ease of use, trust, safety, and security all played a significant influence in the facilitation of digital payments.

According to the Indian mobile payments market report 2020, the country's economy is moving more and more toward cashless transactions as a better and more convenient method of payment. Mobile application payments have overtaken card payments, growing by a remarkable 163 percent in 2019 to a total of \$286 billion (Nariyanuri, 2020). Mukthar, et.al, (2021) sought to understand how digital transformation has affected trading among street vendors in the Chennai district. The study concluded that encouraging street vendors to accept digital payments boosts their earnings, investments, and sales volume. It increases their social and economic empowerment. The digital payment system helps street vendors and other small retailers grow their customer base, and revenue and their social and economic advancement is aided.

Objectives the Study

- a) To analyze the digital payment adaptation processes and their usage among the vegetable street vendors in Dehradun City.
- b) To evaluate the impact of adopting digital payment modes on the vegetable sellers.
- c) To find out the hindrances faced by the vegetable street vendors after adopting digital payment modes.

Research Methodology

The study was conducted in Dehradun city of Uttarakhand. For the purpose of this survey-based descriptive study, seven areas or locations in Dehradun city were selected and 150 street vegetable vendors were surveyed through a questionnaire, regarding the impact of the adoption of Digital (cashless) wallets on their economic and social conditions and the benefits and challenges that they faced as per their experiences. The study undertaken is a descriptive study aimed at observing the targeted population and drawing out valid interpretations.

Data Analysis and Interpretation

I. Demographic Profile of the Respondents

1. Gender Distribution

Table 1: Gender distribution

Gender	No. of Respondents	Percentage (%)
Male	138	92
Female	12	8
Total	150	100

Source: Primary data collected

Data Interpretation: The above data illustrates that a total number of 150 street vegetable vendors participated in this survey, out of which 138 respondents were males which constitutes 92% of the respondents and the remaining 12 respondents were females accounting for only 8% of the total sample. This clearly demonstrates that men predominate in the vegetable vending occupation.

2. Age-wise Distribution

Table 2: Age-Group distribution

Age-Group	No. of Respondents	Percentage (%)
18-25 years	18	12.00
25-35 years	65	43.33
35-45 years	58	38.67
45 years and above	9	6.00
Total	150	100

Source: Primary data collected

Data Interpretation: According to the data above, 65 vegetable vendors, or 43% of respondents, who participated in the survey, were in the age range of 25 to 35 years followed by 58 respondents, or 39%, who were in the 35 to 45 years range whereas the remaining 12% (18 samples) and 6% (9 samples) of respondents were, respectively, in the 18 to 25 years and 45 years and above age-groups.

3. Level of Education Distribution

Table 3: Level of Education Distribution

Education Level	No. of Respondents	Percentage (%)
Illiterate	17	11.33
Primary (Class I-V)	32	21.33
Upper Primary (Class VI-VIII)	46	30.67
Secondary (Class IX-X)	35	23.33
Higher Secondary (Class XI-XII)	16	10.67
Graduation and above	4	2.67
Total	150	100

Source: Primary data collected

Data Interpretation: According to the data gathered, 31% of the surveyed vegetable vendors (46 respondents) have attained education till Upper Primary (Class VI-VIII), 23% (32 respondents) were educated till Primary (Class I-V) whereas 11% of the sample i.e., 17 respondents were illiterate remaining with 11% (16 respondents) who had studied till Higher Secondary (Class XI-XII) and only 3% (4 respondents) had earned a graduate degree.

II. Adoption of Digital Payment Methods by the Respondents

1. Modes of accepting Digital payments

Table 4: Modes of Accepting Digital Payments

Mode	No. of Respondents	Percentage (%)
UPI or Mobile Wallets (through personal mobile)	53	35.33
QR Code Scanner	138	92

Source: Primary data collected

Data Interpretation: The research shows that 138 out of 150 vegetable sellers, or 92 percent of them, have QR code scanners for collecting consumer digital payments, while 53 respondents, or 35 percent of them, also take digital payments through UPI or mobile wallets on their own mobile phones. This demonstrates that QR code scanners are widely used by vegetable vendors as a method of accepting digital payments from customers. As these digital payment methods are linked to

their bank accounts, this further increases the financial inclusion of these unorganized petty vendors.

3. Most preferred or used UPI / Digital wallet / QR Scanner

Table 5: UPI / Digital Wallet / QR Scanner Usage

UPI / QR Scanner	No. of Respondents	Percentage (%)
Google pay	98	65.33
PhonePe	112	74.67
Patym	57	38.00
BHIM	33	22.00
Other	11	7.33

Source: Primary data collected

Data Interpretation: According to the data above, 112 out of 150 vegetable vendors, or 75%, use PhonePay mobile wallets or QR code scanners. Google Pay was being used by 65% of the vegetable vendors (98 respondents). Paytm was being used by 38 percent of respondents (57 vegetable vendors), while 22 percent (33 vegetable vendors) said they used BHIM pay. The remaining 7 percent of the respondents (57 vegetable vendors) said they used a different mobile wallet or QR scanner. Therefore, it clearly shows that PhonePe and Google Pay mobile wallets or QR Code scanners are being used by a greater number of vegetable vendors in Dehradun City.

4. Frequency of accepting Digital Payments

Table 6: Frequency of accepting Digital Payments

Frequency	No. of Respondents	Percentage (%)
Daily	109	72.67
Few times in a week	30	20.00
Rarely	11	7.33
Total	150	100

Source: Primary data collected

Interpretation: The above data demonstrates that most of the vegetable vendors i.e., 109 out of 150 or 73% were accepting digital payments daily, and 30 respondents or 20% stated that they used digital modes of payment a few times in a week. This left only 11 vegetable vendors or 7% who stated that they used digital payment methods rarely. Therefore, we can draw the conclusion that the majority of vegetable sellers regularly use digital payment methods for accepting payments from customers.

5. Average daily limit of cashless transactions

Table 7: Average daily limit of cashless transactions

Daily limit (in Rs.)	No. of Respondents	Percentage (%)
Rs. 100 - 300	71	65.14
Rs. 300-500	36	33.03
More than Rs. 500	2	1.83
Total	109	100

Source: Primary data collected

Data Interpretation:

Among the respondents who indicated that they accept digital payments on a daily basis, 71 out of 109 respondents, or 65%, stated that their average daily limit of cashless payments is between Rs. 100 and 300, 36 respondents, or 33%, stated that their average daily limit is between Rs. 300 and 500, and 2% indicated that their average daily limit is greater than Rs. 500.

Table 8: Factors leading to the adoption of Digital Payments

Factors	No. of Respondents	Percentage (%)
More convenient	114	76.00
Easy to access	109	72.67
Consumer influence	138	92.00
Competition	104	69.33

Source: Primary data collected

6. Factors leading to the adoption of Digital Payments

Data Interpretation: The collected data reveals that out of 150 respondents, 138 (or 92 percent) listed “consumer influence” as one of the reasons for adopting digital payment methods, 114 respondents (or 76 percent) stated “more convenient” and 109 respondents (or 73 percent) stated “easy to access” as other factors that led to the adoption of digital payment modes, whereas, 104 respondents or 69 percent claimed competition from other vendors who were already accepting digital payments was another factor that influenced them to adopt digital payment modes. As a result, “customer influence” emerged as the primary factor that influenced the vegetable vendors to adopt digital payments, followed by “more convenient” and “easy to access”.

III. Hindrances Faced by the Vegetable Vendors while Using Digital Payments**Table 9: Hindrances Faced by the Respondents**

Hindrances	No. of Respondents	(%)
Internet accessibility (network/connectivity issues)	24	16.00
Security risk	19	12.67

Lower literacy level	32	21.33
Initial difficulty in usage	26	17.33

Source: Primary data collected

Data Interpretation: When evaluating the hindrances faced by vegetable vendors after adopting digital payment methods, it was found that out of a total of 150 respondents, 32 respondents, or 21 percent, said that their lower literacy level was one of the hindrances they faced, as some of them were not educated enough to read and write and the messages received on their mobile phones regarding the transaction were in English. This was followed by 24 vegetable vendors, or 16% percent, who said that network and connectivity problems were another challenge they faced due to which sometimes the payment got stuck or was delayed. Furthermore, 26 respondents, or 17% stated that they initially had some trouble comprehending how these digital payment methods worked. Finally, just 19 respondents, or 13%, identified security risk as a barrier.

Conclusion and Suggestions

The present study focuses on all the street vegetable vendors who are accepting digital payments and found out that the majority of them i.e., 92% of the respondents have adopted digital payment modes due to customer influence. Furthermore, the study reveals that digital payment has impacted the street vendors in a positive way. The study found out that the major advantages of digital payments are easy to transfer to bank accounts as stated by 87% of the respondents, 84% agreed it is more time-saving, 83% of the respondents ascertained those cashless payments have solved the problem of availability of change and has increased digital financial inclusion as accepted by 69% of the respondents. Some of the vegetable vendors (21%) said that they faced initial difficulty in using these payment methods due to their lower literacy levels and digital illiteracy. However, the majority of the surveyed vegetable street vendors were satisfied with these digital payment modes and considered them a boon for their business.

Digital transformation is widely beneficial for the vegetable street vendors.

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