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Research Paper

E-Payment System Readiness of Micro Business Owners

Allan B. Pleno[1*]

[1] Bulacan State University, Philippines

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Abstract

This study used qualitative research to examine e-payment system readiness among microbusiness owners in Region III, Philippines. The primary purpose was to explore four key themes: digital literacy and skills, comparisons between cash and e-payment transactions, the downsides of e-payment, and awareness and capacity for e-payment systems. Data were collected through thematic coding of interviews with ten microbusiness owners. The results revealed that most respondents actively engage with digital technology, using mobile devices and computers daily. While internet access is generally available, reliance on mobile data can affect user experience. Findings indicate that cash transactions remain prevalent; however, there is a noticeable shift toward e-payments due to their convenience in bill payments and online shopping. Significant challenges were identified, including technical issues and unreliable internet connections that hinder smooth transactions. Older users and those with limited technological skills face difficulties in adopting such systems. The study concludes that although there is potential for greater adoption of e-payment systems, addressing infrastructure challenges and enhancing digital literacy—especially among older demographics—is crucial for facilitating a full transition. Targeted training initiatives and reliable technology are essential for improving e-payment readiness among microbusinesses in the region.

Keywords: *e-payment, system readiness, micro business owners*

INTRODUCTION

The emergence of electronic payment systems across developing countries has become a significant phenomenon in recent years (Yang et al., 2021). Digital payments refer to methods of electronically transferring money through devices, internet platforms, online banking, or mobile applications. This technology enables users to conduct transactions with others who have established connections with mobile wallet holders, thereby facilitating seamless purchases (Duignan, 2023). In the Philippines, electronic payment platforms such as GCash and PayMaya are among the most widely used digital payment methods (Detros, 2023). These services allow users to transfer money easily, reflecting the growing acceptance of digital transactions.

The impact of digital payments extends beyond individual financial management; it fosters broader social changes. For instance, digital payment systems can enhance financial inclusion by providing access to banking services for unbanked populations, particularly in rural areas. Studies have shown that increased adoption of digital payments can stimulate local economies by facilitating smoother transactions between businesses and consumers (Hensley, 2023). Furthermore, cashless transactions can reduce the risks associated with handling cash, such as theft and loss, thereby contributing to safer communities (Ibrahim et al., 2024).

The Bangko Sentral ng Pilipinas (2023) reported that the proportion of monthly digital payments to all retail purchases increased significantly from 30.3% in 2021 to 42.1% in 2022. This surge indicates a rising trend in the adoption of digital payments by Filipinos. E-payment systems enhance convenience by connecting business owners with banks, employees, and customers for efficient transactions (Klapper, 2023). In addition, electronic payment systems can simplify access to loans and saving accounts. Many users perceive e-payments as safer than cash transactions, which are more vulnerable to theft and fraud.

Corresponding author's email: allan.pleno@bulsu.edu.ph

According to Filipinos' Cashless Payments Increasing—Visa Study (2022), the use of cashless payments is increasing in the Philippines through various payment methods. Filipinos showed a preference for mobile wallets (64%), online card payments (52%), physical card payments (44%), and QR payments (31%). The impact of the pandemic has notably influenced the growth of cashless transactions. E-payments are perceived as a new mechanism that customers are increasingly interested in adopting. However, while nations with advanced payment systems may have infrastructure for handling digital payments, creating a sufficient physical network for distributing these services in low-income areas with underdeveloped banking systems poses a significant barrier. The development of digital financial services is also hindered by inadequate electricity for operating cell towers and mobile devices, inconsistent mobile network availability, and low technological literacy among individuals (Athique, 2019).

As payment technologies continue to evolve, the future of cashless payments is likely to be promising. Users can make purchases using mobile devices or wearable through Near Field Communication (NFC), QR codes, and other contactless technologies. These advancements can facilitate quicker payment processing without cash or physical cards. Government initiatives promoting digital wallets, mobile transactions, and new payment systems encourage the expansion of cashless payments. These changes are likely to impact traditional banking and finance, necessitating partnerships with fintech companies to maintain competitiveness. An increase in cashless transactions may influence users' financial management practices and may lead to a decline in physical currency usage (Damen, 2023).

The introduction of contactless and mobile payments has made transactions more convenient and accessible for consumers as their spending habits. These methods eliminate the need for customers to visit ATMs or line at banks and reduce the need to carry cash for purchases. Various payment options—such as card payments, phone payments, digital wallets, online banking, QR codes, email transfers, and cryptocurrencies—promote accessibility and inclusion. Businesses can cater to individuals without traditional banking accounts by offering options like mobile payment apps or digital wallets, thereby increasing market share and fostering customer loyalty (Wilkinson, 2023).

The proliferation of electronic payment systems (e-payment) in developing nations, including the Philippines, has drastically altered financial transactions, particularly for Micro, Small, and Medium Enterprises (MSMEs). This research phenomenon demonstrates the expansion of the acceptance and implementation of digital payment systems that improve the ease and security of payments for both business owners and consumers. As more MSMEs adopt e-payment solutions, they gain access to new markets and increase operational efficiency. However, the study also identified problems such as insufficient infrastructure, limited digital literacy, and uneven levels of technology access that impede widespread use. Addressing these impediments is critical for increasing financial inclusion and enabling MSMEs to prosper in digital economies. Understanding the experiences and demands of microenterprises regarding e-payment systems is the goal of this research.

The primary purpose of this research was to explore four key themes: digital literacy and skills, comparisons between cash and e-payment transactions, the downsides of e-payment, and awareness and capacity for e-payment systems. This study investigates micro business owners and customers' e-payment system readiness in Region III, focusing on their experiences and challenges. The findings highlight the importance of understanding how these groups can adapt to e-payment solutions, particularly in a rapidly evolving financial landscape.

1. How can micro-business owners in Region III who lack technological knowledge adapt to a shift toward e-payment system readiness?
2. What specific barriers do seniors face in adopting e-payment methods, especially when they lack familiarity with smartphones and other digital devices?
3. What significant challenges do microbusiness owners face in accessing the necessary tools for electronic payment system transactions, especially when these services rely on stable internet

connectivity and may struggle with technology?

LITERATURE REVIEW

E-Payment System Readiness

In the rapidly evolving financial technology landscape, e-payment systems have emerged as a beacon of progress, offering faster, more flexible, and automated solutions for transactions. The transition toward a cashless economy is driven by collaboration between the banking and financial sectors and is fueled by public demand for quick, identifiable, and adaptable transaction methods. Researchers have extensively explored this global shift, emphasizing the benefits, historical evolution, and role of digital payment solutions in fostering economic growth (Hidayah et al., 2023). Money has undergone significant transformation over thousands of years, evolving from a barter system to physical cash, checks, and online banking. Lin (2023) highlighted that the current pivot to cashless payments marks a crucial juncture in this evolution. The journey began with credit cards in the 1990s, expanded with electronic banking systems, and advanced with digital wallets like PayPal and Apple Pay. The 2008 global financial crisis further accelerated the adoption of digital payments via smartphones, marking a milestone in the cashless society trajectory (Díaz, 2022).

According to recent data from Statista, the trend of cashless transactions has seen consistent growth worldwide from 2013 to 2023, reflecting the global momentum toward a cashless economy (Díaz, 2022). Hensley (2023) supported this observation, emphasizing that the global shift away from physical currency usage is likely to persist as electronic transactions become the norm. The integration of digital payment solutions into government transactions represents a pivotal step in this transformation. Initiatives like EGov Pay in various countries exemplify this trend. In the Philippines, government-backed digital payment solutions such as PayMaya have enabled national offices and local authorities to accept cashless payments for tax payments and financial assistance, aligning with the global push for a cashless society (Oi, 2022).

One notable advantage of e-payment systems is improved financial management. As transactions are electronically recorded, users can easily track spending patterns, thereby enabling effective budgeting and reducing overspending risks (Hensley, 2023). Moreover, the convenience of e-payments simplifies purchases and enhances user accessibility (Should We Become a Cashless Society?, 2023). This transformation signifies a profound shift in global transaction practices. Technological advancements and evolving consumer preferences drive this revolution while minimizing risks associated with traditional currency forms. Swiecka and Grima (2019) examined consumer preferences for payment methods, evaluating factors such as cost, convenience, speed, and security.

In the Philippines, the adoption of e-payment systems is growing rapidly; 92% of the population uses various digital payment methods. This significant shift mirrors global trends as nations grapple with shifting from physical currency. Despite the many benefits of e-payments, experts caution against potential challenges, including privacy concerns and security issues. Dangers of a Cashless Society You Need to Consider (2023) notes that electronic payment methods enhance daily convenience by enabling swift transactions. In recent months, nearly 90% of consumers reported shopping online in the Philippines; payment cards accounted for 51% of e-commerce transactions, while alternative methods like PayPal and GCash, represented 24.5% of total transaction value (Payment Cards Account for Over Half of E-Commerce Payments in Philippines, Reveals GlobalData, 2023).

GCash has gained significant traction because of its versatile functionality, which includes bill payments and money transfers. The company's success is partly attributable to its extensive network of partners and merchants (RemitFinder, 2022). However, approximately 15% of e-commerce transactions in the Philippines still rely on cash—a reflection of persistent preferences, particularly in rural areas where financial literacy remains limited. Reduced reliance on physical cash minimizes robbery risks; many companies offer theft protection to ensure that individuals are not held liable for

unauthorized transactions (Should We Become a Cashless Society?, 2023).

Electronic transaction records support better financial management by allowing users to track spending effectively (Hensley, 2023). Nevertheless, cash retains its relevance. Lepecq (2022) explained that cash's flexibility across various transaction types underscores its enduring appeal. The transition to e-payments brings challenges such as increased vulnerability to fraud and identity theft, as well as loss of privacy due to the lack of anonymity in digital transactions (Should We Become a Cashless Society?, 2023). These barriers are particularly significant for older adults and those unfamiliar with digital platforms. Moreover, the "Access to Cash" study warns that a shift toward cashlessness could disproportionately affect vulnerable populations, including those living in poverty or rural areas (Reid, 2018).

Improving digital literacy is critical as technology becomes ingrained in everyday life. Digital literacy training equips individuals with the skills to navigate a digitally transformed world effectively. The Lcom Team (2023) emphasizes incorporating digital literacy into education to empower individuals both personally and professionally. Companies investing in employee digital literacy training report increased satisfaction engagement efficiency and achievement of objectives (Digital Literacy and Its Importance, 2023).

E-Payment Adoption Challenges in MSMEs

Previous research has identified several challenges that consumers face when adopting electronic payment systems (EPS), particularly regarding price value and attractiveness (Mondego & Gide, 2020). Consumers are more likely to embrace EPS when the costs associated with these systems surpass their perceived benefits. Similarly, small and medium-sized enterprises (SMEs) are inclined to adopt EPS if the integration costs are compensated for by advantages such as increased revenues, lower transaction fees, and reduced risks associated with non-sufficient funds (Lorenzi et al., 2014; Mkansi, 2021). However, MSMEs encounter numerous obstacles that hinder their ability to implement EPS effectively. These challenges include resource shortages, uncertainty regarding technological changes, and a lack of partnerships, networks, and alliances. These barriers significantly impede collaboration among supply chain partners, ultimately affecting the overall performance of SMEs.

The absence of appropriate technologies has also been cited as a critical impediment to collaboration, innovation, and growth within such enterprises. Moreover, MSMEs' reluctance or inability to adapt to new technologies can intensify these challenges. For instance, many MSMEs may not have the necessary infrastructure or digital literacy to fully use EPS. This lack of readiness not only affects companies' operational efficiency but also limits their competitiveness in an increasingly digital marketplace. Addressing these challenges is essential for fostering an environment conducive to the adoption of e-payment solutions by MSMEs.

The potential benefits of adopting e-payment systems are significant for MSMEs; however, various barriers must be addressed to facilitate this transition. By understanding the unique challenges faced by these enterprises and implementing supportive measures, stakeholders can enhance the overall e-payment readiness of MSMEs and contribute to their long-term success in a digital economy.

Conceptual Framework

The conceptual shows the areas of exploration in the study: E-Payment System Readiness of Micro Business Owners

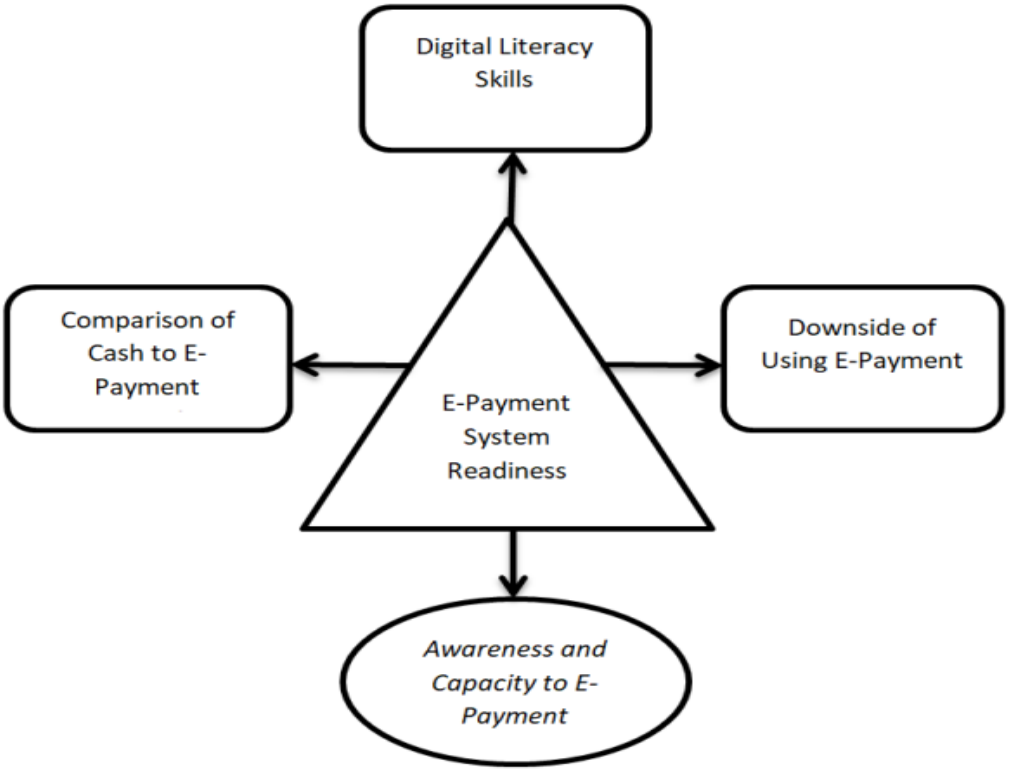

Figure 1. Conceptual Framework

RESEARCH METHOD

Methodology

The researcher used a qualitative method for this study, which aims to describe the essence of a phenomenon by exploring it from the perspectives of those who have experienced it (Teherani et al., 2015). This approach is well-suited to the research objectives because it seeks to gather in-depth insights into the respondents' experiences and perceptions regarding the phenomenon (Groenewald, 2004).

The study will use exploratory-ontological research questions. According to Saldana (2014), ontological research problems capture the realities of respondents, providing a deeper understanding of their lived experiences. To effectively analyze the data, various coding methods are employed, including attribute, emotion, in vivo, narrative, process, value, and thematic coding. These methods facilitate a comprehensive analysis of qualitative data, allowing for richer interpretations of participants' insights and enhancing the overall quality of the research findings. By focusing on these methodologies, this study contributes valuable knowledge to the field and provide actionable insights based on lived experiences.

Data collection will occur over a two-month period, from July to August 2023, allowing for thorough engagement with participants and ensuring that their experiences are accurately captured. By focusing on these methodologies and dedicating adequate time for data gathering, this study aims to contribute valuable knowledge to the field and provide actionable insights on the readiness of microbusiness owners to e-pay systems.

Table 1. Summary of interviewee details

Participants and Positioning	Years of Active Business Experience	Business Sector	Number of Employees	Age	Owners Educational Background
MB1O*	6 years	Retail Industry	7	34	BS Nursing
MB2O*	8 years	Retail Industry	9	35	BSBA-MM
MB3O*	12 years	Wholesale Industry	10	46	BSBA Accounting
MB4O*	10 years	Foods Service	8	47	BSBA-FM
MB5O*	14 years	Retail Industry	10	62	BS Commerce
MB6O*	11 years	Foods Service	7	56	BS Commerce
MB7O*	6 years	Foods Service	6	43	BSCE
MB8O*	7 years	Wholesale Industry	8	48	BS Education
MB9O*	8 years	Foods Service	9	44	BSBA-MM
MB1O*	5 years	Retail Industry	6	43	BSBA-FM

**micro-business owners*

Data Analysis

Qualitative research analysis begins during data collection, through observation and interviews, using notes and Zoom recordings to document original comments and observations (Schutt, 2012). This process includes maintaining contact summaries to track sessions, as recommended by Miles and Huberman (1994).

The researcher organized data through open coding, identifying the key concepts iteratively. This systematic and recursive process, as defined by the Encyclopedia of Case Study Research, enhances reliability and depth. As Schutt (2012) states, "of qualitative research, the fundamental data consist of observations and conversations—the actual words used by participants." This approach ensures that the analysis is grounded in the authentic experiences of the respondents, thus enabling a richer understanding of the phenomenon under study.

Guiding questions will ensure consistency among respondents (Mills et al., 2012). Manual text highlighting in Microsoft Word will facilitate data categorization. Connecting data points will reveal the relationships and influences between concepts, thus enabling a nuanced understanding. Validation involves evaluating alternative explanations, seeking disconfirming evidence, and considering the influence of the researcher on participant responses (Schutt, 2012). Finally, findings will be presented comprehensively, reflecting Altheide and Johnson (1994) emphasis on contextual interpretation, providing insights into e-payment readiness in Region III.

Data Treatment

A popular method was used in analyzing this study, which is known as thematic analysis. This method was specifically used in qualitative data that share a focus on identifying themes (pattern of meaning) in qualitative data (Thematic Analysis, n.d.). In this method, the researcher closely examined the interview transcripts and identified common topics, ideas; patterns of meaning that emerged repeatedly.

In a closer work by Braun and Clarke et al. (2019), they detailed the differences among three main types of thematic analysis (coding reliability, codebook and reflexive) as well as the different conceptualizations such as domain summary versus pattern of shared meaning.

FINDINGS AND DISCUSSION

Table 2. Themes Generated from the Interview Data

Theme 1. **Digital Literacy and Skills**	
	Subtheme 1: User Experience in Digital Technology
	Subtheme 2: Internet Accessibility
Theme 2. **Comparison of Cash to E-Payment Transactions**	
	Subtheme 1: Cash Transaction
	Subtheme 2: E-Payment Transaction
Theme 3. **The Downside of Using E-Payment**	
	Subtheme 1: Technical Glitch
	Subtheme 2: Internet Network Reliability
Theme 4. **Awareness and Capacity to E-Payment**	
	Subtheme 1: Senior Users and E-Payment Challenges
	Subtheme 2: Tech Savviness

Theme 1, Digital Literacy and Skills

In the theme of digital literacy and skills, the findings reveal respondents' strong engagement with digital technology.

Subtheme 1: User Experience in Digital Technology

In the theme of digital literacy and skills, the findings reveal respondents' strong engagement with digital technology. The ten respondents were users of digital technology. Informants 1, 2, 3, 5, 6, 7, 8, 9, and 10 utilized mobile phones as their primary communication devices, while Informant 4 used an iPad and computer. In addition, Informant 8 extends her digital interactions beyond her cellphone to include a computer and laptop. This aligns with the study by Histori (2022), which indicated that social influence and the acquisition of information from peers or societal norms significantly impact an individual's decision to use or refrain from digital payment methods.

Moreover, Informant 9 enhances her digital engagement by possessing a desktop computer and a Piso net for her business activities. This multifaceted approach to digital technology showcases the diverse array of electronic devices incorporated into the daily lives of these informants, reflecting a technologically interconnected lifestyle. Additionally, it could enhance access to quality education, reduce social inequality, and improve well-being by making financial training available to consumers regarding various technology payment methods (Świecka et al., 2021).

Subtheme 2: Internet Accessibility

Six of the ten respondents reported having internet access, whether through Wi-Fi or mobile data. Informant 1 confidently shared that accessing the internet was not a challenge for her because she used a dedicated line or a reliable mobile network provider. Similarly, Informants 5, 6, 7, and 10 mentioned that they rely on mobile data or prepaid loads for various online transactions.

Informant 9 highlighted the vital role of internet access in her business, particularly for her Piso net operations. She emphasized that a continuous internet connection is crucial for her success, expressing concern about potential setbacks that she could face without it. Her insights reflect the importance of reliable internet access not just for convenience, but as a fundamental component of running a successful business in today's digital landscape. Similar to the findings of Kumaga (2010), which identified low internet penetration and poorly developed telecommunications as barriers to

implementing electronic payment systems in Ghana, the respondents also expressed concerns about the reliability of internet access and its impact on their ability to engage with digital payment methods.

Theme2, Comparison of Cash versus E Payment Transactions

The comparison reveals a significant difference in payment preferences among informants. While cash remains a dominant form of transaction for many due to its familiarity and tangible nature, there is an emerging trend toward e-payments driven by convenience and efficiency. This duality suggests that although some individuals embrace digital solutions, others continue to rely on cash for essential financial activities. Understanding these preferences can inform strategies for promoting e-payment adoption while addressing the concerns of those who prefer traditional methods.

Subtheme 1: Cash transactions

Five of the ten respondents indicated that they primarily use cash for their daily transactions, including paying bills and purchasing necessities such as food and groceries. Informants 1, 4, 5, 8, and 9 specifically mentioned that cash was their preferred method of managing their everyday expenses.

Informants 1 and 5 reported using cash for various needs, including food and groceries. Informant 4 expressed a particular preference for spending cash on food items, especially fast food. Informant 8 noted that cash transactions were most commonly used to pay bills, transportation costs, and allowances for their children.

Additionally, Informant 9 confirmed that cash was primarily used for food purchases and meeting the needs of her children. She emphasized a strong preference for cash transactions by stating that, as long as cash is available, she does not favor using cards for payments. This highlights a broader trend among informants, illustrating reliance on cash for essential daily transactions rather than electronic payment methods. Moreover, Naeem et al. (2020) stated that certain challenges arise during transactions involving cash conducted over the internet, which conventional payment methods are unable to resolve. Consequently, experts in the financial field have begun investigating various electronic payment techniques that address concerns regarding digital and electronic payment methods.

Subtheme 2: E-Payment Transaction

Out of the 10 interviewees, three indicated that they rely on electronic payment services for shopping and bill payments. One informant specifically mentioned using GCash to purchase prepaid loads. The responses from Informants 3, 7, and 9 highlighted the various e-payment transactions they engaged in, emphasizing the growing acceptance of digital payment methods.

Informant 3 stated that she frequently used e-payment options, including debit and credit cards, for her shopping needs. She noted that when making purchases at shops, she often opts for GCash because it is convenient, especially when she should make a change. This reflects the trend toward using electronic payments as a practical solution for everyday transactions.

Informant 7 primarily uses e-payment services to pay utility bills, such as water and electricity, highlighting how digital payments can streamline essential financial responsibilities. In contrast, Informant 9 does not use e-payment for regular personal transactions; instead, she reserves it for emergencies such as reloading her SIM card. She preferred using GCash to visiting a convenience store, highlighting the utility of electronic payments in urgent situations.

Overall, these insights illustrate a significant shift toward e-payment transactions among several informants driven by the convenience and practicality of managing financial activities. According to Yakean (2020), electronic payments have contributed to the development of a cashless society. This study further explains that a cashless society can be established if the community adopts the latest payment methods (Abdullah et al., 2020).

Theme 3, The downside of using E Payment

The subthemes illustrate the multifaceted downsides of using e-payment systems. Technical glitches can disrupt transactions and diminish user confidence, and unreliable Internet connectivity can create barriers to consistently accessing such services. These issues should be addressed to enhance the overall user experience and promote wider adoption of e-payment solutions.

Subtheme 1: Technical Glitch

Six of ten informants reported encountering technical glitches while using e-payment services, highlighting significant challenges in the digital transaction landscape. Informant 2 emphasized that both system errors and human errors are common and can have harmful effects on both senders and recipients. This underscores how technology glitches and oversights can disrupt the entire e-payment process.

One prominent issue is the potential for increased fraudulent activities and identity theft, as noted by Dangers of a Cashless Society You Need to Consider (2023). Addressing these glitches is crucial for improving user confidence and ensuring smoother e-payment experiences.

Informants 1 and 3 shared personal experiences with technical issues related to GCash during their expense payments. Informant 3 specifically faced a frustrating situation where the transferred payment did not appear in the recipient's account, illustrating the real challenges users encounter even with established e-payment platforms.

Informant 7 highlighted a different aspect of technical problems, noting issues with intermittent connectivity that hindered her ability to complete transactions smoothly. Additionally, Informant 8 recounted her struggles with the 7-Eleven CliQQ Kiosk, which frequently goes offline, creating barriers to money transfer. These recurring technical glitches not only frustrate users but also impede their financial activities. Finally, Informant 10 experienced a transaction error that further highlighted the prevalence of technical problems in e-payment systems.

Collectively, these individual experiences create a picture of a complex landscape where technical and operational challenges significantly impact user interactions with digital financial transactions. Addressing these glitches is crucial for improving user confidence and ensuring smoother e-payment experiences. Furthermore, loss of privacy is another downside, as cash transactions allow anonymous purchases, which are increasingly difficult in digital payment environments (Should We Become a Cashless Society?, 2023).

Subtheme 2: Internet network reliability

Among the ten respondents, six expressed concerned about the reliability of their internet connectivity. Informants 1, 5, 6, 7, 9, and 10 confirmed that they had Internet access on their devices. They stated that they utilize both Wi-Fi and LAN connections, while others rely solely on mobile data.

Informants 5 and 10 emphasized that their internet connectivity was stable due to technology, confirming that they had Wi-Fi at home, which eliminated the need for prepaid loads. This highlights the importance of reliable Internet infrastructure for facilitating seamless online interactions.

Conversely, Informants 6, 7, and 9 explained their dependence on mobile data for internet access, often acquiring loads from local sari-sari shops. Informant 9 specifically noted that her reliance on data was due to infrequent outings, which underscored the variability in access based on lifestyle.

In contrast, Informant 1 did not install Wi-Fi and instead preferred a direct line connection that accommodates SIM cards for loading. She finds using a post-paid line to be a hassle-free option, demonstrating her personal strategy for ensuring reliable internet access. These insights collectively emphasize the critical role of internet network reliability in the daily lives of informants. A stable connection is essential not only for effective communication and transactions, but also for the overall convenience of managing daily activities.

Similar to Kumaga (2010), one of the identified barriers to implementing electronic payment systems in Ghana is the low level of internet penetration and poorly developed telecommunications, which disrupt the smooth development and improvement of e-payment services. Poor internet connectivity, distrust of digital payments, and a lack of relevant skills further complicate these issues. These challenges should be addressed to enhance user confidence and promote wider adoption of e-payment solutions.

Theme 4, Awareness and Capacity to E-Payment

The transition to a cashless society in the Philippines raises important questions regarding the interest and capacity of various demographics, particularly senior citizens, to engage with e-payment systems. Subtheme 1 highlights the challenges faced by older users, with four of ten informants expressing concerns about the country's readiness for digital payments. Informants noted that many seniors lack technological literacy, which hinders their ability to adopt e-payment methods. This sentiment was echoed by multiple informants who emphasized that older generations often prefer physical money because of a lack of confidence and comfort with digital transactions.

Subtheme 2 explores the issue of technology savviness among users of different age groups. While all 10 informants have their own technology, some, like Informant 5 (62) and Informant 10 (43), primarily use their devices for basic functions, such as messaging and social media. This limited engagement suggests a significant knowledge gap that could impede the broader adoption of e-payment solutions. Addressing these challenges through targeted educational initiatives is crucial for fostering greater technology savviness among older adults, ensuring that all demographics can effectively participate in the evolving financial landscape. The primary drawback of cashless payments is the ongoing digital divide, which indicates that not everyone has access to the internet and mobile devices or the ability to participate in digital transactions (Taskinsoy, 2020).

Subtheme 1: Senior Users and E-Payment Challenges

Four out of ten informants expressed concerns that the Philippines is not ready for a cashless society, primarily citing issues related to older adults. Informants 2 and 3 echoed this sentiment, highlighting that one significant disadvantage of transitioning to e-payment systems is the lack of technological literacy among the older adults. Informant 3 specifically noted that the country cannot fully embrace digital payment methods because many older individuals, like her grandmother, are unfamiliar with technology.

Similarly, Informants 4 and 6 voiced their disagreement with the notion of the Philippines becoming a cashless society, emphasizing that a substantial portion of Filipinos, particularly the older generation, still prefer using physical money.

Informant 4 elaborated on this po, by stating that older people often lack confidence and comfort when using e-payment services. Their concerns are compounded by security issues and a general mistrust of digital payment systems.

These insights underscore the challenges faced by senior citizens in adapting to e-payment technologies, highlighting the need for more inclusive strategies that consider their unique needs and preferences in the digital landscape (Karim et al., 2020). Although younger and older adults generally have a positive attitude toward technology, their acceptance of e-payment and digital payment methods remains hesitant.

Subtheme 2: Tech Savviness

All 10 informants possess their own technology, yet it was revealed that Informants 10 and 5 primarily use their mobile phones for basic functions like messaging and scrolling through social media. Informant 10, who is aged 43, and Informant 5, who is 62, demonstrate a notable lack of technology savviness regarding using the more advanced features of their devices. Their statements

indicate that they are not fully leveraging the capabilities of technology, particularly mobile phone use, which suggests a significant knowledge gap in technology usage among certain age groups.

This gap in technology savviness could have implications for the country's transition to a cashless society. As digital payment systems become increasingly prevalent, the ability to navigate such platforms is essential for widespread adoption. If individuals in these age groups are primarily using their devices for limited purposes, they may struggle to effectively engage with e-payment services.

Moreover, the reluctance or inability to adapt to new technologies can hinder progress toward a cashless economy because older generations may feel excluded from digital financial transactions. This highlights the need for targeted educational initiatives aimed at improving the technology savviness of older adults. By fostering greater understanding and comfort with technology, the country can better prepare all demographics for a future that increasingly relies on digital payment solutions. Addressing these knowledge gaps will ensure that everyone can participate and benefit from the evolving financial landscape. While technology advertisements primarily target younger audiences, they often overlook the rapidly growing segment of older adults. This societal discourse not only caters to tech-savvy youth but also reinforces the perception that information and communication technologies (ICTs) are not senior-friendly, negatively impacting older adults' access to and adoption of digital payment methods (Schreurs et al., 2017).

The Social Impact of Micro Business Entrepreneurs

The findings of this study on e-payment system readiness among microbusiness owners in Region III, Philippines, hold significant social implications for other entrepreneurs in the region. By highlighting the current landscape of digital literacy and the challenges faced in adopting e-payment systems, this research underscores the importance of equipping micro businesses with the necessary skills and resources to thrive in a digital economy.

The social impact of adopting e-payment systems among Micro, Small, and Medium Enterprises (MSMEs) can be positive or negative. On the positive side, embracing digital payments can enhance operational efficiency, reduce transaction times, and improve cash flow management for MSMEs. This shift can lead to increased customer satisfaction as consumers increasingly prefer the convenience of digital transactions. Moreover, by adopting e-payments, MSMEs can expand their market reach, tapping into a broader customer base that favors cashless transactions.

However, MSMEs may struggle to effectively adopt these technologies. As many respondents expressed a preference for cash transactions despite recognizing the convenience of e-payments, a failure to transition could leave these businesses at a competitive disadvantage. Challenges such as unreliable internet connections and technical glitches may also exacerbate existing inequalities, particularly for those who lack access to digital literacy training or necessary infrastructure.

Therefore, while the adoption of e-payment systems presents opportunities for growth and efficiency, it also necessitates targeted interventions to address the barriers faced by microentrepreneurs. By fostering a culture of digital engagement and providing support tailored to their needs, this study encourages a shift toward more efficient payment methods that can ultimately enhance business operations. The insights gained from this research can serve as a foundation for initiatives aimed at promoting financial inclusion, empowering microbusinesses to leverage technology effectively, and contributing to the overall economic growth of the region.

CONCLUSION

This study sheds light on the intersection of digital literacy, internet accessibility, and e-payment usage among a group of respondents. The findings reveal that all respondents are engaged with digital technology, with mobile phones being the primary device used for communication and online transactions. A few informants also use computers and tablets, further enhancing their digital interactions. Although Internet access is not uniform across the sample, most respondents have

regular access through Wi-Fi or mobile data, which enables their digital activities. This demonstrates that digital literacy and internet connectivity are crucial in facilitating online engagement.

One key finding of this study is the persistent reliance on cash for daily transactions, despite the availability of e-payment solutions. Five of 10 respondents still prefer using cash to manage essential expenses such as food, groceries, and bills. This highlights a significant cultural attachment to cash, driven by its familiarity and tangible nature. On the other hand, three informants have begun to incorporate e-payment methods into their financial routines, driven by the convenience and efficiency offered by digital payments. However, the study illustrates a nuanced reality in which cash and e-payments coexist, each serving different needs and preferences.

Despite the advantages of e-payments, several downsides have emerged, notably technical glitches and unreliable internet connectivity. Six informants experienced technical problems while using e-payment platforms, such as system errors, human errors, and intermittent connectivity. These issues erode user confidence in digital transactions, underscoring the need for more robust and reliable digital infrastructure. Furthermore, the respondents identified internet network reliability as a key factor in successful e-payment transactions, emphasizing the importance of stable connections for seamless financial activities.

Another critical finding relates to the challenges faced by older users and less tech-savvy individuals in adapting to e-payment systems. Four informants expressed concerns about the Philippines' transition to a cashless society, particularly highlighting the difficulties senior citizens face in navigating digital platforms. This group often lacks the technological literacy required to confidently use e-payment systems, preferring physical cash because of its familiarity. The gap in technology savviness among older adults is further compounded by limited exposure to more advanced digital tools, as some respondents, particularly those aged 43 and 62, primarily use their devices for basic functions like messaging and social media.

While digital literacy and internet accessibility are widespread among informants, significant barriers remain to the full adoption of e-payment systems. The preference for cash, technical glitches, and limited tech savviness, particularly among older adults, represent key challenges in the Philippines' journey toward a cashless society. To address these issues, targeted educational initiatives should be developed to improve digital literacy and foster greater confidence in using e-payment platforms. Ensuring reliable internet access and addressing technical glitches are also crucial steps to encourage wider e-payment adoption. By taking these measures, the country can better prepare its population for a future that increasingly relies on digital financial solutions.

LIMITATION & FURTHER RESEARCH

This study has several limitations that future research should address to gain a more comprehensive understanding of the dynamics of digital literacy and e-payment adoption. One limitation of this study is its geographical scope, as the current research focuses on a limited area, which may not represent experiences in more rural regions where digital infrastructure is less developed. Additionally, the technological focus is centered on commonly used devices and platforms, such as mobile phones and GCash, which may not capture the full range of evolving financial technologies, including cryptocurrencies and advanced payment systems. Moreover, the study's demographic representation does not fully include vulnerable or underserved populations, such as individuals in extreme poverty or those with disabilities, which limits the ability to generalize the findings to those who face significant barriers to digital access.

To promote digital literacy, governments and the private sector should collaborate to offer educational programs aimed at increasing digital skills, particularly among older adults and underserved populations. Workshops and tutorials can help bridge the technology gap and enhance the comfort associated with e-payment systems. In addition, improving the internet infrastructure is

crucial; the government and telecommunication companies must prioritize expanding access in rural areas to facilitate the broader use of digital payments.

Developing targeted e-payment solutions for older adults is also essential. Digital payment platforms should create user-friendly interfaces with simplified features, along with outreach programs tailored to this demographic. Strengthening consumer protection policies will address technical glitches and fraud in e-payment systems and ensure clear user support channels.

Incentives, such as discounts or rewards, for using e-payment methods can encourage hesitant users to transition from cash. E-payment service providers should regularly update their platforms to minimize errors and enhance user experience, ultimately building trust and encouraging more frequent use of digital payments.

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