INSIGHT ON DIGITAL SERVICES OF RURAL PEOPLE

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ABSTRACT

The paper seeks to examine the digital services provided by banks, and to study the users' perception about digital services before and after demonetization. The major chunk of the work involves field investigation by using interview schedule. The 130 sample respondents have been picked up from Tirupati Revenue Division of Chittoor district by adopting convenience sampling technique. The secondary data were collated from various sources like Journals, magazines, books, and newspapers. The data was analysed by using various tools like percentages and chi-square test. The study consists of Tirupati Revenue Division which is situated in Chittoor district of Andhra Pradesh. The Chittoor district consists of four Revenue divisions, namely Chittoor, Kuppam, Madanapalli, and Tirupati divisions.

Keywords: Digital Services, Mobile Applications, Rural People, E-Wallets and E-Payments.

INTRODUCTION

Digital services are playing a unique role in banking sector after demonitization of Indian currency of `500/- and `1,000/- notes on 8th November 2016 by Government of India. The people are required to be aware of digital services regarding transfer of funds and payments through different modes such as E-wallets - UPI, PayTm, Rupay, Google Pay, PhonePe, and E-payments - NEFT, RTGS by using net banking, and so on. As per the researchers' concern, there are few studies on digital services. As a part of encouraging digital service, the government has been conducting several programmes which would help the users. Hence, there is a dire need to conduct survey on digital services. The mobile and DTH recharges, electricity and telephone bills, gas bills, online shopping, online ticket booking, and so on are done by mobile wallets. At present, all banks provide E-wallets and encourage digital payments by giving offers, rewards, discounts, etc., to attract rural people also.

1. Literature Review

There has been a positive impact that conversion of Indian economy can wear the expansion and development of Rural Indian Sector (Neeru & Kirandeep, 2015). Digital services delineate to electronic technology that generates, stores, and processes data, so that it is stored in a virtual central repository and is easy to access anytime, anywhere, through established protocols which creates a transparent environment. Digital Technologies which include Cloud Computing and Mobile Applications transpire as catalysts for shaping our world (Jani & Tere, 2015). Another author has emphasized with the aid of simple theoretical tools used in classroom lectures, the implications of the recent "demonetisation" exercise in India (Dasgupta, 2016). Today, every nation wants to be fully digitalized and this programme strives to provide equal benefit to the user and service provider. Hence, an attempt has been made in this paper to understand Digital India – as a campaign, where technologies and connectivity will come together to make an impact on all aspects of governance and improve the quality of life of citizens (Sharma, 2016). Another research work deals with the impact of digital India on all aspects of governance and improve the quality of life of citizens. The research methodology is descriptive cum analytical in nature (Rani, 2016). A best practice, has been evaluated focusing upon evaluation metrics, future proofing, and strategic integration needs to be developed for the communication industry. The digital marketing model should be subject to

further testing in industry (Royle & Laing, 2014). The rural banks are taking lot of initiatives to change the attitude of their customers. This paper will provide insights to banks about the impact of digital efforts adopted by Indian Banks to enhance the customer experience and perception of banking services in Rural India. This study will help the marketer in understanding of how attitudes influence consumer behavior towards banking in Rural India. Attitudes are measured using the Likert's scale to understand how the consumers behave towards the banking product (Singh, 2016). Digital India is a dream to ensure that government services are made available for all citizens electronically by improving online infrastructure and by increasing the effectiveness of Internet connectivity with one mission and one target that is to take nation forward digitally and economically. (Srivastava, 2017). There are many roadblocks in the way of its successful implementation like digital illiteracy, poor infrastructure, low internet speed, lack of coordination among various departments, issue pertaining to taxation, etc. These challenges need to be addressed in order to realize the full potential of this programme. It requires a lot of efforts and dedication from all departments of government as well as private sector (Dua, 2017). Digital India enhances the quality of life of people through easy solutions, effective technology, and operated by every citizen of India. The main objectives of the paper are to examine the nine pillars of Digital India, understand the utility of business process Re-engineering using IT, consider the possibility of the digital empowerment along with the utility of digital infrastructure to every citizen, and identify the electronic delivery of services through the e-Kranti (Rao & Raju, 2018). An effort was put forth to overcome these issues and to find some cure for providing better future to everyone. It describes the different opportunities of the programme for the people of the country (Kumar, 2018). As it is believed that technology is a key driver in causing disruptive change, digital tools will certainly empower citizens and prove to be a game-changer (Jayadatta & Chaco, 2018).

2. Statement

Rural people play a significant role in the banking services. They are aware of few services in terms of cash deposits, withdraws, crop loans, and locker facility. There is a lack of awareness about digital services which is needed to be operated by rural people. Hence, there is a dire need to study on digital services in rural areas.

3. Objectives

The chief objectives of the study are,

- To examine the digital services provided by banks, and
- To study the users perception about digital services before and after demonetization.

4. Sources of Data

The data was collected from both primary and secondary sources. The major chunk of the work involves field investigation by using interview schedule. The 130 sample respondents have been picked up from Tirupati Revenue Division of Chittoor District by adopting convenience sampling technique. The secondary data is collected from various sources like Journals, magazines, books, and newspapers.

5. Tools of Analysis

The data was analysed by using various tools like percentages and chi-square test.

6. Limitations of the Study

The study consists of Tirupati Revenue Division which is situated in Chittoor District of Andhra Pradesh. The Chittoor District consists of four Revenue Divisions, namely Chittoor, Kuppam, Madanapalli, and Tirupati divisions. The researcher has constrained to explore limited extent of digital services of rural area.

7. Field Analysis

7.1 Socio-Economic Background

It can be seen from Table 4 that the socio-economic backward is more important for the development of any nation's economy. It reveals in terms of gender, age, marital status, type of family, education, occupation, and monthly incomes, respectively. Awareness of Internet Banking, Mobile banking, Different Outlets, Fund Transfers through Mobile Apps, usage of Debit Card, usage of Credit Card, usage of Cheque Book, and usage of Online Trade before and after demonetizations are described in Tables 2-9.

Variables		No. of Respondents	Percentage
Gender			
Male		81	62.30
Female		49	37.70
	Total	130	100
Age			
0 – 25 yrs.		26	20
26 – 50 yrs.		71	54.62
50 and above		33	25.38
	Total	130	100
Marital status			
Married		57	43.85
Unmarried		73	56.15
	Total	130	100
Types of family			
Nuclear		103	79.23
Joint		27	20.77
	Total	130	100
Educational qualifications			
Illiterate		18	13.85
Primary education		21	16.15
Secondary education		51	39.23
Intermediates		24	18.46
Graduate and above		16	12.31
	Total	130	100
Occupation			
Agriculture		72	55.38
Business		26	20
Employee		32	24.62
	Total	130	100
Monthly Income			
Upto $145.85		76	58.46
$160.44 – 437.55		27	20.77
$437.55 – 729.25		16	12.31
Above $729.25		11	8.46
	Total	130	100

Table 1. Socio-Economic Background

Level of Awareness	Before		After	
	No. of Respondents	%	No. of Respondents	%
High	11	8.46	59	45.38
Medium	19	14.62	47	36.15
Low	100	76.92	24	18.46
Total	130	100	130	100

Source: Field survuey

(a)

Correlation:

	Before	After
Before	1	
After	-0.96567	1

Inference: Very high negative correlation is observed between the two variables. This indicates a significant change in awareness after demonetization and the change is positive indicating the improvement.

(b)

Table 2. Awareness of Internet Banking Before and After Demonetization

It can be seen from Table that social media has played a vital role in bringing awareness on digital services to users followed by PayTm, Newspapers, TV Advertisements, Freecharge, and Mobikwik. As a result, social media's impact is more on people.

Table 10 exhibits the availability of ATM centers. It clearly shows that 64.61% of respondents said that ATM centers are available, whereas 35.39% of respondents were expressed that no ATM centers are available at nearby locations. The sector will provide ATM centers wherever necessary. It will encourage the users towards using ATM and get digitalized transactions.

Table 11 shows that the majority of respondents 117 (90%) require awareness camps to use digital services. They need

Level of Awareness	Before		After	
	No. of Respondents	%	No. of Respondents	%
High	12	9.23	52	40.00
Medium	07	5.38	46	35.38
Low	111	52	32	24.62
Total	130	100	130	100

Source: Field survey

(a)

Correlation:

	Before	After
Before	1	
After	-0.943	1

Inference: Very high negative correlation is observed between the two variables. This indicates a significant change in awareness after demonetization and the change is positive indicating the improvement.

(b)

Table 3. Awareness of Mobile Banking Before and After Demonetization

Awareness Outlet	No. of Respondents	%
Newspapers	21	16.5
TV advertisements	10	09.23
PayTm website	27	20.77
Freecharge website	12	09.23
PhonePe website	10	07.69
Social media (Facebook, Twitter, Whats App)	48	36.93
Total	130	100.00

Source: Field survey

Table 4. Awareness about Different Outlets

Level of Awareness	Before		After	
	No. of Respondents	%	No. of Respondents	%
High	28	21.54	56	37.69
Medium	34	26.15	39	30
Low	68	52.31	35	26.92
Total	130	100	130	100

Source: Field survuey

(a)

Correlation:

	Before	After
Before	1	
After	-0.74695	1

Inference: High negative correlation is observed between the two variables. This indicates a significant change in awareness after demonetization and the change is positive indicating the improvement.

(b)

Table 5. Awareness of Fund Transfers through Mobile Apps Before and After Demonetization

Level of Awareness	Before		After	
	No. of Respondents	%	No. of Respondents	%
High	118	90.77	80	61.54
Medium	07	5.38	37	28.46
Low	05	3.85	13	10.00
Total	130	100	130	100

Source: Field survey

(a)

Correlation:

	Before	After
Before	1	
After	0.940788	1

Inference: High positive correlation is observed between the two variables. This indicates a slight change but more awareness after demonetization towards other digital means and the change is negative indicating the improvement in other digital means instead of debit cards.

(b)

Table 6. Awareness/Usage of Debit Card Before and After Demonetization

Level of Awareness	After		Before	
	No. of Respondents	%	No. of Respondents	%
High	76	58.46	35	26.92
Medium	13	10	42	32.31
Low	41	31.54	53	40.77
Total	130	100	130	100

Source: Field survey

(a)

Correlation:

	Before	After
Before	1	
After	-0.444	1

Inference: Low negative correlation is observed between the two variables. This indicates a slight negative change but more awareness after demonetization towards other digital means and the change is positive indicating the improvement in other digital means instead of credit cards.

(b)

Table 7. Awareness/Usage of Credit Card Before and After Demonetization

Level of Awareness	After		Before	
	No. of Respondents	%	No. of Respondents	%
High	05	03.85	37	28.46
Medium	09	06.92	58	44.62
Low	116	89.23	35	26.92
Total	130	100	130	100

Source: Field survey

Correlation:

(a)

	Before	After
Before	1	
After	-0.53997	1

Inference: Moderate negative correlation is observed between the two variables. This indicates a negative change but more awareness after demonetization towards other digital means and the change is positive indicating the improvement in other digital means instead of checkbook.

(b)

Table 8. Awareness/Usage of Cheque Book Before and After Demonetization

Level of Awareness	After		Before	
	No. of Respondents	%	No. of Respondents	%
High	91	70	14	10.77
Medium	11	8.46	12	09.23
Low	28	21.54	104	80
Total	130	100	130	100

Source: Field survey

Correlation:

(a)

	Before	After
Before	1	
After	-0.29695	1

Inference: Low negative correlation is observed between the two variables. This indicates a moderate change in awareness after demonetization and the change is positive indicating the improvement in online trading.

(b)

Table 9. Awareness/Usage of Online Trade Before and After Demonetization

Level	No. of Respondents	%
Yes	46	35.39
No	84	64.61
Total	130	100.00

Source: Field survey

Table 10. Availability of ATM Centres Nearby Village

Level	No. of Respondents	%
Yes	117	90
No	13	10
Total	130	100

Source: Field survey

Table 11. Do you Require Awareness Camp ?

to know in terms of using fund transfers, payments through various applications, protection measures against cyber frauds, and so on. As a result, 13 (10%) respondents have known about digital services and no need to require any awareness camp to operate their funds through digital services. The banking sector will conduct more awareness programs for the users thereby the digital services will be increased.

It is seen from Table 12 that 63.08% of respondents opinioned that black money would be controlled by using banking transactions through electronically. 36.92% of respondents strongly opinioned that it would not control the black money as well as facing several cyber frauds. As a result, the majority of the respondents have accepted to encourage the digital services.

Table 13 is shows that 98 respondents feared about cyber frauds, against 32 respondents not feared about cyber frauds by using digital services. Consequently, the banking sector will improve the standards which help to reduce the frauds and create confidence among the users to operate

Level	No. of Respondents	%
Yes	82	63.08
No	48	36.92
Total	130	100

Source: Field survey

Table 12. Do you Accept to Control Black Money by using Digital Services ?

Level	No. of Respondents	%
Yes	92	75.38
No	32	24.62
Total	130	100

Source: Field survey

Table 13. Do you Fear about Cyber Frauds by using Digital Services ?

Particulars	No. of Respondents	%
High	38	29.23
Medium	11	8.46
Low	81	62.31
Total	130	100.00

Source: Field survey

Table 14. Satisfaction at Working of ATM Centers

their transactions through digital mode.

From Table 14 the majority of the respondents expressed that the ATM centers are not working properly due to lack of cash, hardware errors, out of service, etc., 29.23% of respondents is happy with working conditions of ATM. The banking sector will monitor the ATM centers regularly even during bank holidays. It would be helped to increase the digital services.

It is observed from Table 15 that 41 (31.53%) of the respondents expressed lack of swiping machines whenever they want to use, followed by lack of awareness about application of banking, lack of ATM, lack of CDM, and lack of awareness of POS transactions. The banking sector clears the shortage of things and it is helped that will improve the digital services.

It is seen from Table 16, 36 (27.69%) respondents used PayTm wallet for doing banking transactions like transferring of funds form one account to another, balance enquiry, purchase and selling goods, services through making and receiving money from payTm wallet, etc. Then 16 (12.30%) respondents were using Google Pay for doing mobile banking and internet banking. With this use, the customers of these wallets are doing not only banking activity, but also commercial activity like recharge of mobile phones, recharge of dish TV, monthly payment of electricity, water

Particulars	No. of Respondents	%
Lack of ATMs	26	20.00
Lack of swiping machines	41	31.53
Lack of awareness of POS transactions	10	07.69
Lack of CDMs	22	16.92
Lack of awareness about applications of banking	31	23.85
Total	130	100.00

Source: Field survey

Table 15. Satisfaction at Working of ATM Centers ?

Type of E-Wallets	No. of Respondents	%
BHIM	17	13.08
Paytm	36	27.69
Pay U Money	06	4.63
Mobikwik	09	6.92
Phonepe	21	16.15
State bank buddy	18	13.84
Chillr	07	5.38
Google pay	16	12.30
Total	130	100.00

Source: Field survey

Table 16. Performance of E-Wallets/Mobile Banking

bills, telephone charges, etc.

It is observed from Table 17 that 41 (31.54%) respondents used mobile banking services and 33 (25.38%) respondents used NEFT services for performing banking transactions. For implementation of Digital Payment System, the government has promoted the banking institutions for protecting interest of depositors through immediate response to customers' problem. Thus the public easily utilizes digital services for doing cashless transaction.

8. Recommendations

The following recommendations have been drawn by the researchers from the forego analysis,

- Digital literacy is the first step in empowering both urban and rural citizens. The rural people should know how to secure their online data.
- The banks will conduct awareness programs/ workshops to enlighten the usage of mobile for easy of

Payment System	No. of Respondents	%
Mobile banking	41	31.54
RTGS	20	15.30
NEFT	33	25.38
IMPS	25	19.23
Plastic cards	11	8.46
Total	130	100.00

Source: Field survey

Table 17. Performance of Digital Payment System

doing banking transactions.

- The sector will improve more standards in terms of cyber frauds, hacking, online defaults and payments.
- The sector provides more offers, rewards, coupons, prizes and enlights the easy of doing banking activities which will have better position in the future.

Conclusion

The benefits of digital media and the use of Information Technology are known by the rural people. Prime Minister Narendra Modi has introduced the Digital India programme with the objective of connecting rural areas with high-speed Internet networks thus improving digital literacy and to create a digital revolution in India. It is time India's new leadership supports and fuels the digital economy to turn it into a major growth enabler.

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