

Synthesis of Systematic Review Evidence on Socio-Cultural Factors Influencing the Adoption of Digital Payment Systems among Informal Sector Workers

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ABSTRACT

Introduction: Digital payment systems such as mobile wallets, internet banking, and contactless technologies are rapidly transforming financial ecosystems, especially in contexts where formal banking access is limited. These technologies offer speed, security, and convenience while supporting financial inclusion for marginalized groups, particularly in the informal sector. However, their successful uptake is intricately linked to socio-cultural realities, which shape perceptions, behaviors, and willingness to adopt such technologies.

Objectives: This study aims to systematically synthesize existing literature to identify key socio-cultural factors influencing the adoption of digital payment systems among informal sector workers. It investigates how community norms, trust and privacy concerns, economic behaviors, and digital literacy shape the digital financial inclusion process in underbanked populations.

Methods: A systematic review was conducted using Scopus (Q1/Q2) and Google Scholar databases, focusing on studies published in English from 2014 to 2024. Keywords related to digital payment systems, socio-cultural factors, informal sector, and financial inclusion were used. From an initial pool of articles, 42 studies were selected based on rigorous inclusion criteria. These studies employed diverse methodological approaches and were analyzed thematically to derive macro-patterns influencing digital payment adoption.

Results: Four dominant socio-cultural themes emerged: (1) community practices and belief systems significantly influence acceptance or resistance to digital payments; (2) trust in financial systems and data privacy concerns are key mediators of adoption behavior; (3) economic stability plays a central role in enabling or hindering digital financial engagement; and (4) digital literacy and access to contextual education determine usability and sustainability. These findings, spanning across South Asia, Africa, and other developing regions, highlight that adoption is not solely driven by technological availability but by a confluence of socio-economic and cultural realities.

Conclusions: Addressing digital exclusion in informal sectors requires a multidimensional approach that integrates community-driven advocacy, robust trust-building mechanisms, economic empowerment, and customized digital literacy programs. These insights are vital for policymakers, practitioners, and researchers designing inclusive digital financial systems. Future research should examine regulatory environments, infrastructure gaps, and longitudinal behavioral responses post-adoption to provide a more holistic understanding of digital financial inclusion.

Keywords: Digital payment systems, Socio-cultural factors, Financial inclusion, informal sector workers, Economic stability, Digital literacy.

INTRODUCTION

Digital payment systems have reformed the financial world with an approach to deal with transactions which defeats the constraints of banking as a rule. Examples of which, are mobile wallets, internet banking, or conducting

contactless payments, each of which has its own sets of benefits such as convenience, speed, and secure transactions. The introduction of digital payment platforms like Unified Payment Interface (UPI) and mobile payment apps has provided easier digital money transfer and augment the financial inclusion, notably in underdeveloped banking infrastructure areas (Singh et al., 2020; Rastogi et al., 2021). These systems bridge the gap between the banked and unbanked populations, fostering economic development and financial inclusion, among the benefits which are made possible by technology (Ozili, 2020). Digital payment systems are widely touted as a means to expanding financial inclusion - and have become a highly politicized issue worldwide (Arner et al., 2020; Muthiora, 2015). The geographical distribution of the studies is described in Figure 1 suggesting a wide representation including noteworthy studies from India and other developing nations (Arner et al., 2020; Sandhu et al., 2023; Zimunhu, 2023; Kelikume, 2021; Munjeyi et al., 2017).

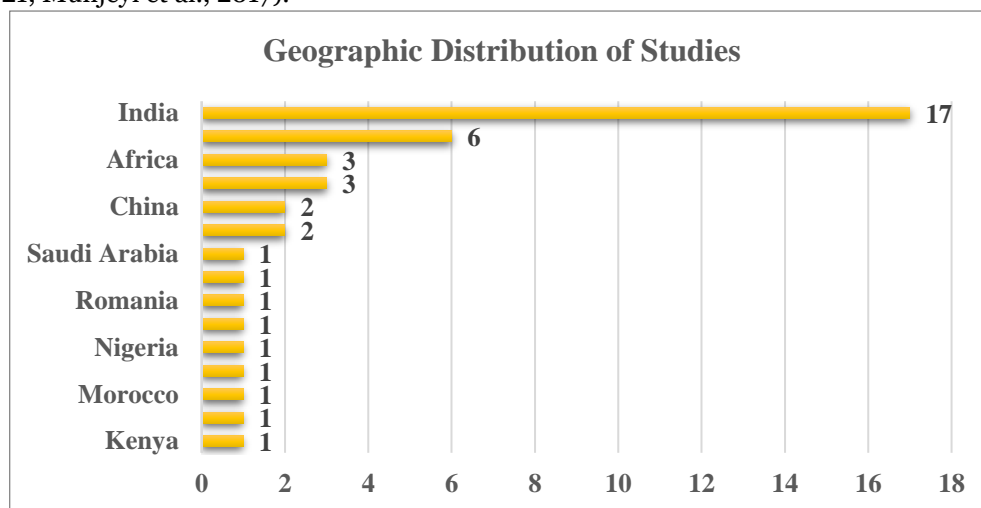


Figure 1: Geographic Distribution of Studies. This figure shows the distribution of the reviewed studies across different geographical regions. (Source: Author's creation)

In the group of developing economies, the informal sector-economic activities that are unregulated and unregistered- has been very important (Munjeyi et al., 2017; Kelikume, 2021). This sector in spite of being a major contributor is largely excluded from mainstream formal banking services related to financial inclusion (Ozili, 2020; Goswami et al., 2022). Indeed, it is crucial to understand the socio-cultural factors which play a role in technology adoption in this sector (Aloulou et al., 2024; Rhanoui, 2023). Factors such as community practices, trust, literacy levels, and economic behaviors, derived from socio-culture can be either a facilitator or barrier to the level of adoption of digital payment systems (Sharma et al., 2024; Aloulou et al., 2024). Policy and practice aiming to drive DFI and the formalizing economic participation of the informal sector worker consequently must consider working to address these factors (Goswami et al., 2022; Kelikume, 2021).

This paper presents a review of the socio-cultural determinants of the informal sector workers in adopting in the paperless platform by synthesizing the literature (Abouraia & Al Morsey, 2020; Rahadjeng et al., 2023). By synthesising relevant literature, this study aims to highlight the important socio-cultural factors that shape the adoption of digital payment technologies amongst this subgroup and to critically review the theoretical underpinning of existing research on the topic (Kadaba et al., 2023; Rhanoui, 2023). An understanding of these may turn into targeted interventions to facilitate the uptake of digital financial services more widely, in order to support financial inclusion and economic empowerment of informal sector workers (Ozili, 2020; Meher et al., 2021; Chawla et al., 2023; Siddharth & Kumar, 2023)

OBJECTIVES

This study aims to investigate the socio-cultural determinants that influence the adoption of digital payment systems among informal sector workers. Specifically, it seeks to:

1. Identify and synthesize key themes in existing literature related to cultural, social, economic, and behavioral drivers of digital payment adoption;

2. Evaluate how community norms and collective decision-making impact financial technology uptake;
3. Explore the role of trust, privacy, and perceived security in shaping user adoption behavior;
4. Examine the effect of economic stability and financial behavior on informal workers' engagement with digital platforms; and
5. Assess the influence of digital literacy and education programs on user readiness and adaptability.

These objectives aim to bridge gaps in understanding and provide actionable insights for inclusive digital financial system development.

METHODS

The Scopus (Q1 and Q2 journals) and Google Scholar databases were used for carrying out an extensive search for the identification of the systematic reviews on the socio-cultural factors affecting the adoption of the digital payment systems by the informal sector workers (Ozili, 2020; Abdulai et al., 2024). Relevant search terms used for the search strategy include 'digital payment systems', 'socio-cultural factors', 'technology adoption', 'informal sector', 'financial inclusion', and 'mobile payment'. Search terms were then narrowed and broadened as necessary using Boolean operators (AND, OR to ensure wide search strategies) (Sandhu et al., 2023; Zimunhu, 2023; Vlasov et al., 2024). Further relevant studies were also retrieved by reviewing reference lists of selected articles. The focus of the search was on English language studies of recent data (published within the last 10 years), to identify relevant and contemporary research (Singh et al., 2020; Rastogi et al., 2021; Patel & Satapathy, 2023; Tidjani & Madouri, 2024).

Of the studies reviewed, the majority were conducted using a variety of methods, highlighting the range of techniques used in this research (Figure 2). It is this diversity that will, therefore, enable a comprehensive investigation of the determinants of digital payment system adoption (Asif et al., 2023; Gupta & Verma, 2022; Arner et al., 2020; Hârbu & Hârbu, 2023).

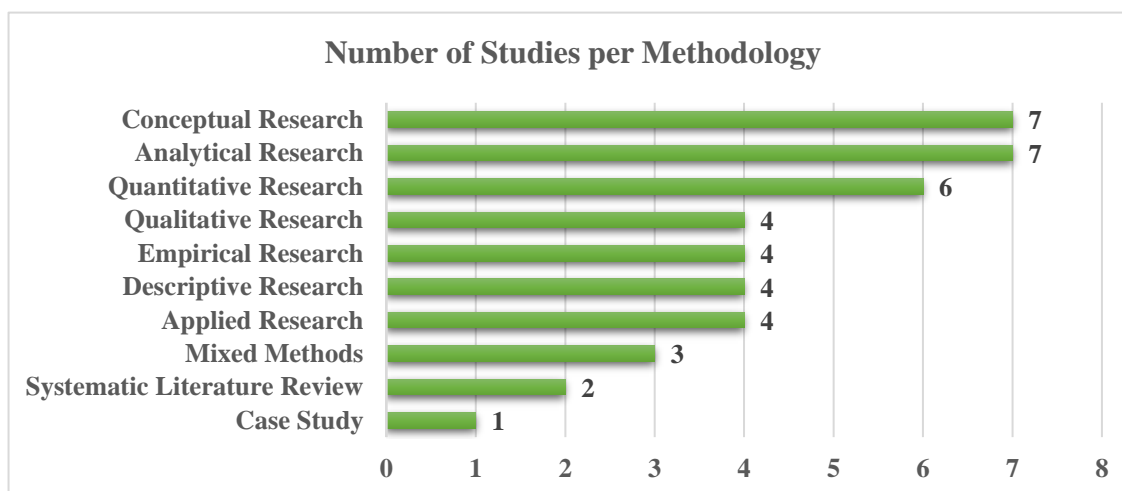


Figure 2: Distribution of Studies as per Methodology. This figure shows the diversity of research methodologies used in the reviewed studies. (Source: Author's creation).

Inclusion Criteria

Inclusion criteria were applied to improve the quality and relevance of the studies included in the synthesis:

1. **Relevance:** The research topic will be related to digital payment systems and their adoption in the informal sector which will be influenced by socio-cultural factors.
2. **Scope:** Studies examining the intersection between socio-cultural factors and technology adoption in financial-inclusion domain.
3. **Publication Type:** Peer reviewed journals, systematic reviews and meta-analyses.

4. **Language:** Published papers only in English.
5. **Time Frame:** Studies were included from 2014 to 2024 to provide the most up-to-date and very contemporaneous data.

Data Extraction and Analysis

Data were systematically extracted from selected studies to collect all pertinent information (Dixit & Sharma, 2024; Rhanoui, 2023; Sriyono et al., 2023; Setiawan et al., 2021). The extracted data included:

1. **Author(s) and Year of Publication:** For accurate referencing and citation.
2. **Title of the Study:** To identify the focus and context of the study.
3. **Focus Area:** The socio-cultural factors being examined.
4. **Methods:** To understand the research design and methodologies used.
5. **Key Findings:** To summarize the main results and conclusions of the study.
6. **Economic Outcomes:** To measure effect on financial inclusion and economic development (Singh et al., 2020; Dixit & Sharma, 2024; Rhanoui, 2023; Patel & Satapathy, 2023; Demir et al., 2022).

A detailed strategy was implemented to synthesize the extract data (Asif et al., 2023; Patel & Satapathy, 2023; David-West, 2016). In the first stage we familiarized ourselves with the content of the selected reviews by reading and re-reading the papers closely (Chawla et al., 2023; Rahadjeng et al., 2023; Kadaba et al., 2023). This began with a preliminary synthesis or meta-data analysis that categorised review characteristics including search processes, quality assessment strategies and reported outcomes (Patel & Satapathy, 2023; Lu et al., 2022). A secondary synthesis was carried out contrasting the research designs and the methods applied during the reviews to evaluate the quality of those domains (Sandhu et al., 2023; Arner et al., 2020; Tidjani & Madouri, 2024). A final synthesis was then conducted combining the results of the previous studies in order to outline the main synthesized themes (Meher et al., 2021; Mondal, 2022; Sriyono et al., 2023; Munjeyi et al., 2017). The synthesis of the studies reviewed revealed four macro-themes: community practices and beliefs, trust and privacy concerns, economic stability and behaviors, and digital literacy and education (Figure 3) (Khan & Shahid, 2024; Rhanoui, 2023; Khera et al., 2022). There was detailed discussion of the themes to offer a holistic view of the socio-cultural factors affecting digital payment adoption amidst informal sector workers (Siddharth & Kumar, 2023; Goswami et al., 2022; Gupta & Verma, 2022; Zimunhu, 2023).

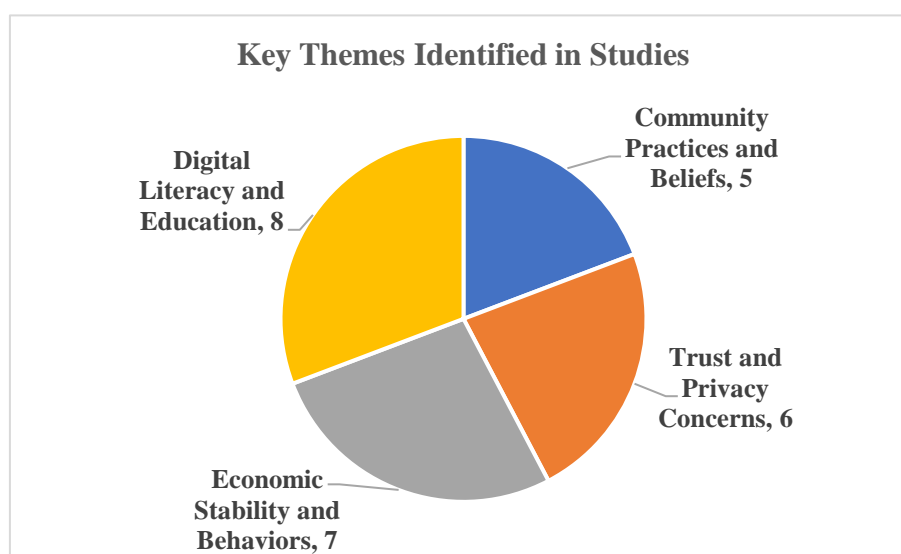


Figure 3: Key Themes Identified in Studies. This pie chart categorizes the main themes identified from the systematic review. (Source: Author's creation)

The year wise distribution of the studies is shown in figure 4. In the figure the trend over the years shows a growth of interest in this research area.

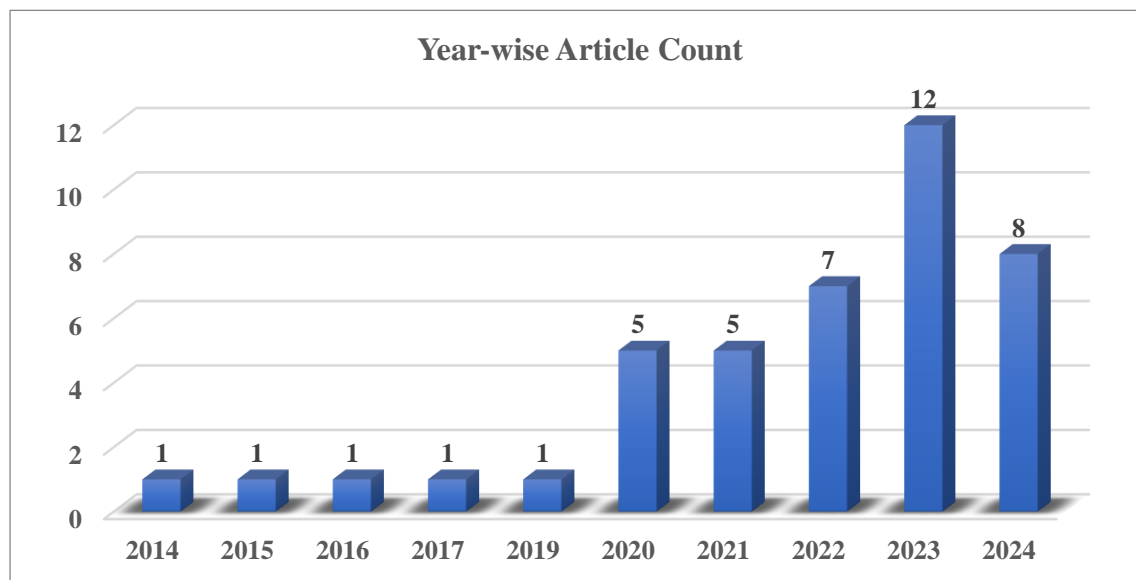


Figure 4: Year-wise Article Count. This figure shows the number of studies published each year, showing the increasing trend of research interest in digital payment systems and financial inclusion. (Source: Author's creation)

RESULTS

Description of Included Reviews

The inclusion criteria for the systematic review required papers to report at least one end-of-life prescription indicator. 42 studies met the criteria for inclusion (Table 1). The studies were conducted across a range of geographies including South Asia, Southeast Asia and Sub-Saharan Africa, where informal sectors are prevalent. Key findings reveal multiple socio-cultural influencers that drive the ultimate adaptation towards digital payment systems among the informal sector workers. Studies covered everything from community norms and beliefs to trust and privacy concerns to economic behaviors, and the stability and digital literacy.

Table 1: Overview of Methods and Inclusion Criteria of the Reviews

SL No.	Authors (Year)	Geographic Focus	Methods	Inclusion Criteria	Key Findings
1	Singh et al. (2020)	India	Quantitative Research	Studies on FinTech adoption	Multi-method evaluation using adapted technology acceptance model.
2	Rastogi et al. (2021)	India	Qualitative Research	Studies on digital financial inclusion	Unified Payment Interface (UPI) impacts financial inclusion and economic development.
3	Ozili (2020)	Global	Conceptual Research	Theories of financial inclusion	Broad understanding of financial inclusion theories.
4	Meher et al. (2021)	India	Quantitative Research	Studies on digital banking impact on MSMEs	Digital banking boosts MSME growth.

5	Dixit & Sharma (2024)	India	Descriptive Research	Studies on digital payment methods	Positive impact on financial inclusion.
6	Chawla et al. (2023)	India	Quantitative Research	Studies on FinTech adoption	Perceived trust mediates adoption among digital natives.
7	Rahadjeng et al. (2023)	Indonesia	Applied Research	Studies on financial literacy and FinTech	Enhances SME business performance.
8	Abouraia & Al Morsey (2020)	Egypt	Analytical Research	FinTech and economic development	Data-driven approach to impact assessment.
9	Jain & Chowdhary (2021)	India	Quantitative Research	Studies on digital payment systems	COVID-19 impacts adoption and privacy concerns.
10	Asif et al. (2023)	India	Mixed Methods	FinTech and financial services	Regulatory frameworks crucial for adoption.
11	Mondal (2022)	India	Analytical Research	Impact of payment bank	India Post Payment Bank boosts financial inclusion.
12	Khan & Shahid (2024)	India	Conceptual Research	Gender and social inclusion	Impact of mobile payment systems on micro-entrepreneurs.
13	Siddharth & Kumar (2023)	India	Conceptual Research	Sustainable financial inclusion	Theoretical approach to FinTech impact.
14	Goswami et al. (2022)	India	Mixed Methods	Financial technology	Impact on rural financial inclusion.
15	Kadaba et al. (2023)	India	Qualitative Research	Digital financial inclusion	Impact on self-help groups for sustainable development.
16	Gupta & Verma (2022)	India	Descriptive Research	FinTech and financial inclusion	COVID-19 pandemic impact on FinTech.
17	Sandhu et al. (2023)	India	Conceptual Research	FinTech innovation	Enhances financial inclusion in India.
18	Aloulou et al. (2024)	Tunisia	Empirical Research	FinTech and digital financial inclusion	Community endorsement increases adoption.
19	Arner et al. (2020)	Global	Conceptual Research	FinTech and sustainable development	Significant impact on financial inclusion.
20	Rhanoui (2023)	Morocco	Analytical Research	FinTech adoption	Community practices crucial for adoption.
21	Bähre et al. (2020)	Germany	Qualitative Research	Digital financial inclusion	Socio-cultural factors facilitate inclusion.
22	Patel & Satapathy (2023)	India	Applied Research	Digital banking services	Security and trust predict digital service adoption.

23	Sriyono et al. (2023)	Indonesia	Empirical Research	FinTech and financial inclusion	Evaluates impact of digital payment services.
24	Hasan et al. (2024)	India	Quantitative Research	Digital payments	Behavioral intention among Indian youngsters.
25	Alkadi & Abed (2023)	Global	Systematic Literature Review	FinTech app payment services	Consumer acceptance and future research agenda.
26	Khera et al. (2022)	Global	Analytical Research	Digital financial inclusion	Measuring digital financial inclusion index.
27	Setiawan et al. (2021)	Indonesia	Applied Research	FinTech adoption	User innovativeness improves adoption.
28	Tidjani & Madouri (2024)	Africa	Conceptual Research	FinTech and sustainable development	Impact on financial inclusion in Africa.
29	Lu et al. (2022)	China	Empirical Research	Digital financial inclusion	Impact on SME financing constraints.
30	David-West (2016)	Nigeria	Case Study	Digital financial inclusion	Experience of Firstmonie.
31	Gautam et al. (2022)	India	Analytical Research	FinTech and digital literacy	Impact on digital literacy using poverty as a variable.
32	Abdulai et al. (2024)	Ghana	Analytical Research	Digital payment platforms	Impact on trade credit activities among informal firms.
33	Demir et al. (2022)	Global	Quantitative Research	FinTech and income inequality	Impact on financial inclusion and income inequality.
34	Hârbu & Hîrbu (2023)	Romania	Conceptual Research	FinTech and financial inclusion	Impact on economic development.
35	Munjeyi et al. (2017)	Zimbabwe	Qualitative Research	Cashless economy	Impact on tax revenue from informal sector.
36	Kelikume (2021)	Africa	Applied Research	Digital financial inclusion	Impact on informal economy and poverty reduction.
37	Zimunhu (2023)	Zimbabwe	Mixed Methods	FinTech solutions	Impact on financial inclusion in Zimbabwe.
38	Muthiora (2015)	Kenya	Descriptive Research	Mobile money	Enabling policies for digital financial revolution.
39	Boateng & Sarpong (2019)	Africa	Systematic Literature Review	Mobile payments	Comprehensive review of mobile payments.
40	Alsaif (2014)	Saudi Arabia	Descriptive Research	E-government adoption	Socio-cultural factors affecting adoption.
41	Mensah & Khan (2024)	China	Empirical Research	Mobile banking services	Factors influencing adoption.
42	Vlasov et al. (2024)	Global	Analytical Research	Digital economy	Socio-cultural factors and components of the digital economy.

(Source: Author's creation)

Synthesis of Key Themes

Theme 1: Community Practices and Beliefs

Digital payment systems adoption among the informal sector workers is shown to have a significant role of community norms and collective behaviours (Rhanoui, 2023; Munjeyi et al., 2017). The use of technology is influenced by the contextual background and is also dictated by the influence of local community leaders and peers within a given locality (Siddharth & Kumar, 2023; Goswami et al., 2022). Significant studies have shown that if the community leaders encourage digital payments in to their community, the probability from the workers side to adopt digital payment gets higher (Gupta & Verma, 2022; Arner et al., 2020). On the other hand, important figures in a community that can limit the ability to adopt (Rhanoui, 2023; Sriyono et al., 2023).

Evidence from Included Studies:

The evidence from the included studies also suggests that community dynamics play a key role in the uptake of digital payment systems. In another study, it was demonstrated that in rural Tunisia, FinTech-solution uptake is boosted dramatically by community endorsement. In Morocco, similarly, a key finding was the use of collective decision-making processes for societal acceptance of digital payments (Rhanoui, 2023). Community practices in India, affecting the adoption of digital payment systems (Singh et al., 2020). Moreover, in the context in Indonesia, group behaviors and social trust are important for embracing digital payment platforms (Rahadjeng et al., 2023). Last but not the least, Community norm prevails to be an important determinant of digital payment adoption in rural India (Goswami et al., 2022).

Theme 2: Trust and Privacy Concerns

Trust in digital systems and privacy concerns are the most significant factors affecting the adoption of digital payment systems (Rastogi et al., 2021; Abouraia & Morsey, 2020). The credibility of the technology itself and the availability of capable service providers and sound regulatory framework help to enhance users trust and adoption of technology, while privacy exhaustions may distract wallet users from digital payments (Singh et al., 2020; Chawla et al., 2023).

Evidence from Included Studies:

The importance of the perception of security and trust in fostering a culture of digital financial services adoption emerges from the evidence presented in the included studies. In India, perceived security or trust are major determinants of digital financial service adoption (Patel & Satapathy, 2023). This trust is essential for FinTech services to be implemented, with privacy concerns proving to be a significant obstacle to adoption (Chawla et al., 2023). During COVID-19 pandemic the privacy has become a central issue in the pursuit of digital payments in India (Rastogi et al., 2021; Jain & Chowdhary, 2021). Likewise, trust issues are a big factor in the switch to digital financial systems in Egypt (Abouraia & Al Morsey, 2020). Trust and perceived security are written as two vital determinants in Indian youths which have the sufficient consequences to trigger digital payments behavior intention (Hasan et al., 2024).

Theme 3: Economic Stability and Behaviors

Economic stability and financial behaviors is another factor that impacts on the present digital payment system (Meher et al., 2021; Rahadjeng et al., 2023). Workers in the informal sector with economic stability tend to be digital payment adopters and users (Jain & Chowdhary, 2021; Asif et al., 2023). People with variable incomes may be hesitant to move away from a cash-based system because of risks associated with this (Dixit & Sharma, 2024; Demir et al., 2022).

Evidence from Included Studies:

The available evidence from our included studies suggests that economic stability and financial behavior determine the extent to which people adopt digital banking services and payment platforms (Abdulai et al., 2024; Hârbu & Hîrbu, 2023; Munjeyi et al., 2017). The situation is similar in India, where the MSME adoption of digital banking services depends on the extent of their economic stability and their financial behaviors (Meher et al., 2021), as well as the alignment with the digital financial inclusion strategies to bridge the rural-urban divide (Goswami et al., 2022). Analysis of the Ghanaian case revealed how economic behaviour and stability intertwine with the probability of

adopting digital payment systems (Abdulai et al., 2024). Economic stability is necessary in Morocco to ensure that the demand for FinTech solutions be optimum with both income and wealth growth (Rhanoui, 2023). Economic stability influences the propensity to embrace digital financial inclusion across Africa (Kelikume, 2021), while in Zimbabwe, economic behaviors and stability were found as cardinal aspects for acceptance of cashless economy (Munjeyi et al., 2017). Economic stability and financial tendencies also play an important role in the adoption of digital payment systems in India (Jain & Chowdhary, 2021).

Theme 4: Digital Literacy and Education

Literacy in digital terms and education have important functions to perform in enabling or stifling the implementation of digital payment systems (Kadaba et al., 2023; Lu et al., 2022). Thus, digital-literacy levels and the introduction of targeted educational programs can improve the adoption rates among informal sector workers (Khan & Shahid, 2024; Patel & Satapathy, 2023).

Evidence from Included Studies:

Evidence from included studies highlight the importance of adequate digital literacy and education in enabling participation in the adoption of digital payment systems. Programs to increase digital literacy have increased both the adoption rate and the number of transactions with digital payment, particularly in the informal sector (Goswami et al., 2022). Digital literacy programs also play a large role in empowering Indonesia SMEs and SME FinTech adoption (Sriyono et al., 2023). Financial and economic inclusion in India and globally also significantly depend on digital financial services and literacy, which are core factors of digital literacy (Ozili, 2020; Gupta & Verma, 2022). Digital education and literacy programs will be essential in Nigeria, a nation with 18 percent adult literacy, very low computer penetration and inactive informal credit systems, in order for any significant digital payments to be adopted (Gautam et al., 2022), as specific digital payment education programs could increase level of adoption rates. In China, the level of adoption of mobile banking services is definitely affected by the level of digital literacy and education (Mensah & Khan, 2024). In conclusion, digital literacy and education are very important in the widespread acceptance of FinTech app payment services around the globe (Alkadi & Abed, 2023). The classification of these key themes along with the number of supporting studies and their corresponding authors is summarized in Table 2.

Table 2: Summary of Key Themes and Related Studies

Key Theme	Number of Studies	Authors (Year)
Community Practices and Beliefs	5	Aloulou et al. (2024), Rhanoui (2023), Singh, Sahni, & Kovid (2020), Meher et al. (2021), Goswami, Sharma, & Chouhan (2022)
Trust and Privacy Concerns	6	Patel & Satapathy (2023), Chawla et al. (2023), Rastogi et al. (2021), Abouraia & Al Morsey (2020), Jain & Chowdhary (2021), Hasan et al. (2024)
Economic Stability and Behaviors	7	Meher et al. (2021), Goswami, Sharma, & Chouhan (2022), Abdulai, Dary, & Domanban (2024), Jain & Chowdhary (2021), Rhanoui (2023), Kelikume (2021), Munjeyi et al. (2017)
Digital Literacy and Education	8	Setiawan et al. (2021), Retno et al. (2023), Ozili (2020), Gupta & Verma (2022), Essien et al. (2021), Barua & Barua (2021), Mensah & Khan (2024), Alkadi & Abed (2023)

(Source: Author's Creation)

DISCUSSION

Summary of Findings

This synthesis of the interlinked reviews has revealed many prominent socio-cultural patterns of digital payment systems adoption among the informal workers (Aloulou et al., 2024; Arner et al., 2020; Rhanoui, 2023; Meher et al., 2021). The acceptance of technologies is heavily influenced by practices and beliefs within communities, and endorsement by these communities contributes significantly to acceptance of a technology (Bähre et al., 2020; Patel

& Satapathy, 2023). Trust and privacy are paramount, trust in digital systems and providers supports adoption yet privacy concerns discourage it (Dixit & Sharma, 2024; Chawla et al., 2023). Adoption rates are similarly influenced by economic behaviors and stability, with economically stable people more likely to adopt digital payment methods (Rahadjeng et al., 2023; Jain & Chowdhary, 2021). Finally, digital literacy and education are important, as higher literacy and targeted education can increase the adoption of digital payment (Asif et al., 2023; Gupta & Verma, 2022; Gautam et al., 2022; Mensah & Khan, 2024).

Comparison with Recent Literature

This synthesis is in turn aligned with recent original studies not involved in the systematic review processes. For example, Singh et al. Further, a study in rural India also identified the significant effect of community practices on FinTech adoption. Similarly, Rastogi et al. In reference to trust, Bhatt (2021) also acknowledged the role of trust and perceived security; findings which concur with those of our synthesis regarding trust and data privacy concerns. Nonetheless, a subset of recent literature has also revealed other contextual attributes, including regulatory environments and technological infrastructure that were relatively understated in the included reviews. Asif et al. (2023) that highlighted the importance of conducive regulatory environments in India, which supports the synthesis while giving another angle of how we can think about this.

Methodological Considerations

The quality of the studies included ranged from strong quantitative approaches employing techniques such as regression analysis and SEM (Structural Equation Modeling) to more qualitative case studies and interviews. The variety of methods used allowed for a rich perspective, but this approach also made it difficult to uniformly analyze the findings. Setiawan et al. (2021) employed robust methodologies such as regression analysis and PLS (Partial Least Squares) modeling. and Patel & Satapathy (2023) provided corroboration for the findings. Nevertheless, 2 studies relied on self-reported data which might likely lead to information bias which necessitates the incorporation of more objective measures of technology adoption in future studies.

Implications for Practice and Research

For Policymakers:

Creation of community-based outreach programs to engender favorable perceptions and attitudes towards digital payment systems, utilizing trusted opinion leaders from within the community (Aloulou et al., 2024; Bähre et al., 2020).

Develop strong regulatory mechanisms in order to build trust and confidence in digital payment systems, save them from being abused and address privacy issues which could help in gaining a mass market to increase the adoption level (Patel & Satapathy, 2023; Khera et al., 2022).

For Practitioners:

Develop and deliver needs-based educational programs on digital literacy for informal sector workers to enhance technology accessibility and literacy (Setiawan et al., 2021; Gautam et al., 2022).

Design digital payment solutions that informal sector workers find easy to use, and that are known (in the sense of both user knowledge and perception of security) among workers, whether they actually accept the transactions or demonstrations only (Jain & Chowdhary, 2021; Hasan et al., 2024).

CONCLUSION

Key Takeaways

The review pooled evidence from 42 studies to answer what socio-cultural factors influence digital payment system adoption by informal sector workers. The key findings are the needs of community practices and beliefs, trust and privacy concerns, economic behaviours and stability, as well as digital literacy and education in the adoption (Patel & Satapathy, 2023; Khera et al., 2022). Community endorsement can drive adoption levels much higher and confidence is bolstered by trust in digital systems and concerns about privacy. In addition, economic stability and financial behavior can be important as steady income can facilitate adoption (Rahadjeng et al., 2023; Asif et al.,

2023). In addition to this, digital literacy and sector-focused education is needed to adopt technology among informal sector workers (Sriyono et al., 2023; Setiawan et al., 2021; Gautam et al., 2022; Mensah & Khan, 2024). This emphasizes a comprehensive response is needed to strengthen adoption of digital payments that addresses several areas ranging from social-cultural background, trust and security and economic stability and literacy (Chawla et al., 2023; Sandhu et al., 2023; Munjeyi et al., 2017). These insights are important for policy makers, practitioners and researchers trying to enhance digital payment systems for financial inclusion in informal sectors (Singh et al., 2020; Rastogi et al., 2021).

Future Directions

Suggestions for Future Research:

Recommendations on future research focus on the effect of regulatory frameworks and technological backbone behind the adoption of digital payment to fill in the picture of favorable policies and infrastructure supporting adoption (Asif et al., 2023; Alkadi & Abed, 2023; Tidjani & Madouri, 2024). Furthermore, longitudinal research will assist in tracking the lasting effects of digital payment uptake for the financial stability and economic behavior of informal sector workers, in turn providing new perspectives on both the sustainability and wider economic consequences of digital financial inclusion (Ozili, 2020; Meher et al., 2021; Demir et al., 2022). In addition, future studies should include other more objective measurements of technology use compared to self-reported measures to avoid biases that give a better representation of technology adoption patterns (Setiawan et al., 2021; Vlasov et al., 2024).

Practical Applications:

This finding implies that nudge interventions should specifically target attitudes and possibly intention or perceived behaviour control in order to change the behaviour of digital payment usage (Bähre et al., 2020; Aloulou et al., 2024; Rhanoui, 2023) and practical applications should involve the deployment of community-based outreach programs to promote the culture of digital payment systems acceptance and adoption with the support of community leaders to bring about significant increase in adoption levels. Moreover, deploying strong regulatory regimes is a possible solution to strengthen confidence and reliability in digital payment systems and to handle privacy fears for the adoption of digital payments on a large scale (Patel & Satapathy, 2023; Khera et al., 2022; Chawla et al., 2023). Similarly, there is a need to design and implement appropriate educational programs to increase the digital literacy of informal sector workers. Programs need to be designed to make technology more accessible and understandable to encourage further uptake (Setiawan et al., 2021; Gautam et al., 2022; Mensah & Khan, 2024).

Evidence under each paper in this systematic review demonstrates the extent to which sociocultural factors impinging on digital payment services among informal sector workers contemporary. This is particularly important when designing interventions which have an empirical education, financial inclusion, economic development. Over time, as digital payment systems are enhanced, closer partnership is needed among policymakers as well as practitioners and researchers to resolve these barriers, and take advantage of the identified enablers to improve adoption. In doing so, we will guarantee that the most excluded reach the opportunities and benefits derived from digital financial services and we will, therefore, develop a more inclusive and fair financial system.

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