

RESILIENCE AND GROWTH OF STREET VENDORS: FROM BARTER TO DIGITAL ERA**¹Priyanka Verma,²Dr. Rashmi Gupta**¹Research Scholar, ²Assistant Professor^{1,2}V.S.S.D. College, Chhatrapati Shahu Ji Maharaj University, Kanpur**ABSTRACT**

Street vending is one of the most significant components of the global informal economy. It has expanded and evolved with time. This paper examines the evolution of the street vendors from the barter age to the current era of digitization. It also discusses the strength of street vending in light of the emergence of digital payment methods. In this study, the triangulation technique is employed with the help of secondary sources and qualitative interviews with vendors. The findings indicate that the street selling industry had many adaptations as it moved through the barter phase to resilience during the digital era. Their survival strategies, both in digital and adaptive resilience periods, are defined by increased convenience and access to customers; trust and transparency; enhanced financial inclusion in the form of documented transaction records; and evolving hybrid practices that balance between cash and digital form. The analysis shows that adopting digital payments is not just a change in technology, but it is also a change in the way society and the economy work that makes vendors into digitally integrated micro-entrepreneurs.

KEYWORDS- barter system, digital era, digital payment technologies, street vendors**INTRODUCTION**

Around the world, street vending is common, particularly in underdeveloped nations. It offers a significant source of income for urban unemployed people as well as reasonably priced goods and services for city dwellers. Typical street vendors, however, deal with a variety of issues, from precarious property rights and harassment from local authorities to subsistence living and income. Street businesses have been growing under this unstable environment (Wongtada, 2013). The names "trader," "hawker," and "peddler" are also commonly employed in literature, despite the fact that "street vendor" is a common term. Most street vendors are business owners however some are paid employees (Schoenecker, 2023). Anyone, who can't find work in the formal sector turns to street vending. "Street vendors" are those who, because of their lack of education and abilities, are unable to obtain regular positions in the lucrative formal sector. Nonetheless, street vending is a significant urban activity (Koley & Chakraborty, 2018). One of the most important aspects of human civilization has been the development of payment systems, which reflect advances in both technology and society. An overview of the evolution of payment systems from crude barter agreements to complex digital transactions (Chandrakanth, & Dhaka, 2021). The adoption of digital payments by street vendors is a revolutionary step rather than a technological one, aimed at financial inclusion, efficiency of operations, and economic empowerment (Meena & Selvi, 2025). This study sheds light on the existence and prevalence of street vendors since the barter era, as it becomes important to understand how they have been a part of these transitions.

Review of Literature

In the past, the barter system was in use but the passage of time modern traders typically use money as a medium of exchange when negotiating. When money was introduced, trade was enabled and things became simple. When the word trade is used, the first things that come to mind are global trade organizations and formal, large-scale traders. Despite the fact that these companies and merchants are essential, street sellers and informal trade, which employ a significant percentage of the population and provide them with income, rarely come to mind (N, 2024).

Payment methods have changed over time, from bartering in ancient times and using precious metals like gold and silver in monarchies to the widespread usage of digital payment methods in the twenty-first century. Online payments are one of the sectors that have changed as a result of the COVID-19 pandemic-accelerated digitization (Joseph & S, 2024). It has been legalised in countries like India, where the Street Vendors Act of 2014 was enacted; Ghana recognized street vending as a legitimate economic activity and took efforts to legalise it; South Africa included them in urban planning policies; Peru and Thailand also took efforts for them (Bamu, 2024). In India a new developmental period marked by economic change, job creation, and enhanced well-being for even the most vulnerable and isolated populations is being ushered in by the emergence of digital technologies. Demonetisation enabled the transition to digital payments in India. The Indian government launched the Digital India program in 2015 with the intention of using digital empowerment to create a cashless and paperless society (Raisagar, 2024). According to Dhanalakshmi and Kannan (2025) roadside vendors and other small businesses have been significantly impacted by the usage of digital payment methods. According to a study by Bakhshi et al. (2024), the Indian economy is deeply ingrained in a cash culture, making the shift to digital payment methods challenging. By promoting the advantages of digital payment methods and offering incentives for their use, this issue can be resolved. Street vendors and hawkers are wary due to their lack of trust and fear of fraud or exploitation of their personal information.

Objective: The objective of this study is to trace the historical evolution of street vendors' exchange practices from barter and cash-based transactions to the adoption of digital payment systems and to analyse how these shifts have shaped their resilience and economic growth of the business.

Research Methodology: The study incorporates the triangulation method by using secondary sources of data along with qualitative responses from vendors. The required data has been extracted from various sources like research journals, articles and authenticated data, etc. The paper has taken insight from reviews with special focus on Indian scenario. For the study vendors were selected purposively from major cities of Uttar Pradesh i.e. Lucknow, Kanpur and nearby areas. While collecting data diversity was ensured in gender, type of goods sold (food, garments, mobile accessories, daily essentials, etc.) and market locations.

They were asked to share their experience with online payments. Further for the analysis Braun and Clarke's six-phase framework was followed which involves "(1) familiarization with data, (2) generating initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming themes, and (6) writing the report" (Ahmed et al., 2025). Thematic saturation was achieved after forty interviews, with no new themes emerging, as responses were in local language, so they were translated into English with due concern, without changing the original meaning. The data was anonymised and treated ethically for the study.

Discussion

Historical context of street vending: Almost every nation and major city in the world has a long-standing and significant street vending industry (Bromley, 2000). Street vending has a long and illustrious history that predates the introduction of currency-based commerce. During the barter era, street merchants were essential in enabling direct trades of products and services between individuals. Since, ancient times there have been street merchants. There are stories of traveling merchants who not only went from house to house in the town to sell their goods, but also engaged in trade with neighbouring nations in all ancient and medieval civilisations. These itinerant tradesmen may have flourished because ancient and medieval societies were tolerant of them (Bhowmik & Saha, 2012). The history of street vending extends back to ancient cultures in Asia, Greece, and Rome. Vendors, who sold foodstuffs, spices, and handcrafted products in crowded marketplaces, were an integral part of daily life in these ancient communities. The popularity of street vendors persisted throughout the medieval period, particularly in expanding cities. People who might not have had access to formal stores were able to purchase necessities from them. Additionally, itinerant vendors who moved from town to town became more prevalent at this time (Recchi, 2020). During, the Industrial Revolution, street vendors had to adjust by selling a greater variety of goods, frequently appealing to the working class that required quick and inexpensive options. This was because the demand for easily accessible goods increased as cities and populations grew. Street vending has spread throughout the world in the modern period. Street vendors, who sell anything from traditional cuisine to contemporary technology, are an essential component of the urban economy in many cities.

Evolution of Payment System: The payment system has evolved many times. This can be understood by the following (Bugh, 2023):

The barter method was initially employed by Mesopotamian tribes around 6000 BC. They were subsequently adopted in different versions by the Phoenicians, Babylonians, Romans, Europeans, and Colonial Americans. However, the bartering system was not scalable and had its own problems. Additionally, it was impossible to split certain things, such furniture, shoes, animals, and more. A single currency has to be created as a result. Further cowrie shells from the Pacific and Indian oceans were traded for money. Cowrie shells arrived in China circa 1200 B.C. Cowries were later adopted in several parts of Europe, Asia, Australia, and Africa. Over time, cowrie shells became the most common currency in history. After that, paper money, which was known now as promissory notes, was first introduced in China during the Tang dynasty. In the eleventh century, the government had to create and distribute Jiaozi, the first paper money, due to a shortage of copper. The invention of paper money led to problems including currency warfare, mistrust, and instability. The financial institutions and banks emerged in ancient times; Babylon established the first bank that accepted deposits from its people and extended credit. But Stockholm went bankrupt in 1694, and the Bank of England took its place. The establishment of gold as the standard of value made it illegal to print new banknotes. The rise of banks and other financial institutions brought about yet another change in payment systems. Then, *the cashless era came up with digital payments*, which grew as a result of the global cashless revolution

brought about by plastic cards and electronic payments. Digital payments have further evolved over time as the advancement of digital payments has made financial transactions quicker, safer, and more convenient. The driving force of this trend has been technological advancements and changing preferences of customers. The significant turning points in evolution of digital payments are discussed in detail in the lines below ("The Evolution of Digital Payments: A Comprehensive Timeline," 2024): The era of digital payments was initiated by electronic fund transfers (EFTs). The initial credit card was invented in late 1950s, where individuals could use credit for transactions. The popularity of debit cards increased with time and allowed them to make direct bank account payments. With development of internet in 1990s, online banking and e-commerce became possible. Due to increased use of smartphones, mobile payments and digital wallets were developed. Contactless payments are made possible through NFC technology and this has led to increased contactless payments in early 2010s.

Next, the emergence of cryptocurrencies like Bitcoin brought concept of decentralized digital money. Peer-to-peer (P2P) payments became more common as platforms like Venmo and PayPal emerged. Biometric authentication and security improvements came to increase convenience and security; digital payment systems have included biometric authentication methods including fingerprint and facial recognition. Internet of Things (IOT) and connected payments, like smart products, such as wearables and smart home appliances, have integrated payment functionalities to facilitate easy transaction processing for consumers. Further, quick Payment and Real-Time Settlements by enabling transactions to be completed in real-time, quick payment systems improved cash flow by providing individuals and companies with instant access to funds. With open Banking and API Integration, there is improved interoperability across many payment platforms, consumers may manage their money more skillfully. Then came influencer payment and social commerce, which is due to the rise of social media platforms, making it feasible for consumers to make purchases directly through social media channels. Recently the Central bank digital currencies (CBDCs) concept emerged in the digital payment market. These CBDCs are digital representations of a country's fiat currency issued by central banks.

Findings

The following themes emerged after analysing the data. These themes help to understand vendors' perceptions and experiences regarding digital payments:

Theme 1: Convenience and Increased Efficiency

Some of vendors noted that digital payments were quick and easy for daily purchases. They emphasized that digital solutions require fewer interactions with cash, change, visits to bank. QR codes helped vendors make transactions more convenient and quick, particularly during busy times. Customers would say things such as, "There is no problem with changing money," or "I don't waste time counting cash even when it's busy", keeping customer service more efficient and reducing long queues.

Therefore, this implies that electronic payments have integrated into street vending by enhancing transaction flow and efficiency of operations.

Theme 2: Enhanced Customer Reach and Sales Growth

Some vendors noticed that they had more visitors by accepting digital payments, as it drew in younger or tech-savvy individuals, who tend to stay in cashless transactions. They responded by saying that the "young customers prefer scanning QR codes, so I get more sales from college students"; "because I accept UPI, customers don't walk away when they don't have cash"; "it helps in retaining customers". Digital payments authorization has become a way to appear more "modern" and reliable, which is likely to draw new customers and increase daily sales.

This theme highlights how digital payment systems have given informal and small businesses a competitive and marketing edge in addition to facilitating transactions.

Theme 3: Trust, Security, and Reliability Concerns

Certain respondents posed questions on security though they acknowledged advantages they mentioned towards fraud, network malfunctions, delayed transfers. Some merchants outlined their experiences with phony payment screenshots or doubts concerning confirmation of transfers. Many stated "I fear scams and frauds". They frequently believe that cash is preferred over digital payments as it is not secure method.

This theme draws attention to enduring trust challenges that may hinder complete adoption. Cash is still preferred in circumstances where vendors have risk or insufficient connectivity.

Theme 4: Digital and Financial Literacy Gaps

Other vendors, especially older and less educated ones, stated that they had issues with apps being fixed or that they had little understanding of how digital systems operate. Most claimed that they require help in creating accounts or solving transaction issues with family members or younger customers. In reply, they said they "receive help from peers and children". Moreover, they believe that social media and awareness campaigns have played a significant role in Digital adoption.

The problem highlights importance of specific education and support initiatives as insufficient digital literacy is believed to limit use of digital payments and dependence on others.

Theme 5: Impact on Financial Inclusion and Record-Keeping

Digital payments were credited to generate transparent records of transactions, which are deemed beneficial by some vendors in handling money or accessing credit. A vendor stated that digital transactions facilitated proving income to take out minor loans under "PM SVANidhi" plan and to be accepted by banks under the "financial aid".

It demonstrates how micro-entrepreneurs may engage with financial institutions with help of digital finance that may enhance formalization in informal sector.

Theme 6: Hybrid Approach

There are still categories of customers who require cash, particularly older clients, those who are not familiar with UPI/QR systems, or in event of network outage, though digital payments are valued due to their simplicity, efficiency, increased reach to customers.

"It is very important to keep both options as without it, I would lose sales" was a common response from respondents. They do not think that they can count only on money or internet. It is important to retain both options.

Based on this theme, vendors have not left market due to adoption of hybrid since they do not want to lose any customer. This shows that tradition and technology are pragmatically balanced and can therefore compete in the cutthroat market.

Conclusion

Thus, it is evident that capacity of street sellers to adjust to varying economic conditions has played a pivotal role in their development. They possess a rich heritage, and they are currently struggling to survive in the digital era. During onset of industrialization, there occurred major changes. The growing urban population also adapted street sellers adjusting to new demands by selling mass-produced products. Before the introduction of money, street vendors were involved in direct trade in commerce in products and services. With availability of money, street merchants exploited the use of coins and later paper money to facilitate purchase. Their transition to digital payments shows their resilience and inventiveness.

QR code, mobile wallet, UPI transformed processes of vendors in digital era and made them rapid, transparent, able to withstand sudden shocks like COVID-19 though productively introducing new categories of challenges of digital literacy, tax fear, trust in technology. This trajectory emphasizes conflicts between vulnerability to institutional constraints and empowerment by being included and how they have always adapted to attain balance between tradition and innovation.

Future Scope

The research establishes new research fields on evolution of street vendors in digital economy. In addition to the current focus on adapting to resilience and company growth, future researchers can examine adoption of digital payments and its long-term impacts on venderships and livelihoods, intergenerational mobility, integration of policies. Also, they must research how technological improvements such as digital currencies issued by central banks, microcredit offerings, utilization of AI-based financial instruments, digitalization of their business can be implemented.

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