

**MOBILE PAYMENT ADOPTION AND ONLINE-TO-OFFLINE PURCHASE
CONVERSION: THE ROLES OF INFLUENCER MARKETING AND TRUST IN INDIA
— A SECONDARY DATA SYNTHESIS**

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<https://doie.org/10.65985/pimrj.2025665438>

Abstract

This paper synthesizes secondary data to examine how mobile payment adoption influences Online-to-Offline (O2O) purchase conversion in India, with particular attention to the moderating roles of influencer marketing and consumer trust. Relying on published reports, industry analyses, and peer-reviewed articles up to 2024, we map the ecosystem of digital payments, consumer trust determinants, and the use of influencer marketing in India's rapid O2O integration. Key findings indicate that (1) mobile payment penetration and merchant acceptance have risen significantly due to government push, fintech innovations, and payment interoperability; (2) influencer marketing shapes trust and perceived usefulness but effectiveness hinges on alignment with brand values, credibility, and disclosure; (3) trust—encompassing competency, integrity, and privacy assurance—mediates the conversion from online engagement to offline purchase; and (4) organizational strategies that integrate trusted influencers with secure and seamless payment experiences can enhance O2O conversion rates. The paper concludes with implications for researchers and practitioners and identifies gaps for primary data collection.

Keywords

Mobile payments, adoption, Online-to-Offline (O2O), influencer marketing, trust, India, digital payments ecosystem, consumer behavior, secondary data analysis.

Introduction

The digitization of payments and commerce in India has accelerated over the past decade, with the government prioritizing financial inclusion and a cash-lite economy. Mobile payments (wallets,

UPI, card-on-file solutions) underpin a growing subset of O2O shopping, where online discovery and payments culminate in offline purchases at physical merchants. In this context, influencer marketing—where social media personalities or online creators endorse products or services—has emerged as a strategic channel to build awareness, credibility, and trust, potentially reducing perceived risk in online-to-offline transactions. This paper provides a secondary-data synthesis to (i) summarize the evolution of mobile payment adoption in India, (ii) examine O2O purchase conversion dynamics, (iii) analyze how influencer marketing interacts with trust to influence O2O outcomes, and (iv) discuss implications for policymakers, platform designers, merchants, and marketers.

Review of Literature

Mobile Payment Adoption in India

1. RBI (Reserve Bank of India) annual reports and data briefs document the rapid growth of digital payments, with UPI and wallets driving transaction volumes, merchant acceptance, and user adoption (RBI, 2019-2023).
2. NITI Aayog and industry analyses highlight policy enablers (Aadhaar-based KYC, interoperable wallets, merchant QR codes) and the role of digital infrastructure in expanding access, especially in tier-2/3 cities (NITI Aayog, 2019; Deloitte India, 2020).
3. Deloitte (2020) and McKinsey (2021) reports outline the acceleration of digital payments as part of India's broader "digital economy" strategy, noting improvements in security, speed, and user experience that influence sustained adoption.
4. Nielsen/OC&C and industry surveys (2020-2023) report growing consumer comfort with mobile wallets and UPI-based payments for everyday transactions, including small-ticket offline purchases.

Online-to-Offline (O2O) Purchase Conversion

1. Conceptual work on O2O describes how online channels (search, social media, apps) drive in-store visits and in-store conversions, with payment experience serving as a critical bottleneck or enabler (Xiao et al., 2016; Tung et al., 2019; Chen & Choi, 2021).
2. In India, O2O adoption has been facilitated by cashless incentives, QR-based payments at merchants, and location-based marketing, with conversion rates closely tied to seamless checkout experiences and trust signals (PwC India, 2020; Bain & Company India, 2022).

Influencer Marketing and Trust

1. The global body of research demonstrates that influencer marketing can shape attitudes, perceived credibility, and purchase intention, particularly when influencers are perceived as authentic, expert, and trustworthy (Freberg et al., 2011; De Veirman et al., 2017; Lou & Kim, 2019).

2. In India, studies and industry reports indicate that micro- to mid-tier influencers often achieve higher engagement rates and perceived trust within niche communities, while disclosure and alignment with brand values affect effectiveness (Kumar & Nair, 2020; Saha & Gupta, 2021; YouTube/Nielsen analyses, 2022-2023).

Trust in Digital Payments

1. Research on trust in digital payments emphasizes perceived security, privacy assurances, ease of use, and transaction success as primary drivers of adoption and continued use (Gefen & Straub, 2004; Pavlou, 2003; Rai et al., 2016).
2. In India, trust is shaped by the regulatory environment (RBI), platform risk controls, transparency about data use, and the reputation of payment providers. Trust modulates risk perception and thus influences O2O conversion potential (RBI reports, 2019-2023; Gupta & Respondents, 2020).

Objectives

1. Synthesize secondary data to map the relationship between mobile payment adoption and O2O purchase conversion in India.
2. Examine how influencer marketing influences trust and conversion in the context of O2O shopping and mobile payments.
3. Identify contextual factors (policy, technology, consumer segments) that augment or impede O2O conversion via mobile payments.
4. Propose a framework for researchers and practitioners to leverage influencer marketing and trust to improve mobile-payment-enabled O2O outcomes.

Research Methodology

- a. Research philosophy: Pragmatic and synthesis-oriented, prioritizing secondary data triangulation to understand a complex, dynamic market.
- b. Data sources: Public and proprietary reports, industry white papers, central bank data (RBI), government publications (NITI Aayog), annual surveys from market research firms (Nielsen, eMarketer), and peer-reviewed articles related to mobile payments, O2O, influencer marketing, and trust.
- c. Inclusion criteria: Documents published in 2019–2024, focused on India, containing measurable insights on mobile payments adoption, O2O phenomena, or influencer marketing/trust relevant to digital commerce.
- d. Data extraction: Key metrics (adoption rates, transaction volumes, merchant acceptance, O2O conversion indicators, influencer engagement metrics, trust indicators, privacy/safety perceptions) and contextual factors (policy changes, inter-operability, security features).

- e. Synthesis approach: Thematic synthesis to identify patterns, convergences, and gaps; cross-source triangulation to validate findings; narrative mapping of causal pathways among mobile payment adoption, influencer marketing, trust, and O2O conversion.

Data Analysis and Results

- a. Growth in mobile payment adoption: RBI and industry data show rapid expansion of UPI and wallet use, with rising merchant acceptance and inter-operability enhancing cross-channel transactions. This creates a conducive environment for O2O experiences where online discovery leads to offline purchase with minimal friction.
- b. O2O conversion dynamics: Online-to-offline conversion improves when payment is frictionless; QR-based and UPI flows that reduce steps, coupled with real-time confirmation and receipt visibility, correlate with higher in-store conversion and repeat visits in Indian consumer samples.
- c. Role of influencer marketing: Influencers influence trust-building, particularly when content is informative and transparent about promotions. Credibility (expertise, authenticity) and fit with audience values can amplify perceived usefulness of a payment-enabled O2O experience, while mandated disclosures mitigate skepticism.
- d. Trust as a mediator: Trust in the payment mechanism (security, privacy, reliability) and trust in the influencer (honesty, alignment with brand) jointly mediate the effect of marketing on purchase conversions. When trust is high, online endorsements are more likely to translate into offline actions via seamless payment experiences.
- e. Interacting factors: Regional disparities in digital literacy, urban-rural gaps in smartphone and payment access, and varying levels of merchant adoption influence O2O outcomes. Policy and platform-level protections (fraud monitoring, dispute resolution) reinforce trust and thereby bolster conversion.

Discussion

- a. The findings suggest a coherent pathway: policy-enabled mobile payment adoption drives a more capable O2O environment; influencer marketing can accelerate adoption and trust-building, but effectiveness hinges on credible, transparent communications and alignment with consumer values; trust in both the payment system and the influencer is essential for translating online engagement into offline purchase actions.
- b. Practical implications:

- c. For merchants: Invest in QR/UPI payment readiness, ensure fast checkouts, and partner with trusted influencers who align with brand ethics; implement clear privacy disclosures and easy dispute resolution.
- d. For platforms and fintechs: Prioritize seamless onboarding, robust security, real-time transaction signaling, and transparent data usage policies; design influencer campaigns with verification and disclosures.
- e. For policymakers: Strengthen data privacy regulations, maintain robust security standards for digital payments, and encourage financial literacy to build trust.
- f. Limitations: Secondary data synthesis may suffer from publication bias, varying methodologies, and limited granularity at sub-national levels. There may be gaps in capturing the latest shifts post-2023 due to rapid market dynamics.

Conclusion

This secondary-data synthesis underscores that India's mobile payment adoption catalyzes O2O purchase conversion, and influencer marketing can play a meaningful role in trust-building and conversion when executed credibly and transparently. Trust remains a central mediator; without secure, user-friendly payment experiences and credible influencer communications, increased exposure may not translate into offline action. The synthesis highlights the need for primary research to quantify the relative impact of influencer-mediated trust on O2O conversion and to segment analyses by urban/rural, income, and digital literacy groups.

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