



# An Assessment of the Influence of Payment Gateways on the Success of Small and Medium Enterprises (SMEs) in Jamaica

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## Abstract

**Introduction:** Despite its inherent challenges, E-commerce has increased online opportunities for SMEs in Jamaica. Ushering in an era of secure, online-facilitated payment gateways that have accelerated operational efficiency, resulting in significant business success.

**Objective:** The study explores the impact of payment gateways in Jamaica, focusing on three key areas: to evaluate the influence of payment gateway choice on customers' satisfaction with Small and Medium Enterprises (SMEs); to assess the role of payment gateway features for the transaction of speed and convenience on customer satisfaction; and to explore the link between payment gateway experiences and customer brand loyalty to SMEs.

**Methods and Materials:** Employing a quantitative approach, a sample of 1,067 participants was selected utilising purposive sampling. Data was collected using the Survey Monkey online platform.

**Findings:** The results indicated that 63.3% of participants frequently use debit card payment methods, signifying that online transaction expediency is vital to the Jamaican populace, with 71.6% expressing satisfaction with online shopping. Logistical challenges pose a significant problem, showing 35.6% of delivery delays and 27.1% of high shipping costs for SMEs.

**Conclusion:** To enhance customer retention and create value for the growing segment of online shoppers, SMEs should prioritise delivery reliability, competitive pricing and investment in secure payment systems.

**Keywords:** Payment gateway, online transactions, customer satisfaction, SME, success, experience, customer service, business.

## Introduction

The rapid advancement of technology significantly affects aspects of business globally, especially in financial transactions. Among such developments is Financial Technology, popularly called “Fintech,” which transformed the traditional business model into more modern and efficient systems (Central Bank of Ireland, n.d). Payment gateways have become relevant in simplifying and streamlining payment procedures for businesses, including SMEs (SCORE, 2024). Over recent years, the implementation of digital payment solutions has grown among developing countries. OVO, Dana, Gopay, and Shoppe Pay are digital gateway payment methods. It allows merchants and customers the advantages of convenience, reducing costs, and capturing markets more widely (Ciptarianto & Anggoro, 2022; Ningri et al., 2023). SMEs make an immense contribution to economies worldwide in terms of job creation and development at a regional level.

In transitioning to a cashless economy, SMEs increasingly embrace digitalisation (or digital transformation) to modernise their operations and become more competitive (Organisation for Economic Co-operation and Development [OECD], n.d.; Lukonga, 2020). Payment gateways have emerged as a strategic means for SMEs to stay relevant, support national economic recovery, and ensure overall performance enhancement in their business models. This matter could indicate that SMEs adopt payment gateways on the premise that they will enhance their success. Success in this context refers to financial performance and satisfaction with the new technology. Satisfaction here could emanate from a business perspective or a customer's perspective. While much of the previous research has targeted countries like Indonesia and other developing nations, the implications of the adoption of payment gateways on the success of SMEs are relevant in different countries, such as Jamaica. The impact of using payment gateways on SME success is an essential avenue of learning for countries hoping to grow their economic development via technological innovations in the digital economy, which faces rapid growth globally. This study seeks to establish the impact that payment gateways have on the success of SMEs in Jamaica, focusing on satisfaction levels as a measure of success. The research will explain how integrating the payment gateway solution has influenced the satisfaction and overall success of SMEs in Jamaica, thus providing valuable insights for policymakers, major stakeholders involved in SMEs, and the adopting community.

Adopting a payment gateway might lead to enhanced financial management, improved customer experiences, and operational efficiency for SMEs (Kilay et al., 2022; Sanga & Aziakpono, 2023). It is important, however, to bear in mind the challenges of SMEs implementing such technologies, given the requirement for digital literacy and infrastructure development (Anibal et al., 2024). This study will add to the body of knowledge on digital payment adoption in developing economies by investigating the role that the payment gateway in the Jamaican context can play. The findings will have practical implications for

SMEs in leveraging technology for business growth and customer satisfaction and informing policy decisions to foster a more inclusive digital economy.

## **General Research Objective**

What influence do payment gateways have on the success of Small and Medium Enterprises (SMEs) in Jamaica?

## **Specific Research Objectives**

1. To assess how the choice of payment gateway affects overall customer satisfaction with SMEs in Jamaica.
2. To analyse how specific features of payment gateways (security, convenience, and transaction speed) contribute to customer satisfaction with SMEs in Jamaica.
3. To examine customer loyalty and the likelihood of returning to SMEs based on their experience with payment gateways

## **Related Literature**

### **Challenges SMEs Face in Adopting Payment Gateways**

Many SMEs face significant challenges adapting to the modern payment gateway technology, The Gleaner (2024). An important barrier is the risks associated with online payments, especially when there are concerns about rising cyber security. According to The Gleaner (2024), many Jamaican SMEs are hesitant to implement a digital payment solution due to the fear factors surrounding cyber-attacks, frauds and the lack of infrastructure to facilitate and support these systems. Additionally, small businesses often face high transaction fees when implementing their payment gateways and the complicated integration processes they must go through, which may deter them from adopting digital payment systems altogether (Waites, 2019). These challenges can be inspected and resolved with proper support, education, and partnerships with reliable payment providers (Waites, 2019).

### **Payment Gateways Roles in e-Commerce**

Payment gateways are essential in digital transactions; they allow businesses to process electronic payments securely (Parks & Haydn, 2020). In small and medium enterprises (SMEs) in small parts of Jamaica, implementing these gateways has become increasingly important as it improves business operations and enhances customers' experience and competitiveness in their marketplace (Parks & Haydn, 2020). Payment gateways allow SMEs to expand their marketing reach beyond their limitation of a physical location, whereby it accommodates online sales and provides customers with seamless and secure payment options (Clarke & Rowe, 2019). Various studies have highlighted how adopting digital payment systems is crucial for making modern businesses competitive within the growing digital economy (Jamaica Business Development Corporation, 2024).

Payment gateways are used for securing online transactions and are deemed essential, especially when Jamaican SMEs adapt to the new digital operations in a post-pandemic world (Durrant, 2021). Payment gateways facilitate a system that makes e-commerce achievable. However, SMEs face challenges, such as high costs and limited banking infrastructure that impede adoption (Waites, 2019). The Jamaican economy has experienced a push toward finding a digital solution, as shifts heavily influence the consumer's behaviour and policies, which promotes e-business (Silicon Caribe, 2022). However, financial inclusion and digital literacy have remained primary barriers to cater for digital adoption (Future of Jobs Report, 2020). As digital transactions are becoming a high priority in global and local economies, the importance and effectiveness of having a payment gateway for SMEs will continue to grow (Whyte, 2023).

## **The Relationship Between Payment Gateways and Customer Satisfaction**

Customer satisfaction plays an essential role in the success of SMEs, and payment gateways directly influence this factor. Research shows that customers are likelier to engage with businesses that offer fast, easy, and secure digital payment options. Kevin (n.d.) discusses how digital payment options can enhance customer satisfaction by providing faster transactions, reducing friction, ensuring security, and improving the shopping experience. Furthermore, The Gleaner (2024) emphasises that Jamaican SMEs can benefit from adopting global payment gateways such as PayPal, which are trusted by consumers and can enhance their sense of security and satisfaction during transactions.

## **Impact of Speed and Efficiency of Payment Gateways on SMEs**

The speed and efficiency of processing payments are essential factors in determining customer satisfaction. Transaction speed is often linked with how swiftly a customer can complete their purchases, considering the delays or inefficiencies in the payment process that can lead to a negative customer experience. Studies have revealed that a quick payment processing method would return to a higher level of customer satisfaction and could encourage a repeat of doing business. Jamaica Loop News (2022) reported that the SMEs that have adopted a faster payment gateway see a higher conversion rate and obtain better customer retention. As a result, this indicates a sign of reliability and professionalism.

## **Customer Loyalty and Retention in e-Commerce Transactions**

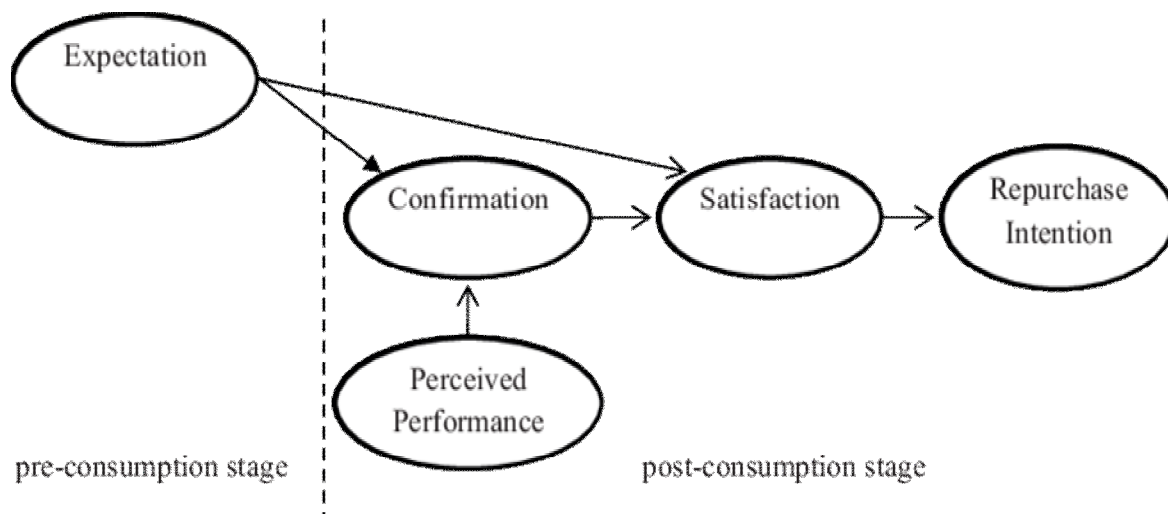
Customer loyalty is a fundamental component that determines the long-term success of any business. Studies have shown that customers return when SMEs provide convenient, secure, fast payment options. Kevin (n.d.) highlights that implementing multiple payment options like credit cards, digital wallets, and bank transfers will boost customer loyalty by allowing users to choose their preferred method. Additionally, Jamaica Loop News (2022) reported that SMEs who integrate reliable payment gateways have experienced an improvement in their retention rates, as customers are now drawn to businesses that offer seamless and trustworthy payment methods.

## The Economic Impact of Payment Gateways on SME Growth

The growth evidence in the adoption of payment gateways can positively impact the financial performance of SMEs. Payment gateways not only streamline payment processes but also expand the overall reach of businesses, enabling the capability to cater to a broader customer base locally and internationally. Director General for Research (2000) explains that digital payment systems typically contribute to SMEs' growth by making the transactions more straightforward and secure, which leads to increased sales and customer trust. Studies on the global adoption of digital payments, the Mastercard/FAC Deal to Advance Payment Safety (2023), have proposed that businesses that have integrated digital payment solutions into their operations have experienced significant revenue growth and higher customer engagement.

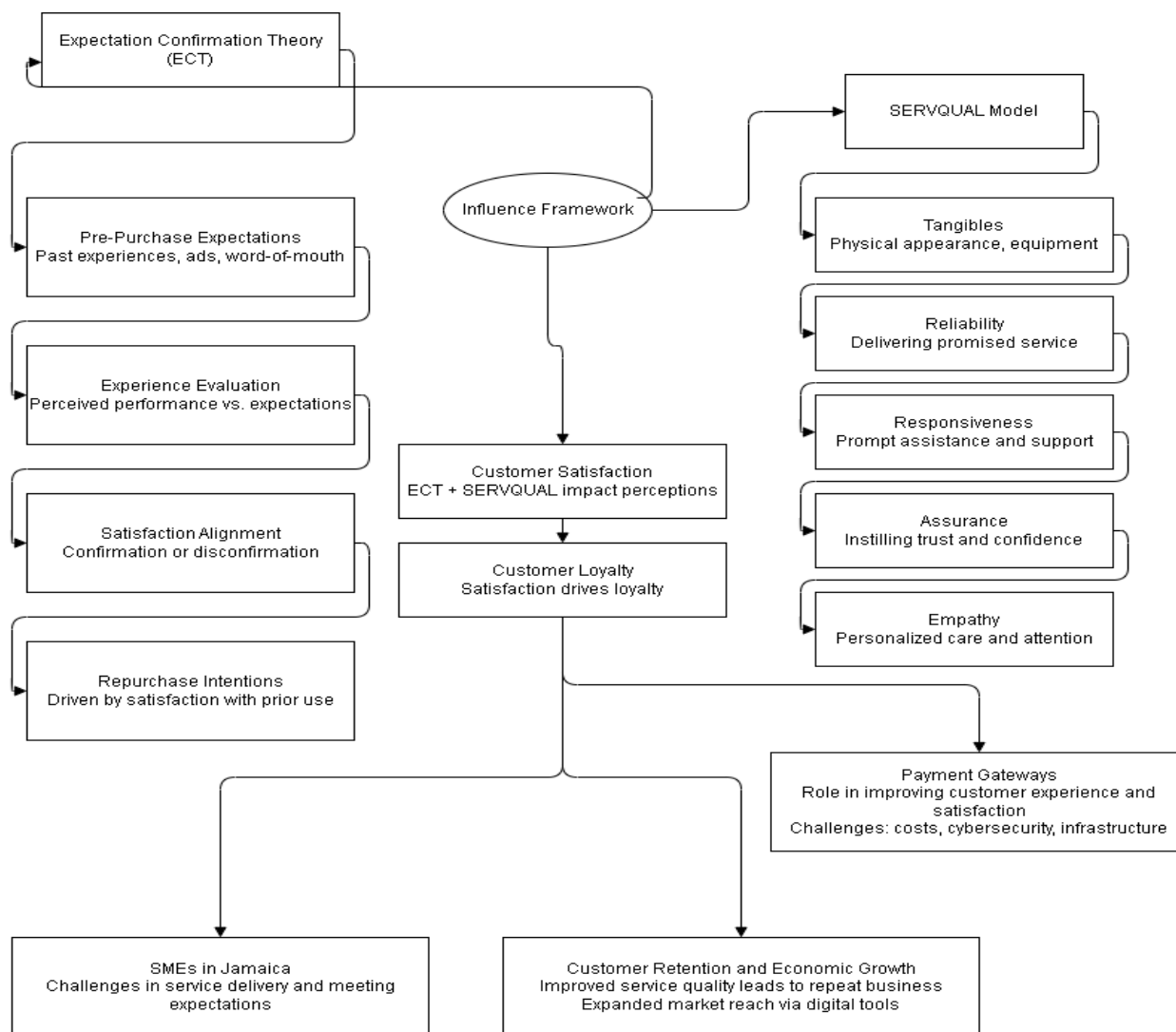
### Gaps in Current Research and Need for the Study

While there have been numerous researches on the roles of payment gateways in improving business performance and customer satisfaction, there remains a lack of studies explicitly focusing on the Jamaican context. Although some studies explore global trends, a few have investigated Jamaican SMEs' challenges and benefits in adopting and implementing a digital payment method. This research aims to fill these gaps by further analysing the speed of payment gateways, their effect on customer satisfaction and loyalty in Jamaican SMEs, and how they utilise these systems, thereby influencing SME performance in the region. Figure 1 depicts the growing SMEs' proposed gap and payment gateways business performance.



**Figure 1: Payment Gateways in Improving Business Performance**

This study also examines how these interconnected themes affect the success of SMEs, mainly how payment gateways aid them in improving operational efficiency, customer retention, and, ultimately, business growth. It also examines whether the potential adoption of payment gateways should be considered a key consideration in discussions about enhancing SME performance and promoting a cashless and digital economy in developing regions such as Jamaica. Figure 2 represents a conceptual map influencing the framework of expectation confirmation theory (ECT).



**Figure 2: Conceptual Map Influencing the Framework on Expectation Confirmation Theory (ECT)**

## Methods

### Research Design

This study employed a national cross-sectional associational research design to obtain the perspectives of many Jamaicans 18 and older. The views expressed in this study are from Jamaicans who reside in different communities across the 14 parishes. During the data collection, the research team did not collect data from those hospitalised, incarcerated, and travelling outside the country (at the airport).

### Instrumentation

A carefully prepared questionnaire will be used to collect the data for this study. The target instrument specifically targets Jamaicans who have used the payment gateways and comprises both closed- and open-ended items. Closed-ended items are meant to elicit the level of satisfaction, frequency of use, and perceived usability, which will be quantitative. Respondents will write down their responses using Likert scales or selecting from given



options, allowing statistical analysis. For instance, the question could be, “How satisfied are you with the security features of your most used payment gateway?” The possible answers might range from “Very Dissatisfied” to “Very Satisfied.” In contrast to open-ended questions, respondents were given detailed experiences of challenges and suggestions, thereby providing qualitative data that put the findings into perspective. An example of this would be: “Describe one particular instance where a payment gateway either met or failed to meet your expectations.”

## Target Population

The study will focus on Jamaica's adult population (18+ years) who have used any payment gateways, including PayPal, Stripe, or local alternatives. Statistical Institute data from 2019 shows that Jamaica's population of 18+ years was 1,768,114. This demographic focus ensures that the research targets individuals with relevant experiences.

## Sampling Design

The purposive sampling method will ensure that participants have relevant platform experience. This deliberate approach aims to ensure that only meaningful insights are developed concerning the relationship between customer satisfaction and the effectiveness of the payment gateways. Survey Monkey was used to complete the sample size. The sample for this study was 1067 Jamaicans 18+ years old across the 14 parishes. However, the response rate was 84.9 per cent (n=906).

## Data Collection Methods

Data analyses will be both quantitative and qualitative. The closed-ended responses will be coded systematically and analysed using statistical software packages, such as SPSS or Excel, employing descriptive statistics like means and frequency counts and inferential statistics like correlation analysis to identify patterns and relationships. On the other hand, open-ended responses will be thematically analysed to pinpoint recurring themes and unique insights about customer satisfaction and payment gateways' usability. Eleven questions were presented in the survey: three demographic information questions, three behavioural patterns, three experiences and preferences questions, and one challenges and consent question. Members are certified in professional ethics, including credentials such as informed consent and ethics review of social research on health-related topics.

## Definition of Terms

**Payment Gateway:** According to Pande et al. (2020), a payment gateway is a service that processes and authorises online payments, typically for e-commerce transactions. It acts as a bridge between the customer, the merchant, and the financial institutions involved, ensuring the secure transfer of payment information.

**Online Transactions:** Limayem et al. (2000) indicated that online transactions can exchange goods, services, or funds over the Internet. This matter usually involves a buyer purchasing

products or services from a seller using digital payment methods. Online transactions are the foundation of e-commerce and have become essential for businesses and consumers.

**Customer Satisfaction:** McColl-Kennedy and Schneider (2000) refer to customer satisfaction as measuring how well a company's products, services, and overall experience meet or exceed customer expectations. It reflects the degree of happiness and loyalty customers feel toward a brand. High customer satisfaction indicates that customers are pleased with their experience, often leading to repeat business and positive word-of-mouth referrals.

**Small and Medium Enterprise (SME):** Gilmore et al. (2001) posited that an SME, which stands for small and medium enterprises, is defined by their size, usually based on the number of employees, annual revenue, or assets. SMEs are the backbone of most economies, as they play a significant role in employment, innovation, and economic growth.

**Success:** St. John's University (2023) measures success as achieving goals or objectives an individual or organisation has set out to accomplish. It is a highly personal concept and can mean different things to different people, depending on their values, aspirations, and life circumstances. While some see success as financial wealth or career advancement, others may define it as happiness, fulfilment, health, or personal growth.

**Experience:** Hohn (2012) refers to experience as the knowledge, skills, and insights a person gains through direct involvement or participation in events, activities, or tasks. It is the sum of everything learned from personal and professional life, shaping how we perceive and respond to the world. Experience can be formal.

**Customer Service:** Staff (2024) reported that customer service is the support and assistance a business provides its customers before, during, and after a purchase. It involves addressing customer needs, answering questions, solving problems, and ensuring a positive experience. Effective customer service is crucial for building strong relationships, fostering loyalty, and enhancing a business's reputation.

**Business:** Dasilva and Trkman (2013) indicated that a business is an organisation or entity engaged in commercial, industrial, or professional activities. The primary goal of a company is to provide goods or services to customers in exchange for money, aiming to generate profit. Businesses can range from small, family-owned enterprises to large multinational corporations.

## Findings

### Demographic Characteristics of Respondents

Table 1 presents the demographic characteristics of the sampled respondents. All sampled respondents answered the questions about gender, age, and occupation. Most of the sampled respondents were females (68.2%,  $n=618$ ), 18-25 years (45.8%,  $n=414$ ), and professionals (30.6%,  $n=277$ ).



**Table 1: Demographic Characteristics of Respondents, n=906**

<b>Demographic Characteristic</b>	<b>%</b>	<b>n</b>
<b>Gender</b>		
Female	68.2%	618
Male	31.8%	288
<b>Age Group</b>		
18-25 years	45.8%	414
26-35 years	28.5%	258
36-50 years	20.1%	182
51+ years	5.6%	51
<b>Occupation</b>		
Self Employed	26.9	240
Unemployed	13.4	121
Professional/Employed	30.6	277
Student	29.6	268

## Research Objective 1

To assess how the choice of payment gateway affects overall customer satisfaction with SMEs in Jamaica.

Table 2 presents responses to the payment methods and customer satisfaction. The response rate to these items was 100% ( $n=906$ ). The reactions to the payment responses and customer satisfaction are presented below:

### 1. Dominant Payment Method

- Debit cards are the most used payment gateway (63.4%,  $n=272$ ), likely due to their accessibility and direct linkage to bank accounts.
- Credit card usage (30%,  $n=574$ ) suggests a segment of users value transaction benefits like points or cashback.

### 2. Customer Satisfaction

- A combined (71.7%,  $n=650$ ) (Highly Satisfied + Satisfied) report positive shopping experiences.
- However, (28.3%,  $n=256$ ) express dissatisfaction, underscoring the need for SMEs to enhance service quality.

## Implications

The high reliance on debit cards indicates a preference for simple, straightforward payment methods. To improve overall satisfaction, SMEs could explore incentives for credit card users while addressing pain points for the dissatisfied segment.

**Table 2: Response Patterns for Research Objective 1**

Question	Response Option	%	N
<b>The most used form of payment</b>	Credit Card	30	272
	Debit Card	63.4	573
	Cash on Delivery	6.6	60
<b>Shopping experience</b>	Highly Satisfied	33.3	302
	Satisfied	38.4	347
	Dissatisfied	15.8	143
	Highly Dissatisfied	12.5	113

Table 3 presents a cross-tabulation between payment gateways and customer satisfaction.

The sample respondents who indicated being highly satisfied were most likely to use a debit card (72.4%,  $n=279$ ) compared to those who used a credit card (7.6%,  $n=23$ ) and those who used cash (0.0%,  $n=0$ ). Those who indicated being satisfied were most likely to be debit card holders (56.5%,  $n=197$ ) compared to those who used a credit card (37.2%,  $n=130$ ) and cash (6.3%,  $n=22$ ).

**Table 3: A Cross-Tabulation Between Payment Gateways and Customer Satisfaction**

What is the count of the most used form of payment when online shopping?	Column Labels				
	Dissatisfied	Highly Dissatisfied	Highly Satisfied	Satisfied	Total
Row Labels					
	%(n)	%(n)	%(n)	%(n)	%(n)
Cash On Delivery	1.4 (2)	31.9 (36)	0.0 (0)	6.3(22)	6.6(60)
Credit card	65.5 (93)	23.9 (27)	7.6(23)	37.2(130)	30.1 (273)
Debit Card	33.1 (47)	44.2 (50)	92.4(279)	56.5(197)	66.3 (573)
Total	142	113	302	349	906

## Research Objective 2

To analyse how specific features of payment gateways (security, convenience, and transaction speed) contribute to customer satisfaction with SMEs in Jamaica.

Table 4.4 presents the demographic characteristics of the sampled respondents. 100% of the sample respondents answered questions about the most used payment and shopping experience forms. Most of the sampled respondents were females (68.2%,  $n=618$ ), 18-25 years (45.8%,  $n=414$ ), and professionals (30.6%,  $n=277$ ).

## Findings and Insights

### 1. Key Issues

- The largest reported problem is delivery delays (35.9%,  $n=325$ ), followed by shipping costs (27%,  $n=245$ ).
- Trust issues remain significant for (15.9%,  $n=144$ ) of respondents, signalling room for improving customer confidence.

### 2. Comfort Levels

- (91.8%,  $n=832$ ) feel “extremely”, “quite”, or “moderately” comfortable buying online from known companies.
- Only (8.2%,  $n=74$ ) are “uncomfortable,” reflecting a general acceptance of online transactions.

## Implications

Addressing logistical challenges and cost concerns could significantly improve satisfaction. SMEs must also invest in customer trust-building measures, such as enhanced transparency and secure payment systems.

**Table 4: Response Patterns for Research Objective 2**

Question	Response Option	%	N
<b>Main online shopping problem</b>	Product Did Not Arrive	21.2	192
	Shipping Cost	27.0	245
	Delay in Delivery	35.9	325
	Trust Issues	15.9	144
Total		100	906
<b>Comfort buying online</b>	Extremely Comfortable	22.8	207
	Quite Comfortable	36.9	334
	Moderately Comfortable	32.1	291
	Not at All Comfortable	8.2	74
Total		100	906

Table 4 presents a cross-tabulation between payment gateway comfort and customer satisfaction. The sample respondents who indicated being highly satisfied were extremely comfortable with the online company, and more people were moderately comfortable; 142 were dissatisfied, 349 were satisfied, and 302 were highly satisfied.

How comfortable are you buying products online from a company you know?	Column Labels				
Row Labels	Dissatisfied	Highly Dissatisfied	Highly Satisfied	Satisfied	Grand Total
Extremely Comfortable	1	-	169	38	208
Moderate Comfortable	104	34	2	150	290
Not At All comfortable	36	29	1	8	74
Quite Comfortable	1	50	130	153	334
Grand Total	142	113	302	349	906

### Research Objective 3

To examine customer loyalty and the likelihood of returning to SMEs based on their experience with payment gateways.

### Findings and Insights

#### 1. Preference Trends

The majority value "better offers" (31.9%, n=289) and "service quality" (23.2%, n=210) when shopping online, reflecting price sensitivity and demand for reliability.

- A notable (12.3%, n=111) do not prefer online shopping, highlighting an untapped segment for SMEs.

#### 2. Internet Usage

- The dominant usage pattern is 3-6 hours daily (59.3%, n=538), emphasising high engagement levels with digital platforms.

### Implications

SMEs can foster loyalty by focusing on competitive pricing and exceptional service quality. Marketing efforts should also target the highly engaged demographic spending significant time online

### Overall Analysis

#### • Dominant Trends

- Debit cards dominate payment methods, while delivery delays are the most reported issue.
- A substantial portion of respondents report comfort with known companies, indicating brand trust as a significant driver of satisfaction.

## Key Implication

SMEs can significantly improve customer retention and satisfaction by addressing logistical challenges and enhancing payment system features.

**Table 5: Response Patterns for Research Objective 3**

Question	Response Option	%	N
<b>Reasons for online shopping</b>	Less Stress	16.2%	147
	Provide Better Offers	31.9%	289
	Service Quality	23.2%	210
	Less Expensive	16.4%	148
	I Do not Prefer It	12.3%	111
<b>Internet usage per day</b>	2-3 Hours	16.1%	146
	3-6 Hours	59.3%	537
	6-8 Hours	6.9%	62
	Above 8 Hours	17.7%	160

## Discussion

Information technology development has brought digital transformation, and digitalisation directly influences Small and Medium-sized Enterprises (SMEs). Ji & Singh (2023) refers to digitalisation as the ‘biggest upheaval enterprises face.’ Despite the perspective of Ji and Singh (2023), digitalisation is the way forward in paying for goods and services. This digital transformation will have a futuristic influence on SMEs, as it is a business transformation. Many challenges are associated with digital business transformation, but SME digitalisation is here to stay, and SMEs must adapt to this new reality (Anibal et al., 2024). Anibal and colleagues identified some of the challenges associated with digital business transformation. They opined, “

The literature and empirical evidence converge on several key challenges that organisations encounter, namely the lack of financial resources, high investment costs, resistance from workers, scarcity of well-qualified staff, lack of knowledge about technology providers, IT security requirements, and the absence of a business culture oriented towards digital transformation” (Anibal et al., 2024, p. 18).

The study found that payment gateways play a critical role in enhancing the success of SMEs in Jamaica. The dominance of debit cards as the most used payment gateway shows that customers prefer easily accessible and straightforward solutions. The current study found that customer satisfaction was primarily influenced by speed, security, and convenience. When combined, 71.6% ( $n=650$ ) of the sampled respondents expressed being satisfied or extremely satisfied with their online purchases, showing that digital payment gateways (credit/debit) cards positively influence consumer perception. Kevin (n.d.) discusses how digital payment options can enhance customer satisfaction by providing faster transactions, reducing friction, ensuring security, and improving the shopping experience. This explains the high degree of customer satisfaction found in this study. Twenty-eight and three-tenths of a per cent (28.3%,

n= 143) of respondents who have expressed being dissatisfied with their experience have experienced problems with delivery delays (35.9%, n=325) and shipping costs (27.1%, n=245), which were the leading causes. The delay in the delivery of goods could be due to staffing and other issues identified by Anibal and Colleagues (2024) as part of the challenges of digital business transformation.

The current study also found that competitive pricing and service quality were key drivers for customer loyalty. This means that SMEs can tap into this opportunity and get more customers by offering online services since (59.3%, n=538) of people said that they spend 3-6 hours online and by giving transparent refund policies and educating customers on their security to increase brand loyalty. Payment gateways have the potential to significantly grow SMEs by increasing their market and improving customer satisfaction. However, to see such growth, SMEs must first address the problems identified in these studies, such as the limited infrastructure and high transaction fees. SMEs must also prioritise digital literacy to remain competitive in the market. This study confirms the Expectation Confirmation Theory (ECT) and the SERVQUAL model, displaying that it is highly influenced by aligning their expectations with services, such as delivery times. SMEs that meet or surpass customers' expectations are more likely to retain loyal customers and achieve long-term success.

## Conclusion

Payment gateways are revealed to be important to the success of SMEs in Jamaica. According to the study, debit cards are the preferred payment method, as customers prefer easy access. Speed, security and convenience were all drivers of customer satisfaction, and (71.6%, n=650) of customers were satisfied with their online purchases. The main reasons for dissatisfaction were delivery delays (35.8%, n=325) and high shipping costs (27.1%, n=245). Customer loyalty was driven by competitive pricing and service quality, and SMEs could expand their customer base by providing online services, transparent refund policies and educating customers about security. However, SMEs must tackle infrastructure challenges and high transaction fees and push digital literacy at the base. The study supports the Expectation-Confirmation Theory (ECT) and SERVQUAL model. SMEs are rewarded with increased loyalty and future success if they meet or exceed expectations, particularly on delivery times. Research should focus on the challenges of implementing a payment gateway in Jamaica to understand why many businesses within Jamaica do not adopt this digital system.

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