

# Adoption of Cashless Payments and Online Selling by Microbusinesses

Alyssa Marie Manalo

## Abstract

For a microbusiness, adopting cashless payment or online selling is not completed by opening an account or social-media page. A transaction must remain reliable from discovery and order confirmation through payment, fulfillment, reconciliation, and recovery. This conceptual review organizes evidence available through 2021 into a Digital Transaction Reliability Ladder. The framework explains why promotional reach can grow while losses, disputes, and owner workload also increase. It recommends a minimum catalog, explicit order and cutoff rules, separate verification of payment, documented fulfillment, daily reconciliation, customer-data limits, and fallback routes for connectivity or platform failure. Adoption should be staged according to customer need, transaction volume, fees, device access, fraud exposure, and the owner's capacity to maintain records. Cash remains a legitimate parallel option where exclusion would otherwise occur. The article does not estimate adoption rates or profitability and does not endorse a specific provider. Its contribution is a task-based method for deciding whether a digital channel creates dependable sales rather than merely online presence.

**Keywords:** microbusiness; cashless payment; online selling; digital transaction; financial inclusion

## Introduction

Microbusinesses moved to messaging applications, social platforms, electronic wallets, bank transfer, and delivery arrangements when physical contact became difficult. These tools lowered some barriers but introduced new tasks involving product information, payment proof, customer data, delivery, fraud, fees, and recordkeeping.

A page with followers or an active wallet does not show that orders are accurate, payments are verified, goods reach the right customer, or cash can be reconciled. Digital adoption should be assessed at the level of a complete transaction.

## Purpose of the Article

This article asks which functions make a digital sales route dependable and how an owner can adopt them in stages without creating an unmanageable operating burden.

## Conceptual Approach

### Design and Source Base

The review integrates digital-payment policy, MSME digitalization guidance, e-commerce evidence, and early pandemic business reports through 2021. It treats tools as components of an operating process rather than interventions with automatic effects.

Reliability includes clarity, security, completion, recoverability, cost, and inclusion. The best channel is the smallest combination that matches customers and business capacity while maintaining an accessible alternative.

## **The Digital Transaction Reliability Ladder**

### **Establish Discoverability and Offer Clarity**

A minimum catalog should show current item, specification, price, availability, service area, order cutoff, and contact route. Outdated posts and scattered private messages create errors before payment begins.

The owner needs one authoritative order record. Public promotion can occur in several channels, but confirmation should move into a controlled process with a unique order reference.

### **Confirm the Order**

The business should restate items, quantity, substitutions, total price, fees, address or pickup point, time, and cancellation rule before requesting payment. This prevents ambiguous screenshots from becoming operational instructions.

Customer information should be limited to what fulfillment requires. Access to order records should remain with authorized people and retention should follow a clear purpose.

### **Verify Payment Safely**

Payment should be verified in the merchant's official account or system, not from an image alone. Owners need separate rules for pending, failed, duplicate, reversed, and incorrect-amount transactions.

Fees, transfer limits, settlement time, device security, account recovery, and fraud reporting affect the value of cashless payment. Customers should know the official recipient and receive a confirmation or receipt.

### **Fulfill and Reconcile**

A paid order requires picking or production, quality check, handoff, delivery evidence, and a route for late or damaged goods. Selling channels should not promise volume beyond the business's actual capacity.

Daily reconciliation should match order, payment, fee, refund, fulfillment, and settlement. Separating personal and business transactions improves control even when the business remains very small.

### **Recover and Improve**

The process should name who handles wrong orders, failed transfers, disputes, lost access, platform downtime, and customer complaints. A cash, pickup, phone, or paper fallback preserves service when digital tools fail.

Adoption can expand after the minimum route is stable. Owners should review margin after fees, time spent on messages, completion rate, repeat demand, and incidents before adding more channels or automation.

**Table 1***Digital transaction reliability ladder*

| Stage       | Minimum control                          | Breakdown indicator                   |
|-------------|------------------------------------------|---------------------------------------|
| Offer       | Current catalog and service rule         | Customer cannot identify valid terms  |
| Order       | Confirmed reference and complete details | Messages conflict or orders duplicate |
| Payment     | Official verification and receipt        | Screenshot substitutes for settlement |
| Fulfillment | Handoff and reconciliation record        | Paid order cannot be traced           |
| Recovery    | Dispute, account, and offline fallback   | Failure has no correction route       |

*Note.* The table is an analytic tool proposed in this article; it does not report field measurements.

## Discussion

The ladder separates digital visibility from transactional capability. It allows a microbusiness to strengthen the weakest function and avoid adopting several tools that multiply work without improving completion.

## Scope and Research Agenda

This review does not estimate sales, productivity, or financial inclusion. Platform users differ from offline firms, and emergency adoption may not persist. Future studies should measure completed transactions, net margin, owner time, fraud and dispute experience, customer exclusion, and channel survival.

## Conclusion

Digital adoption creates value when a customer can find a clear offer, place an accurate order, pay safely, receive the product, and obtain correction. Reliability, not the number of accounts, is the practical measure of transformation.

## References

- Asian Development Bank. (2020). Asia Small and Medium-Sized Enterprise Monitor 2020.
- Bangko Sentral ng Pilipinas. (2020). Digital Payments Transformation Roadmap 2020-2023.
- International Trade Centre. (2020). SME competitiveness outlook 2020: COVID-19 - The great lockdown and its impact on small business.
- Organisation for Economic Co-operation and Development. (2021). The digital transformation of SMEs.
- United Nations Conference on Trade and Development. (2021). COVID-19 and e-commerce: A global review.