

Importance and Benefits of Digital Services to Young Generation

(A Case Study)

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Abstract: -

Prime Minister Narendra Modi made a strong push for a 'Cashless Economy' in his 'Mann ki Baat' radio Address. A day later, His office publicised a number of alternative payment modes in a series of tweets titled 'My mobile, My Bank, My wallet: Transaction without Cash. Thus, the vision of Digital India would be realized by the partnership of both Government & Public.

Digitisation of the economy has been undertaken in various countries with some being successful and some not very successful. The most successful effort so far, has been in Sweden. How successful it will be in India depend on how much awareness is created among India's vast illiterate and semi-literate population, especially in rural areas, who have virtually no or very less access to internet. With effective government policies to deal with cyber security issues and large scale awareness drives to educate people, one can hope to see India become a global player in the digital economy. In this paper empirical findings have been used to collaborate these facts.

Keywords:- Cashless Economy, Corruption, Black Money, Digital Payments, Digitalisation, Demonetization

(A) Introduction

Cashless economy is an economic system in which transactions are not done predominantly in exchange for actual cash. It does not refer to an outright absence of cash transactions in the economic setting but one in which the amount of cash-based transactions are kept to the barest minimum. A cashless economy or an e-payment system is a situation where there is little or very low cash flow in a given society, meaning thereby, transactions will be made by electronic channels like debit cards, electronic funds transfer, mobile payments, multifunctional ATMs, and internet banking. It is the economy that run mostly on plastic or digital money and thus with minimal cash or money in paper form.

The introduction of cashless transaction has made the government of India to move towards cashless economy. To understand the cashless methods of transactions the researcher will have a quick overview on cash and its transactions. Money is one the most important means to fulfil our needs and wants. The means to satisfy our needs and wants are currencies of different types that are issued by the governments of a country and then they are exchanged in lieu of products and services. The money is a developed type of means for day to day transactions and has emerged from various systems of exchange in human civilization.

Earlier, there were no currencies but all the important goods and services were acquired by exchanging other goods and services; this system of exchange was known as a Barter system.

The need for monetary value was emerged as a psychological assurance to trust each other and to involve an external body to promise the payment in terms of a promissory note or a coin, this is the time when currencies or coins came into existence.

Ancient china, India, and Africa started to use cowries and shekels. The emergence of new technology and need for a global business made the cashless transactions more popular. There were various methods of cashless transactions that were frequently used, but due to the economic advancements the need for other faster and reliable methods has motivated many entrepreneurs and economist to introduce reliable and easy to use methods of cashless transaction.

Cashless transaction is a process of buying goods and services against money where there

is no physical currency is involved. The physical currency is replaced by a number of methods that are powered by digital information technology and are capable to transfer money from one person's bank account to another person's. All these money transfer methods have their own, features, qualities, and mechanisms that work together with other devices or equipment; therefore they are termed as "systems".

As for any trading activity, the issue of safe and reliable money exchange between transacting parties is also essential. In a cashless environment, payments take the form of money exchange in an electronic form which makes it safe and reliable. Merchant sells the goods to customer and customer pays the price with the help of cashless methods with safety and reliability where as in offline world the payments are made with cash or through cheque that may be counterfeited.

There are many reasons behind the people's choice to do cashless transactions like convenience, improved and trusted digital technology, need to acquire things faster and cheaper along with maintaining a track record for the taxation purposes. The credit and Debit cards were the most common for cashless transactions in India like other countries but a shift in the demand and after the historical decision of demonetization taken by the Hon Prime Minister of India "Mr. Narendra Modi" boosted other methods of cashless transaction. The shifting paradigm gave a new height to the cashless transactions in the country and also influenced consumers and their perception towards these methods of transaction. The whole country is undergoing the process of modernization in money transactions, with e-payment services gaining unprecedented momentum. A large number of businesses, even street vendors, are now accepting electronic payments, prompting the people to learn to transact the cashless way at a faster pace than ever before. India is gradually transitioning from a cash-centric to cashless economy.

(B). Objectives of the study.

- 1. To know about the requirements and needs for digital India.**
- 2. To explain importance and benefits of digital services to young generation.**
- 3. To access the requisite conditions for digital India.**

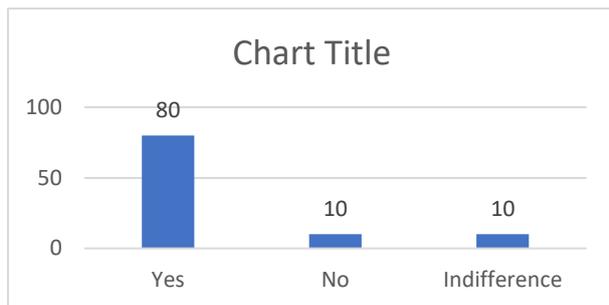
(C). Methodology of the study

This study is based on primary data. Primary data was collected with the help of structured questionnaire and analyzed using simple percentage method. The area of study was conducted in the Patna urban area. 100 respondents have been selected for this study.

(D). Data Analysis & Interpretation:-

1. Awareness About Digitalization

Yes	80
No	10
Indifference	10



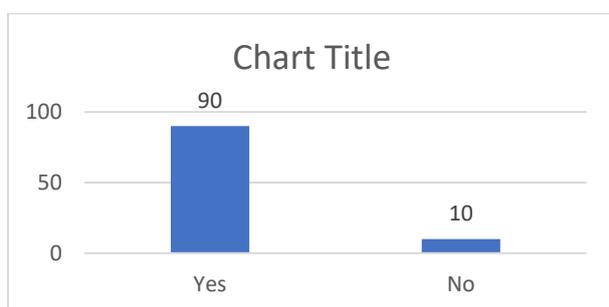
Interpretation:-

The above table shows the percentage of awareness of digitalization.

- a). 80% of respondents are aware about the digitalization.
- b). 10% of respondents have no Idea about digitalization.
- c). 10% respondents have just heard the name digitalization.

2. Impact of Cashless on standard of living.

Yes	90
No	10



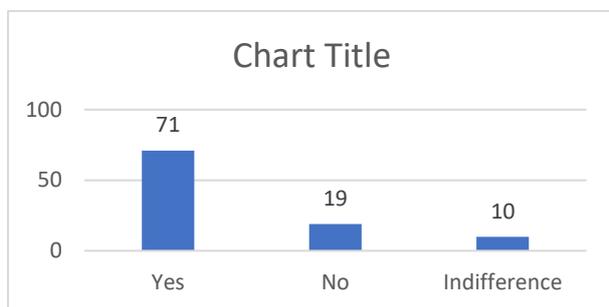
Interpretation:-

The above the table show the impact of Cashless standard of living.

- a). 90% of the respondents are of opinion that cashless will improve the standard of living.
- b). Only 10% of the respondents do not favour the motion.

3. Preference of living in digitalized city..

Yes	71
No	19
Indifference	10

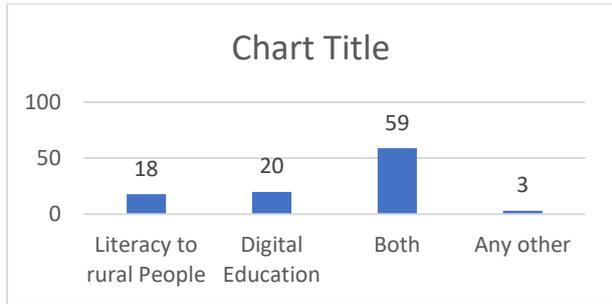


The above show the preference of respondents living in digitalized city.

- a). 71% of respondents prefer to live in digitalized city.
- b). 19% of respondents do not prefer to live in digitalized city.
- c). Only 10% of the respondents are indifferent.

4. Factor most responsible to convert India into digital India.

Literacy to rural People	18
Digital Education	20
Both	59
Any other	03

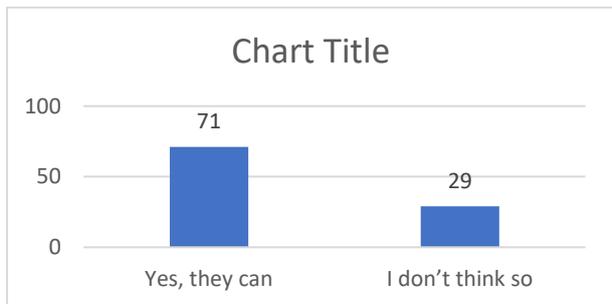


The above show the factor most responsible to convert India into digital India.

- a). 18% of the respondents consider literacy to rural people most important.
- b). 20% of the respondents consider digital education most important.
- c). 59% of the respondents consider both literacy to rural people and digital education.
- d). Only 3% of the respondents consider other factor like digital governance, IT talent, etc.

5. Adaptability of digital change by rural people of India.

Yes, they can	71
I don't think so	29

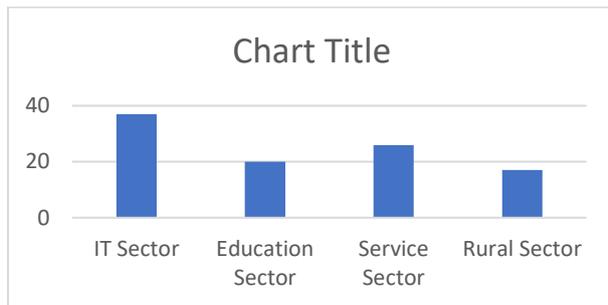


The above table shows the adaptability of digital change by rural people of India.

- a). 71% of the respondents are of opinion that rural people of India are able to adopt digital change.
- b). 29% of the respondents are against the view. In their opinion, rural people of India are not able to adopt digital change.

6. Most developed sector after digitalization.

IT Sector	37
Education Sector	20
Service Sector	26
Rural Sector	17

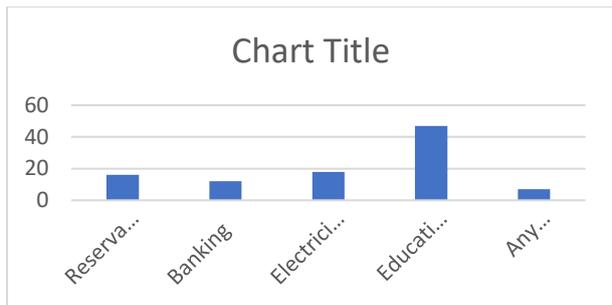


The above table shows the most developed sector of after digitalisation.

- a). 37% of the respondents consider IT Sector the most developed sector in India.
- b). 26% of the respondents consider service sector the most developed sector in India.
- c). 20% of the respondents consider education sector, the most developed sector in India.
- d). 17% of the respondents consider rural sector in India.

7. Convenience to different services after digitalisation.

Reservation	16
Banking	12
Electricity/water facilities	18
Educational Institutes	47
Any other	07

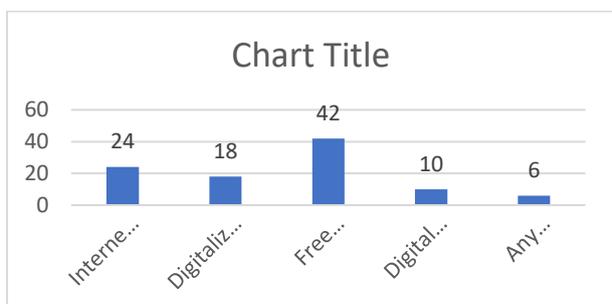


The above table shows the convenience to different services after digitalisation.

- a). 16% the respondents are of opinion than reservation is more convenient after digitalization.
- b). 12% of the respondents feel banking is more convenient after digitalization.
- c). 18% of the respondents favour electricity/water facilities is more convenient after digitalization.
- d). 47% of the respondents think educational institutes are more convenient after digitalization.
- d). 07% of the respondents favour other are more convenient after digitalization.

8. Idea about digitalization/cashless of India

Internet connection in every rural area	24
Digitalization of all government work	18
Free wi-fi at all public places	42
Digital Literacy	10
Any other	06

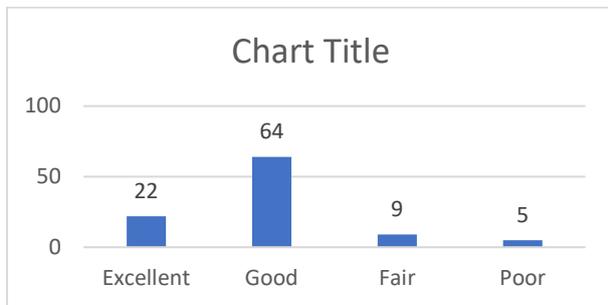


The above table shows the Idea of respondents about digitalization/cashless India.

- a). 24% of the respondents favour Internet connection in every rural area.
- b). 18% of the respondents favour digitalization of all government work.
- c). 42% of the respondents are in favour free wi-fi at all public places.
- d). 10% of the respondents are in favour of digital literacy.
- e). 6% of the respondents are in favour of others.

9. Rating given by respondents to decision of demonetisation.

Excellent	22
Good	64
Fair	09
Poor	05

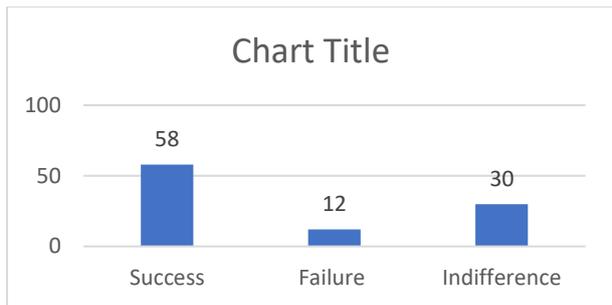


The above table shows the rating given by respondents to the decision of demonetisation by the government.

- a). 22% of the respondents take the decision of demonetisation as excellent.
- b). 64% of the respondents consider the decision of demonetisation as good.
- c). 09% of the respondents take the decision of demonetisation as fair.
- d). 05% of the respondents consider the decision of demonetisation as poor.

10. Fate of demonetisation.

Success	58
Failure	12
Indifference	30

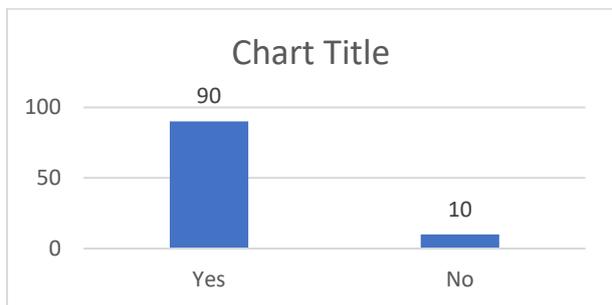


The table shows the opinion of respondents regarding fate of demonetisation.

- a). 58% of the respondents consider it as success.
- b). 12% of the respondents consider it as failure.
- c). 30% of the respondents are indifferent about its fate.

11.Jan Dhan Account.

Yes	90
No	10

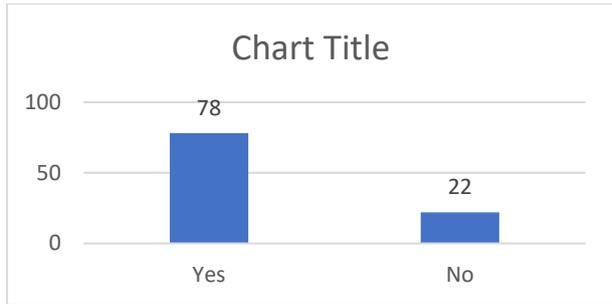


The table shows Jan Dhan Account of people with banks.

- a). 90% of the respondents have Jan Dhan Account in Bank.
- b). 10% of the respondents have no Accounts in Bank.

12.Facility of Internet connection in Mobile Phones.

Yes	78
No	22

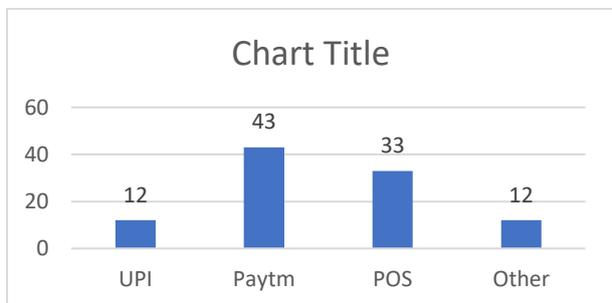


The table shows the facility of Internet connection in mobile phones.

- a). 78% of the respondents have Internet connection in their mobile phones.
- b). 22% of the respondents have no Internet connection in their mobile phones.

13.Preference to various modes of Payments.

UPI	12
Paytm	43
POS	33
Other	12



The table shows the preference by respondents to various modes of payment.

- a). 12% of the respondents prefer UPI as modes of Payment.
- b). 43% of the respondents prefer PAYTM as mode of Payment.
- c). 33% of the respondents prefer POS as mode by Payment.
- d). 12% of the respondents prefer other as mode of Payment.

Summary of Finding -

1. Most of the people are aware of Digitalization.
2. Cashless would uplift the standard of living.

3. People prefer of live in digitalized city.
4. Digital Literacy is must for digital transaction.
5. After digitalization service delivery would become more transparent.
6. Availability of free Wi-Fi at all public places would facilitate movement towards digital India.
7. Majority of the respondents gave positive opinion about demonetization. According to them demonetization would have positive impact on the economy.
8. Most of the people have Jan Dhan Account.
9. Most of the people have access the Internet Connection in their mobile phones.
10. Most of the people prefer Paytm to make payment digitally.

Recommendation and future task –

- To create impact of Digital India to be realized, we have to use technology to solve problems faced by Indians and for that we need a very strong IT infrastructure.
- The government should also focus on sustainable development goal and basic facilities of rural area before provision of digital services. These two have to go hand-in-hand. Create a culture of saving and faith in financial systems among the rural people.
- A financial literacy campaign should be conducted by the Government time to time to make population aware of the benefits of the Digital payments.
- Government should assure basic necessities in rural areas and focus on developing infrastructure to create awareness about digital transactions.
- Tax rebates for consumers and merchants who adopt the electronic payments.
- Making electronic payment infrastructure completely safe and secure so that incidents of cyber crime could be minimized and people develop faith in electronic payment system.
- Digital payment or payment through banks, instead of paying cash should be increased.

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