

# Digital economy

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## **Introduction:-**

Digital economy also known as web economy or the internet economy. Modern age digital system more appropriate for development of economic activities. Digital economy requires a strong infrastructure, strong mobile network, internet facility and telecommunication. All move this is consuming and investment heavy process. Digital economy system is very costly but one of the important aspects for development of country. In this system economic transaction making through which internet. Digital economy is effective for economical transaction.

## **Meaning of digital economy:-**

Digital economy means Economy that focus on digital technology and computing technology. It is more useful for making economical transaction at speedily and effective. It essential for for development of economy. It is useful for making business transaction through which web or digital communication technology.

## **Components of digital economy:-**

There are three main components of this economy are as given below

E-commerce

E-business infrastructure

E- Business

## **Advantages of digital economy**

### ➤ **Rays in e-commerce:-**

At modern age internet more useful for making business transaction. The digital economy has pushed the e-commerce sector into overdrive. selling, buying, marketing, distribution all become easier through digital economy.

### ➤ **Transparency:-**

In digital economy all transaction making through online due to increase transparency. It is helpful in reduce the black money and corruption in the market and make the economy more transparent. Modern time government focuses on increasing online transaction. In the demonetization government push for online transaction. Government promotes the web economy through which online transition.

### ➤ **Promote for use of internet:-**

At modern time we can use of internet for effective daily work...internet useful for making business transaction. We use internet for making online payment. In e-commerce business internet is more useful. We use latest technical instrument for making online transaction for development of business internet more useful. So this is one of the advantages of digital economy.

### ➤ **Remove of black money:-**

Digital transaction can be easily monetarism...when any payment made by any customer to any merchant will be recorded and this easily track and monitories. Digital economy reduces cash based transaction and promotes online transaction through which remove black money in the economy. Government focus on digital payment for removing black money.

➤ **Increase in revenues:-**

Digital economy is more useful for revenue generation. When the transaction made digitized, monitoring sales and taxes becomes convenient. Since each transaction is recorded .the customers will get purchase bill and trader are bound to pay the sales tax to the government. Digital economy increase revenue of government so government cans growth of the overall financial status of the country.

➤ **Digital goods and services:-**

At modern time digital services available like banking, insurance etc. There is no need to visit your bank if you can do every transaction online. At modern age musics, picture and video available in the digital form so no need of any tangible product like CD. So certain goods and services have been completely digitized in this digital economy.

➤ **Creation of employment:-**

Through which digital economy lots job opportunities create in the market. So this is in one of the most advantages. In digital economy increase online transaction and development of digital system in the economy so increasing in employment opportunities. The rate of unemployment in the country is bound decrease.

➤ **Empowerment to people:-**

Digital economy gives an empowerment to the citizens. When the payment move digital, each and every individual is bound to have a bank account, a mobile phone etc. Due to government can directly transfer amount of subsidies in the Adhar linked bank account of public for ex. LPG subsidy. Through which digital system people can get benefits of various schemes of government.

## **Disadvantages of digital economy:-**

There are various disadvantages of digital economy are as given below.

- Heavy investment
- Lack of expert
- Less securities
- Loss in employment
- Higher risk for identity of theft
- Lack of knowledge about digital system

## **Conclusion:-**

At modern time digital system is more favorable for making development of economic activities in the country. In the digital economy system making online transaction through the internet. Digital system is more appropriate for growth of e-commerce-businessmen-business infrastructure is important components of digital economy. At modern age business activities increased through which digital system. Government promotes online transaction for remove of black money in the economy.