

THE CONTRIBUTION OF DIGITAL PAYMENTS SYSTEM IN ADVANCING SMALL-SCALE BUSINESSES, ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT GOALS

Neha Khatri¹ and Tanu Yadav²

¹Head, Department of EAFM, Vedic Kanya P.G. Mahavidyalaya, Jaipur, India

²Assistant Professor (EAFM), S.S. Jain Subodh P.G. Mahila Mahavidyalaya, Jaipur, India

Email: dr.nehak12@gmail.com, tanu.yadav@subodhmahilacollege.com

How to cite this paper:

Khatri Neha and Yadav Tanu (2026) The Contribution of Digital Payments System in Advancing Small-Scale Businesses, Economic Growth and Sustainable Development Goals, Journal of Global Resources, Vol. 12 (01)

DOI:

10.46587/JGR.2026.v12i01.008

Received: 15 Nov. 2025

Reviewed: 30 Nov. 2025

Final Accepted: 18 Dec. 2025

OPEN  ACCESS
Freely available Online
www.isdesr.org

Abstract: *The rapid expansion of digital payment systems has significantly transformed the business environment, particularly for small and medium-sized enterprises, by enhancing operational efficiency, transparency, and financial accessibility. Digital payments play a vital role in strengthening an inclusive financial ecosystem by reducing dependency on cash-based transactions and promoting formal financial practices among small-scale and middle-level businesses. In the Indian context, the adoption of digital payment platforms has emerged as a key driver of economic modernization and financial inclusion, aligning closely with national development priorities and the United Nations' Sustainable Development Goals (SDGs). This study aims to examine the contribution of digital payment systems to business performance and economic development by analysing their impact on financial discipline, transaction efficiency, frequency of usage, and overall profitability of middle-level businesses. The research is based on primary data of 25 middle-level business persons, representing diverse sectors of small-scale commercial activity. The findings indicate that the integration of digital payments into routine business operations has improved record-keeping practices, reduced transaction time and costs, enhanced cash flow management, and increased customer convenience. The study concludes that strengthening digital payment infrastructure and promoting digital financial literacy among small-scale entrepreneurs can significantly enhance business sustainability and contribute to inclusive and resilient economic development.*

Key words: Economic Growth, Sustainable Development Goals (SDGs), Small and Middle-Level Businesses

Introduction

Online payments are today a revolutionary energy in the world economy, transforming the way people and companies make transactions. With economies moving more towards online solutions, embedding digital payment systems has become crucial in supporting economic development that helps to realize the Sustainable Development Goals (SDGs). This article explores the complex correlation of digital payments and economic growth, with the emphasis on how such systems are instruments for greater financial inclusion, greater government income, and enhanced transparency and assistance in meeting sustainable development objectives. Reducing transaction costs and enhancing efficiency, digital payment systems enable small and medium-sized businesses (SMEs) to compete effectively in their arena. Through the examination in this study, we will explore to what extent digital payments system has penetrated in the small business and affected economic growth and sustainability in development goals.

Research Objectives

- To explore the role of digital payments as contributory factor in fostering economic growth and achieving sustainable development goal (SDGs).
- To examine the level of integration of digital payments into the day-to-day business activities of middle-level business owners.
- To examine the usage frequency and availability of digital payments in case of middle-level business person.
- To examine the effect of digital payments on operational expenditure, profitability and efficiency of middle-level businesses.

Review of Literature

The use of electronic payment systems in India has greatly contributed to the operational efficiency of most business owners. There are various researchers which have examined the revolutionary role of electronic payments in Indian business environment highlighting increased speed of transactions, reducing costs, and financial efficiency. Yet, a number of studies also tell us about the difficulties encountered in some areas, including lack of network connectivity, low digital literacy, unavailability of smartphones, and the cultural preference for cash transactions. Yet in this research we will largely focus on the positive impact of the digitalization on enterprises. Digital payments have become one of the major drivers of financial inclusion that has greatly contributed to economic progress and attainment of Sustainable Development Goals (SDGs). As indicated by Demirguc-Kunt et al. (2018), increasing digital financial services has been seen to enhance access to banking and financial products, particularly among developing economies, thus alleviating poverty and inclusive growth (SDG 1 and 8). Suri and Jack (2016) also went on to argue that mobile money services helped to move households out of poverty by facilitating savings and lowering transaction costs. Electronic payments have a significant impact on lowering the cost of transactions, enhancing cash flow, and overall efficiency. According to Chatterjee and Bolar (2019), there is improved record-keeping, lower labour expenditure for handling money, and enhanced customer satisfaction for companies using electronic payments. Additionally, profitability increases through the acceleration of sales cycles and enhanced market coverage through digital platforms.

Kumari et al. (Indian Journal of Finance-Vol. 15, No. 1, January 2021), examined the use of mobile payment by SME owners in rural Tamil Nadu and concluded that usefulness, trust, and cost had a significant impact on the rate of adoption. From their findings, it appears that digital payments make transactions easy and minimize the use of cash-based operations, making businesses more efficient and examined the role played by digital payment systems in

the expansion of MSME activity in Uttar Pradesh. Their research noted the role played by digital channels like UPI, mobile wallets, and POS machines in enhancing market outreach, ease, and customer satisfaction. Notably, digital payments also emerged as drivers of transparency and formalization, crucial for scaling business and access to credit. Middle-tier business owners are increasingly using digital payment systems like UPI, QR codes, mobile wallets, and net banking as part of their routine transactions. According to a study by Kapoor et al. (2021) of Indian MSMEs, after demonetization and during the COVID-19 pandemic, the use of digital payments shot up in response to growing awareness, government initiatives, and the necessity for contactless payments. Yet, constraints like lack of digital literacy and infrastructure in semi-urban locations continue to hinder complete integration.

Research Gap

This paper also analyses how electronic payments affect in economic development and help in achieving the sustainable goals. The research tries to fill in the gap by concentrating on real-time experiences of middle-level businessmen based on primary data. Whereas many studies have investigated the advantages of digital payment to micro and small enterprises (MSEs), a significant lack of empirical research has been conducted on the complex, micro-level economic and behavioural effects of digital payment uptake by middle-level business owners. The main objective is to determine whether digital payments contribute as a crucial element for economic growth and support India's goals of sustainable development. The findings highlight that digital payments enhances easy accessibility, simplifies transactions, reduce operational costs, support in business profitability while it also align closely with the country's economic growth and contribute in achieving sustainable development growth. Nonetheless, the study also underscores certain limitations, such as geographical and sample constraints and variability in individual responses, which may affect the generalizability of the results.

Research Methodology

The research is based on primary data. Primary data is gathered via a schedule online and in-person questionnaire to analyse the remunerative and conduct impact of electronic payments on middle-position enterprises. The survey instrument was crafted with open-ended-concluded questions and Likert scale details to evaluate the perceived effect of electronic payments on business performance, financial conduct, accessibility, and inclusion. It was distributed to 25 respondents that were chosen through a non-probability sampling technique (most likely purposive sampling), focusing on middle-level business individual who actively engage digital payment systems in their businesses

Research Design

This research employs a quantitative, descriptive, and rational exploration design. The quantitative aspect of the exploration allows for the scope of patterns and relationships of digital payment relinquishment with issues in business. The descriptive design aids in the representation and summarization of the existing operation, advantage, and problems encountered by middle-position businessmen utilizing digital payments. The design is also non-experimental and observational in nature since variables were not manipulated, but the study is based on real-world experiences of businessmen.

Research Hypothesis

The hypothesis of this study is as follows: (H0 = Null Hypothesis | H1 = Alternative Hypothesis)

- H0: Digital payments have no significant impact on economic growth among middle-level businesses.
- H1: Digital payments significantly contribute to economic growth among middle-level businesses.

- H0: Digital payments do not significantly contribute to achieving Sustainable Development Goals (SDGs).
- H1: Digital payments significantly contribute to achieving Sustainable Development Goals (SDGs).

Main hypotheses for the paper that digital payment methods contributes towards economic growth and achieve sustainable development goals are robust umbrella hypotheses, and they are followed by sub-hypotheses breaking them into specific measurable parts. This sub-hypothesis will assist testing the main hypothesis.

- H0: There is no correlation between Digital payment usage and accessibility/frequency of transactions.
- H1: Digital payment usage has a positive correlation with accessibility/frequency of transactions.
- H0: The impact of digital payment adoption on business profit is insignificant.
- H1: Digital payment adoption significantly increases business profit.
- H0: Digital payment methods do not significantly impact business efficiency.
- H1: Digital payment methods have a significant effect on business operational efficiency.
- H0: Digital payment systems decrease daily business costs.
- H1: Digital payment systems contributes in reduction in daily business costs.

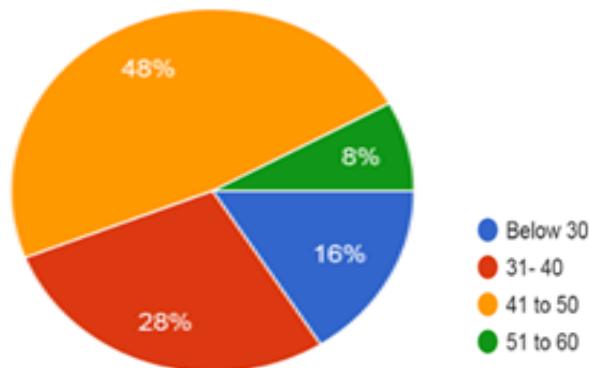
Data Analysis and Interpretation

Primary data is gathered from 25 respondents to see how the digital payments are assisting small medium businesses in profit generation, cost reduction, handling money and in the overall economic growth. Major parameters looked into were the respondents' age, categories of businesses, use of various digital platforms, ease of use of digital payments systems, and the effect of digital payments on business efficiency and profitability.

Respondents' Age

The 48 percent of the total respondents are from age group of 41 to 50 years . This shows that middle-aged people are most represented in the data, perhaps reflecting their active use of digital transactions or services being surveyed. About 31 to 40 years is 28 percent, reflecting a high level of participation by younger professionals or working-age adults. Less than 30 years constitutes 16 percent, showing comparatively lesser contribution from the youngest category.51 to 60 years is the smallest segment with just 8 percent, showing lesser engagement from elderly people, which could be due to lesser adoption of digital channels.

Figure 01: Respondents' Age-wise Classification

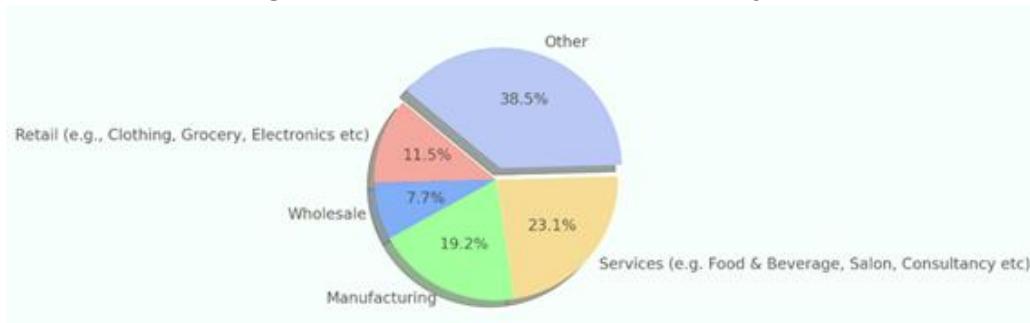


Distribution of Business Types

Other Sectors command the highest proportion at 38.5 percent, reflecting that most of the digital payment users are from varied, unlisted or miscellaneous industries. Services Sector is comprising 23.1 percent of the responses shows a high use of digital payments. Production constitutes 19.2 percent, indicating moderate digital payment adoption within production and

industrial sectors. Retail Segment (e.g., Apparel, Grocery, Electronics, etc.) accounts for 11.5percent, indicating an increasing but relatively lower adoption of digital payments in direct-to-consumer sales. Wholesale has the lowest percentage at 7.7 percent, as it indicates less digital transaction activity, perhaps because there is an inclination to utilize conventional payment methods in bulk trades.

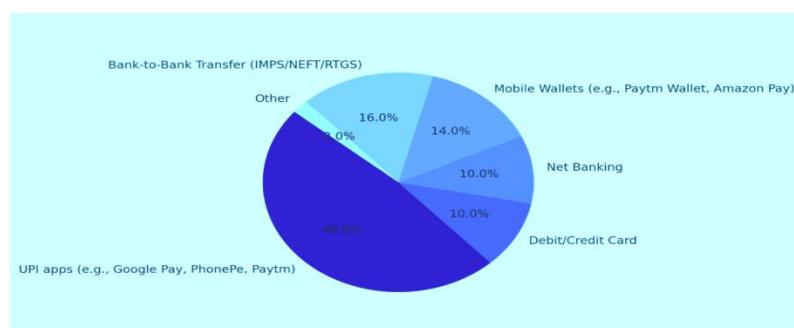
Figure 02: Distribution of Business Types



The most preferred method of Digital Payments

UPI Apps have the highest percentage of 48 percent which shows the increased popularity of UPI-based transactions due to their ease, quickness, and free transaction charges. Bank-to-Bank Transfers (IMPS/NEFT/RTGS) are utilized by 16 percent of the respondents, indicating dependence on conventional digital banking solutions for bigger or formal transfers. Mobile Wallets (like Paytm Wallet, Amazon Pay) are employed by 14 percent, reflecting moderate use for targeted services such as shopping online or paying bills. Net Banking and Debit/Credit Cards both have a 10 percent usage, reflecting that although still in use, they are no longer the preferred digital payment options. Other is employed by just 2 percent, reflecting minimal use of alternatives beyond the categories outlined.

Figure 03: The Most Preferred method of Digital Payments



Easier Access

88 percent of the respondents (majority) responded with "Yes, a lot easier". This reflects a very positive view of digital payments in terms of ease of access to money. 12 percent of the respondents chose "Somewhat easier", reflecting a mild degree of ease. The zero percent reported "Not easier at all", meaning that no participant experienced digital payments as difficult or inaccessible.

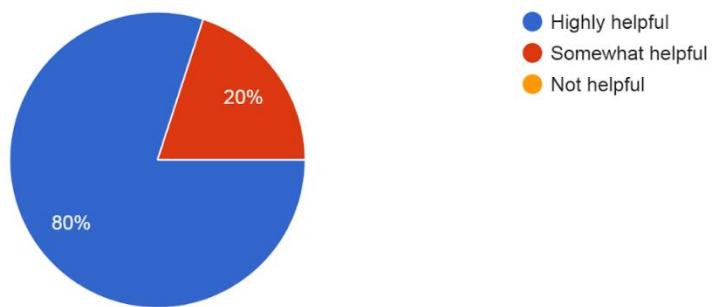
Ease While Doing Transactions with Digital Payment

A huge percentage of 88 percent responded "Very easy", which indicates high ease and usability of digital payment methods. 12 percent said "Somewhat easy", showing minor difficulties but overall satisfaction interestingly, none of the respondents considered digital payments to be "Difficult" or "Time consuming", indicating a collective agreement regarding the ease and simplicity of digital transactions.

Digital Payments Increases Business Efficiency

80 percent of the respondents view digital payments as "Highly helpful" to enhance business efficiency. This reflects high confidence in digital payment systems for speed enhancement, convenience, and performance. 20 percent perceive them as "Somewhat helpful", reflecting overall positive opinion, but perhaps with some restrictions or context-specific issues. Importantly, no respondents selected "Not helpful", meaning 100 percent acknowledge some level of benefit from digital payments

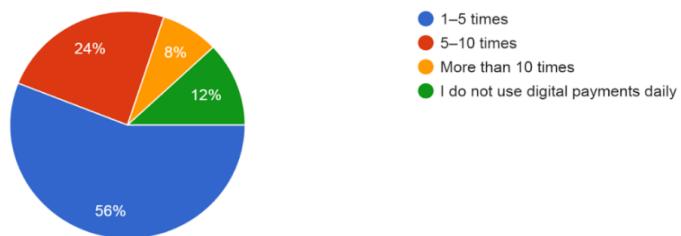
Figure 04: Digital Payments Increases Business Efficiency



The Frequency of Digital Payment Usage for Business Transactions

To grasp the significance of digital payments in day-to-day business transactions, respondents were questioned about how often they utilize digital payment method for business transactions per day. Figure:7 is a display of frequency of digital payment usage for business transactions per day based on 25 responses. 56 percent of users utilize digital payments 1–5 times every day, showing recurring but average usage by most. 24 percent utilize digital payments 5–10 times a day, showing a considerable number has high-frequency digital payment usage. 08 percent of the users indicate utilizing digital payment systems over 10 times per day, showing very high reliance, probably from companies with high transaction or sales frequency. 12 percent of the respondents stated that they do not use digital payments on a daily basis, pointing to a minority who depend on alternative methods of payments or have minimal transaction frequencies.

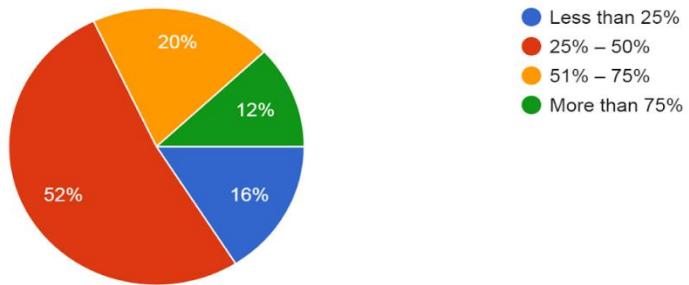
Figure 05: The Frequency of Digital Payment Usage for Business Transactions



Overall Percentage of Business Transactions Made Through Digital Payment Systems

52 percent respondents said that they make use of digital payments for approximately 25 percent- 50 percent of their business transactions. 20 percent respondents said that they made use of digital payments for approximately 51 percent- 75 percent of their business transactions. 16 percent made less use of digital payment systems for making business transactions. Also, 12 percent of the participants indicated use of electronic payments for over 75 percent of business transactions

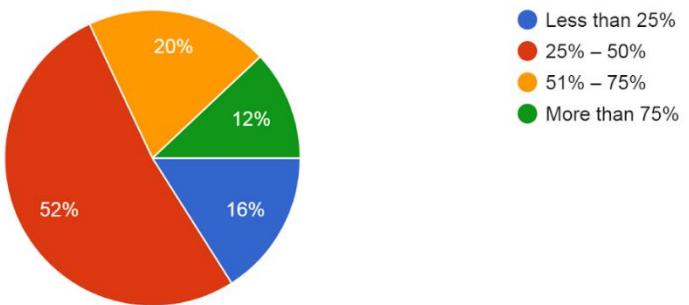
Figure 06: Overall Percentage of Business Transactions Made Through Digital Payment Systems



The Impact of Digital Payments on Reducing Daily Business Costs

In addition to that, another key factor found in the research was whether digital payments have reduced day-to-day transactional expenses. Figure:9 indicates how people perceive the effect of digital payments on minimizing day-to-day business expenses like cash handling, staff time, travelling to the bank, and paper records. 52 percent of the respondents mentioned that electronic payments eliminate most of their expenses, highlighting a considerable advantage and cost-effectiveness in operations such as cash handling fees, cheque handling fees, human errors, and time wastage in physical banking operations etc. Moreover, 32 percent of the participants also indicated a slight decrease in the costs, which also denotes a constructive movement towards cost control. It is essential to note here that most online platforms, especially UPI-based systems, have low or no transaction charges, which allows the businesses to accept payments more cost-effectively. 16 percent share the view that digital payments do not decrease their costs at all, suggesting that for certain companies, cost structure does not change even with digital adoption.

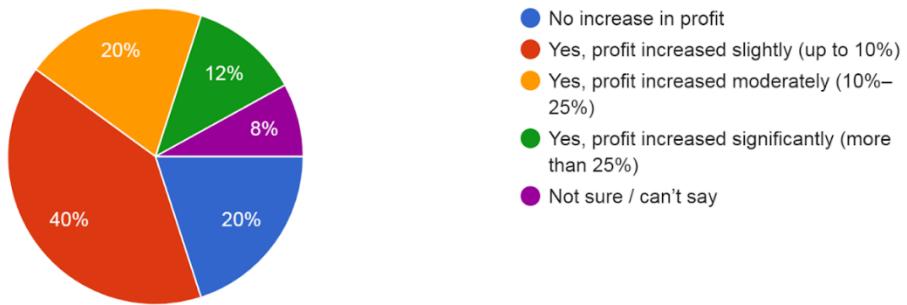
Figure 07: The Impact of Digital Payments on Reducing Daily Business Costs



The Impact of Digital Payment Systems on Their Business Profits

The question above in Figure:10 was set to comprehend the better financial performance of the business subsequent to the use of digital payment. 40 percent of the respondents feel that their profit grew moderately (10 percent–25 percent) because of the use of digital payments. This is the biggest segment, suggesting a high positive relation between profit growth and digital payments. 20 percent indicated a minor increase in profits (up to 10 percent), and an additional 20 percent saw no increase in profits, indicating while the system might optimize processes, the monetary advantages are different. 12 percent recorded a major increase in profits (over 25 percent), indicating digital payment can be extremely effective for some companies. 8 percent do not know or cannot say, indicating uncertainty or not tracking the effect on profits.

Figure 08: The Impact of Digital Payment Systems on their Business Profits



Hypothesis Testing

In order to confirm the primary hypothesis, it is necessary first to examine the supporting sub-hypothesis. It is important to mention that the results are based on percentage interpretation only, as the study is exploratory in nature and limited by a small sample size. Therefore, inferential statistical tests were not applied, and conclusions are drawn from descriptive analysis.

1. H0: Digital payment usage and accessibility/frequency of transactions have no relationship.
 H1: There is a direct correlation of digital payment usage and number of transactions.

While conducting this hypothesis it was observed that most of the working population within the age group of 31 to 50 years has progressively embraced digital payment systems in their enterprises. 88 percent of the respondents indicated that use and management of money via online platforms have become easier and more convenient way. According to the research 56 percent of the participants make use of digital payment mode 1–5 times daily. So, by joint comprehension of analysis section, we were able to realize that null hypothesis (H0) is not possible because surely there exists a relationship between digital payment and small business employees and the result distinctly shows that there exists a positive relationship between usage of digital payment and accessibility/frequency of transaction, so it confirms the alternative hypothesis (H1). Hence, Null hypothesis is rejected and alternate hypothesis is accepted.

2. H0: Digital payment adoption has no significant influence on the level of business's profit.
 H1: Adoption of digital payments has a significant influence on the level of business's profit.
 Now from the chart analysis (Table 1) below, let us explore the in-depth insights of the data provided by the respondents.

Table 01: Chart Analysis

Response Category	Percent of Responses
No increase in profit	20
Yes, profit increased slightly (up to 10 percent)	40
Yes, profit increased moderately (10 percent–25 percent)	20
Yes, profit increased significantly (more than 25 percent)	12
Not sure / cannot say	08

By looking at the data of Table 1, we get the analysis that

- 72 percent respondents i.e. 18 out of 25 reported increases in the profit (from slight to significant) after adopting digital payments, this is sufficient a good number which show the positive contribution of digital payment method
- And we can see only 20 percent (5 respondents) reported no increase in the profit.
- Additionally, it is also seen that nearly 84 percent (from many to little cost reduction) businesses observed reduction in the daily business cost related to expenses like cash

handling charges, cheque handling fees, manual errors, and time lost in physical banking processes etc.

Given the strong majority reporting in the increased profits and operational cost benefits, we reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1). Thus, we can say that adoption of digital payments has a significant positive impact on business profit among middle-level businesses.

1. H_0 : Digital payment methods are not required for enhancing business operational efficiency.

H_1 : Digital payment methods help in enhancing business operational efficiency.

To test this hypothesis, it is important to understand that business operational efficiency encompasses several dimensions such as:

- Time and cost savings
- Reduction in manual effort and errors
- Inventory or billing automation
- Vendor/customer management
- Speed of transaction processing etc.

While our questionnaire does not comprehensively capture all the aspects to understand business operational efficiency, as it also differs from business to business but it has been helpful in understanding valuable insights that prove alternative hypothesis. Questionnaire has focuses on specific indicators such as speed of the transaction, cost reduction, daily frequency usage, and ease of tracking. These indicators are although limited but are significantly enough to show the positive contribution of digital payment methods toward enhancement of business operational efficiency. As we can see:

- 80 percent of respondents reported digital payments as the fastest method, which improves the efficiency of business transactions.
- 56 percent of respondents use digital payments 1–5 times daily, and 24 percent, 5-10 times in a day, showing their integration into regular workflows.
- Respondents also acknowledged cost-cutting, less dependence on manual cash handling, and better tracking and recording of payments.

These elements, though partial, reflect improvements in core operational areas like time efficiency, convenience, and record management. So now on this basis we chose to reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1).

2. H_0 : Digital payment systems do not contribute in reduction in daily business costs.

H_1 : Digital payment systems contributes in reduction in daily business costs.

In a business there are many costs associated, while the research we cannot capture all cost but to limited extend we have seen that basic cost like physical handling cost, cheque handling fees, manual errors, and time lost in physical banking processes etc. are reduced when digital payment methods and that too UPI is used. Let us see it in detail.

1. Respondent Feedback

- Many business owners reported their savings on certain expenses such as:
 - Handling physical cash
 - Reducing time spent on bookkeeping and manual error.
 - Reduces time and manpower requirements.

2. Reduction in the Operational Delays:

- Instant digital transactions helped the business men in minimizing pending payments, reducing the dependency on physical visits and follow-ups, thus saving transportation or administrative costs.

3. UPI and Mobile Apps Usage:
 - As per our study 96 percent respondents using UPI, find it useful and easily applicable in the business.
4. Daily Frequency of Transactions:
 - More than 50 percent of respondents use digital payments daily, indicating routine cost advantages due to integrated and automated systems.

Based on the feedback and observed patterns, it is evident that digital payments have helped in minimizing various small yet frequent operational costs. Hence, we reject the null hypothesis (H0) and accept the alternative hypothesis (H1).

Main Hypothesis Testing

1. H0: Digital payments have no significant impact on economic growth among middle-level businesses.
- H1: Digital payments significantly contribute to economic growth among middle-level businesses.

Through the survey-based evidence we can say that there is positive correlation between digital payment and economic growth. Through all the sub hypothesis testing we can analyse that there is a positive relationship between the digital payment methods and small businesses. Digital payment boost the economy by increasing transactional efficiency and reducing operational cost. As per the survey evidences below we can say that these methods are facilitating indicators and help in economic growth.

- Profitability: Approx. 72 percent of businesses reported an increase in profit after adopting digital payments (as per chart). Under this 40 percent respondents reported an increase in the profit by 10 percent, 20 percent noted an increase by 10-25 percent and 12 percent respondents said an increase of more than 25 percent, these figures provide strong evidence to articulate that profit has been recognised by the business owners after the usage of digital payment methods.
- Operational Efficiency: 80 percent found digital payment systems to be the fastest and easiest, time saving and enhancing productivity.
- Increased frequency and accessibility: 88 percent respondents found easy to access money through this method.
- Cost Reduction: Many respondents acknowledged that digital transactions reduce daily operational costs. Approx. 50 percent respondents found that the cost has decreased to noticeable extent

By the above analysis we can say that H0 which says “Digital payments have no significant impact on economic growth among middle-level businesses” is rejected and H1 which says “Digital payments significantly contribute to economic growth among middle-level businesses” is accepted.

2. H₀: Digital payments do not significantly contribute to achieving Sustainable Development Goals (SDGs).
- H₁: Digital payments significantly contribute to achieving Sustainable Development Goals (SDGs).

It is important here to understand what role digital payment can play in achieving SDGs either directly or indirectly. So let us look at the table below.

Table 02: SDG Goal

SDG Goal	Connection with Digital Payments
SDG 1 – No Poverty	Enables financial inclusion in routine business. The frequency and usage of digital payments reflect improved accessibility to funds, especially for small and middle-level enterprises.
SDG 5 – Gender Equality	Empowers women through independent access to money and finance. Although it is not a core focus of our study area but it shows the integration of this method and help accessing the money easily.
SDG 8 – Decent Work & Economic Growth	Promotes business growth resolving routine cash-related issues, Digital payments provide quick access to funds, reduce physical handling, and help lower operational costs to some extent.
SDG 9 – Industry, Innovation & Infrastructure	Drives innovation in financial systems through tools such as UPI, mobile banking, and fintech solutions, enhancing digital infrastructure.
SDG 10 – less of Inequalities	Digital payments reduce gap between rural and urban gap and economic inequalities, thus providing flow of funds available to the society.
SDG 16 – Peace, Justice, and Strong Institutions	Increases transparency, somewhat help in reducing corruption and informal transactions.

The table 2 shows that although the questionnaire was not exclusively designed around all 17 Sustainable Development Goals (SDGs), but the responses indicate that digital payment methods contribute both directly and indirectly toward achieving several SDG targets and provide positive impact on businesses. As per the research findings, 88 percent of respondents found it easy to access money through digital payment methods, showing that financial inclusion and accessibility are greatly improved. Additionally, 56 percent of the respondents use digital payments 1-5 times daily, and 24 percent use them 5-10 times, which highlights the high frequency and deep integration of digital payments into routine business operations. Furthermore, about 50 percent of respondents acknowledged a reduction in operational costs, such as those related to physical banking, handling cash, and errors, indicating improved business efficiency. The most compelling evidence is that 72 percent of respondents reported an increase in business profit after adopting digital payments, reinforcing its economic impact. Taken together, these findings strongly support the idea that digital payments contribute to several SDGs. So, we reject Null Hypothesis - H0 "Digital payments do not significantly contribute to achieving Sustainable Development Goals (SDGs)" and accept Alternative Hypothesis - H1 "Digital payments significantly contribute to achieving Sustainable Development Goals (SDGs)." especially within the context of middle-level businesses.

Findings and Analysis

This study collected responses mainly from middle-level business person, with a large proportion of participants falling in the age group of 31 to 50 years, indicating that the digitally active working population is increasingly adapting to digital payment methods in business. This age group is also more likely to handle business finances independently, which makes their insights valuable. One of the most prominent findings during research is the widespread usage of UPI, around 96 percent of respondents reported using UPI apps as their primary digital payment mode. This shows how UPI has become the most trusted and convenient tool for business transactions. When asked about transaction frequency, 56 percent of respondents said they use digital payments 1-5 times a day, while another 24 percent use them 5-10 times daily, and 8 percent reported more than 10 transactions per day. This high frequency proves that digital payments are now deeply integrated into day-to-day business practices.

Around 88 percent of respondents agreed that accessing money through digital modes is easy, confirming that the method is not just adopted but is now essential. Many also mentioned that payments are completed quickly, safely, and without complications, adding to

business convenience. Regarding the share of digital transactions in total business activity, the majority of respondents indicated that approx. 70 percent of their transactions are now conducted digitally, highlighting a major shift away from cash or traditional banking methods. The data also showed a clear positive trend in cost reduction. About 50 percent of the businesses noticed a decrease in daily operational expenses, such as those related to cash handling, cheques, physical banking visits, and time spent. Another 32 percent observed a minor cost reduction, which still supports the financial benefits of going digital. On the question of profitability, 72 percent of respondents experienced an increase in profit after using digital payments. Of this 20 percent saw profit growth between 10-25 percent, while 12 percent reported more than 25 percent profit increase. Even though exact financial figures were not captured, these percentages point to a favorable business outcome.

Finally, even though the questionnaire was not designed specifically around all 17 Sustainable Development Goals (SDGs), the results suggest that digital payment systems contribute indirectly to multiple SDGs. These include SDG 1 (No Poverty) by improving financial access, SDG 5 (Gender Equality) by offering financial independence (especially to women entrepreneurs), SDG 8 (Economic Growth) by improving profit and ease of doing business, and SDG 9 (Innovation & Infrastructure) by encouraging the use of modern financial tools. These findings support the digital payments significantly contribute to economic growth and the achievement of SDGs. While the research may not cover every dimension of business operations or every SDG in detail, but it clearly shows that digital payment adoption is a powerful tool for modern businesses and it helps in making operations faster, reducing costs, improving profits, and promoting inclusive growth. The data from real business users supports the growing importance of digital payment systems, not just as a tool for convenience, but as a strategic driver of growth, cost-efficiency, and financial inclusion in today's business world.

References

1. Adhikary, A., Diatha, K. S., Borah, S. B., & Sharma, A. (2021) How does the adoption of digital payment technologies influence the performance of unorganized retailers? Investigation in an emerging market. *Journal of the Academy of Marketing Science*. <https://doi.org/10.1007/s11747-021-00778-y>
2. Baskaran, S. A. (2017) Digital money – An emerging payment system in India. *International Journal of Management and Development Studies*, 6(7), 26–39.
3. Chatterjee, S., & Bolar, K. (2019) Influence of digital payments on the performance of small and medium enterprises (SMEs) in India. *International Journal of Recent Technology and Engineering*, 8(2), 2971–2975.
4. Demirguc-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2018) *The Global Findex Database 2017: Measuring financial inclusion and the fintech revolution*. World Bank. <https://doi.org/10.1596/978-1-4648-1259-0>
5. Kakkar, M., & Yadava, L. N. (2021) Role of digital payment systems in the growth of the MSME sector in Uttar Pradesh. *Indian Journal of Economics and Business*, 20(1), 91–102.
6. Kapoor, R., Dwivedi, Y. K., Piercy, N. F., & Rana, N. P. (2021) Digital transformation and small business adoption of digital payment systems: A post-COVID-19 perspective. *Journal of Business Research*, 137, 37–50. <https://doi.org/10.1016/j.jbusres.2021.07.036>
7. Kumari, J. N. N., Arun, C. J., & Mary, A. I. V. (2021) Mobile payment technology adoption among SME owners in rural Tamil Nadu. *Indian Journal of Finance*, 15(1), 35–49.
8. Mahesh, A., & Bhat, G. (2021). Digital payment service in India – A case study of Unified Payment Interface. *International Journal of Case Studies in Business, IT, and Education (IJCSE)*, 5(1), 256–265. <https://doi.org/10.5281/zenodo.5091207>
9. National Payments Corporation of India. (2022) *UPI monthly statistics*. <https://www.npci.org.in>
10. Raharja, S. J., Sutarjo, Muhyi, H. A., & Herawaty, T. (2020) Digital payment as an enabler for business opportunities: A Go-Pay case study. *Review of Integrative Business and Economics Research*, 9(1), 319–329. <http://buscompress.com/journal-home.html>
11. Sharma, M., & Kukreja, S. (2020) Adoption of digital payment by small business owners in semi-urban India: Trends and barriers. *International Journal of Management Studies*, 7(3), 45–53.
12. Suri, T., & Jack, W. (2016) The long-run poverty and gender impacts of mobile money. *Science*, 354(6317), 1288–1292. <https://doi.org/10.1126/science.aah5309>