

Increasing use of digital finance platform and its relation to women empowerment

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Abstract

India is one amongst those countries whose majority of the population still resides in rural areas. Women in these regions, are not able to gather enough opportunities that can make them empowered enough to be a bread earner. However, government's initiative to make India a "cashless economy" have been able to bring adequate opportunities to women. Imparting knowledge related to digital finance have been able to provide better understanding with respect to general use of cashless methods of payments such as debit cards and net banking facilities. The research paper aims at understanding the change and enhancement, that digital finance platform has been able to bring, in the form of women empowerment.

The research is primary in nature where 50 women from Mavli block of Udaipur district have been surveyed through questionnaire. The main motive behind choosing this area is its low literacy rate among women, which is 48.45% in comparison to that of males, that is 74.74%. The census, 2011, also states that 73% of total women in the age group of 15-59 years are non-workers in Rajasthan. However, there is certain section people in Mavli, who have been able to make use of digital finance platform and bring themselves in a workable position (*Mavli Population Census 2011, 2011*).

Stratified sampling method have been used to select 50 participants for study where, women of 21 – 35 years have been chosen to conduct the research. Frequency analysis technique have been used to reach to the results. The research is then summed up based on data that has been gathered through it and derive the factors that has helped them to bring this change.

The findings of data suggest that digital finance platform has been able to provide them with various opportunities in the light of women empowerment. They are now more technological friendly and are able to make use of digital media effectively. They have been able to learn various digital payment methods which has also assisted them to start their own businesses without stepping out of their homes. It helps them to credit and debit all the payments through mobile phones only. Results suggested that out of 50 women, 19 have been able to start their businesses at small level and 10 women have been able to take their businesses to medium level, with the help of their knowledge to digital finance.

It can be concluded that digital finance has been able to bring transformative change in living and working conditions of women. The major change that has been reflected by the result in increased rate of women entrepreneurs in Udaipur district. Most commonly used platforms of digital finance are mobile wallets, such as, Paytm and BHIM UPI. Also, education and introduction and imparting knowledge of various payment methods, through government programme, also been able to influence adoption of digital payments among

females in Mavli block.

Keywords: Digital payments, Women empowerment, digital finance, Awareness of digital finance

Introduction and background

Over half of the population in the country comprises of women and girls. However, their contribution with respect to growth, economic activity and well-being is far below their actual potential. The major impact of the same has been borne by degraded socio – economic consequences. As per the latest progress report published by, Progress of the World’s Women 2015-2016 by the UN states women are more likely to live in poor households in comparison to men. Also, the statistics are true for 41 out of 75 countries. It clearly defines gender gap, which is quite wide in India and in other countries as well. However, this gap may differ significantly in terms of region (Doval Pankaj, 2016).

Since decades, financial industry has been able to experience continuous evolution in terms of service delivery. The main impact being gathered through introduction of digitalization in India. The report published by Statista indicates the number of mobile phone users are expected to rise to 813.2 million in the year 2019 (*Number of mobile phone users worldwide from 2015 to 2020 (in billions)*, 2015). Due to increasing use of digital payments through mobile phone, the main impact that has been noticed is on gender equality in the country. It has been able to empower women by giving them greater control over their financial life. Digital finance facility is offered through mobile phone platform, allowing women to transact safely and conveniently, without stepping out of their homes. It can be stated that digital finance is able to provide women empowerment opportunities. Adequate knowledge regarding digital financial aspects helps them in ensuring full control over their finances. They can develop their own financial identity and it can even play an important role in household savings and entrepreneurial aspects. The research paper will mainly focus upon the amount of change and enhancement that digital payments have been able to bring, in terms of women empowerment. It will also help in understanding the rate of encouragement and enhancement, that it has been able to bring, in terms of number of women entrepreneurs in the country.

Literature review

A recent report, that has been published by United Nations, titled, “Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable development”, stated regarding sustainable development goals, which cannot be achieved without gender equality and women empowerment. It has also been stated that the overall sphere of development would be incomplete in the absence of gender equality and adequate contribution from the side of women. Providing equal social and economic opportunities can be said to be one aspect. It is important that women are financially literate so that they can opt for taking their own actions in different areas. As per the views of NITI Aayog, (2017) the government of India is focussing on Pradhan Mantri Jan Dhan Yojana (PMJDY) comprising of financial inclusion in all households of the nation. Out of 31.48 crore, as on April 18, 2018, who have been able to become beneficiaries banked, more than half of them, that is, 16.62 crore, are women. As per the database released by World Bank, 54% of the women who have opened their bank accounts have not made any kind of deposits or withdrawals in one year. However, the figure for men for the

same is just 43%.

According to Gurumurthy & Chami, (2017) majority of the women population in rural India are home makers, which is a full-time job, without getting paid. The National Sample survey 2011-2012 reflected that irrespective of residence and level of education, the wages and salary earned by females is comparatively less to what is earned by males in India. On this aspect, it can be stated that, digital financial literacy can help in empowering women in such a manner that they can adequately develop their financial identity. Moreover, it can also motivate them to generate sustainable income to reach to at least the micro economic level. NITI Aayog, (2017) suggested that government aims at converting the country into digital India, where, every woman has adequate access to mobile phone devices and can also use this technology to develop their own empowerment as well. It can help them in gaining economic freedom to the maximum.

The article, *Digital payments can empower women* (2015) has been able to define various digital payment methods that can help in bringing females to contribute towards economy. Women, owning a smart phone, can easily opt for digital payment methods, such as, credit and debit cards issued by the bank, Aadhar Enabled Payment System (AEPS), Mobile wallets, Unified Payment Interface (UPI) and other mobile application exclusively being prepared for digital payments. However, the women, who may not hold smart phones, can opt for USSD, one of the mobile banking methods. The key as well as similar advantage of all the stated methods is that women are not required to step out of their homes to make payments. Further, the procedures are also quite convenient and quick in nature. Ravi, (2017) stated that government have been able to initiate various educational programme which are readily giving information regarding usage of various digital payment methods. Workshops and video conferencing sessions have also been organised by the government, to ensure that women and other individual are able to gather appropriate knowledge regarding the same. The government has also got involved in initiating knowledge sessions for Self Help Groups (SHGs) spreading awareness regarding BHIM and USSD. It helped them in understanding various modes of digital payments. Experimental learning method was initiated to ensure that adequate information regarding the same can be delivered (*Promoting digital payments within government*, 2018).

Research methodology

With the aim of understanding current state of research and possible direction to which it can be taken in the near future, a rigorous secondary research, in the form of literature review has been conducted. It is important for literature review section to match with the goals, accuracy, reliability and clarity so that efficient analysis can be rendered, on behalf of current state of research. Literature review has been conducted based on scope of research paper, using the right keywords and ensuring that the research paper used for the reference is not older than 8 years, that is, it must be published between 2011-2018. These specific parameters of choosing the journal has helped in ensuring that only right papers have been used for analysis point of view and included in the present research paper.

Further, primary type of research method has also been adopted so as to come up with new investigation, which must have not been performed by researchers earlier. In order to focus upon this aspect, data has been collected from women between the age group of 21 – 35 years. Sample size selected for the same is 50 women from

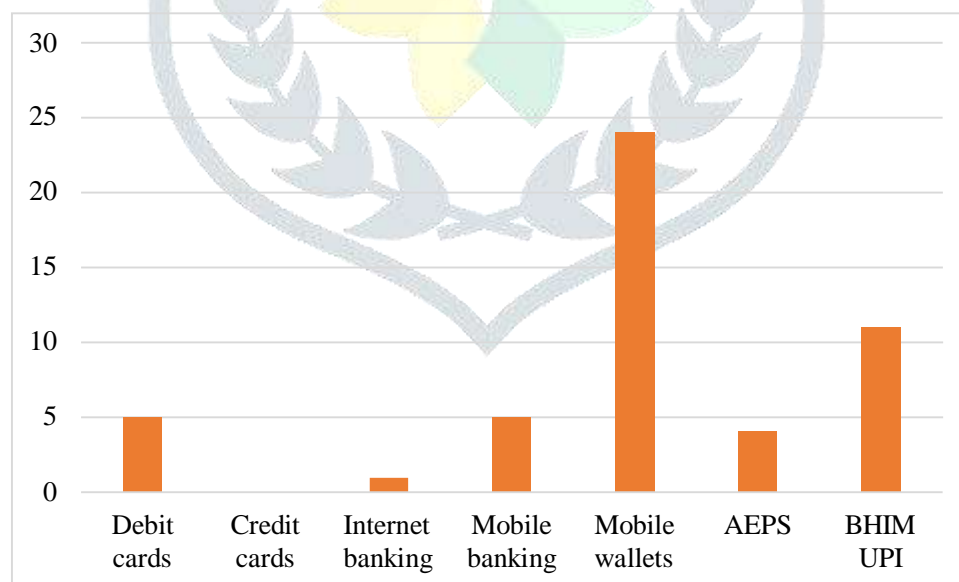
Mavli block of Udaipur, Rajasthan. In order to choose the specific sample, that can help in coming up with effective results, stratified purposive sampling method has been taken into consideration. The strata are divided based on gender and age group.

Frequency analysis technique has been used to analyse the data based on results that are being collected through questionnaire. The research is then summed up based on data that has been gathered from participants with the help of response sheet, bar graphs and pie charts.

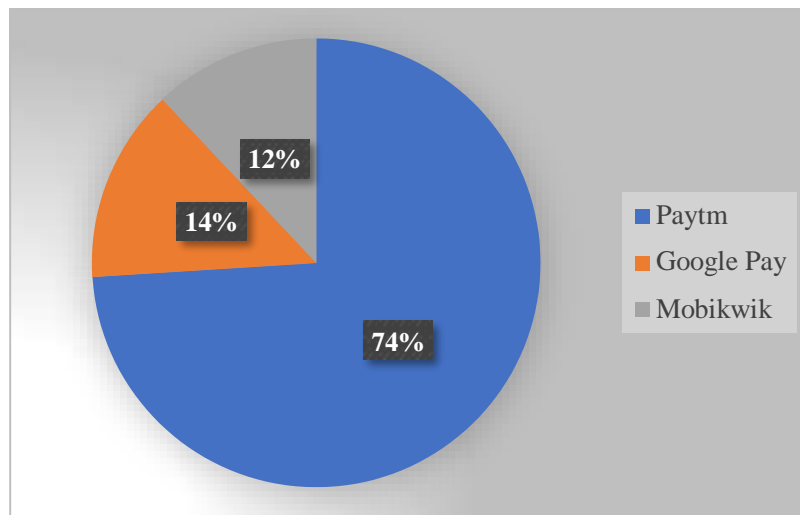
Results

The main motive behind conducting the research was to understand the factors that have been developed due to adoption of digital payment system. Hence the first question that was asked from women from Mavli was, whether they are aware of various types of digital payment modes. To which, 92%, that is, 46 women answered that they are aware of the same. However, results indicated that there are only 69% of women who have ever got involved in making transactions through these digital modes. The other 11 women have never got involved in making any sort of electronic payments. It helps in understanding that, although, the awareness level is high, people are resisting themselves to adopt it in their daily lives.

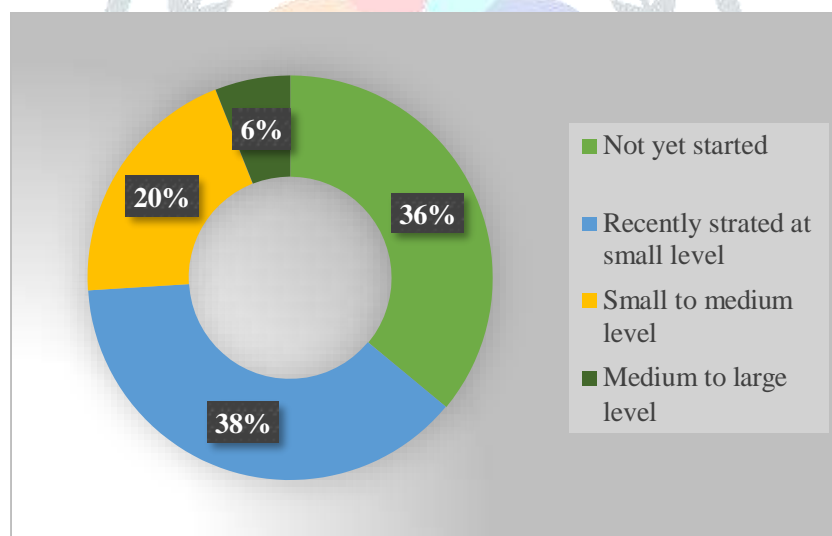
Another aspect that was found out through the research was that, people have more trust over mobile wallets and BHIM UPI than on any other method of payment. There are 48% of people who believe that, mobile wallet is the safest option that can be used to make payment. Further, since, BHIM UPI is a government initiative, trust level is also high for the same. Hence, 22% of women have chosen to make payment through BHIM UPI, rather than adopting any other method for electronic payments.



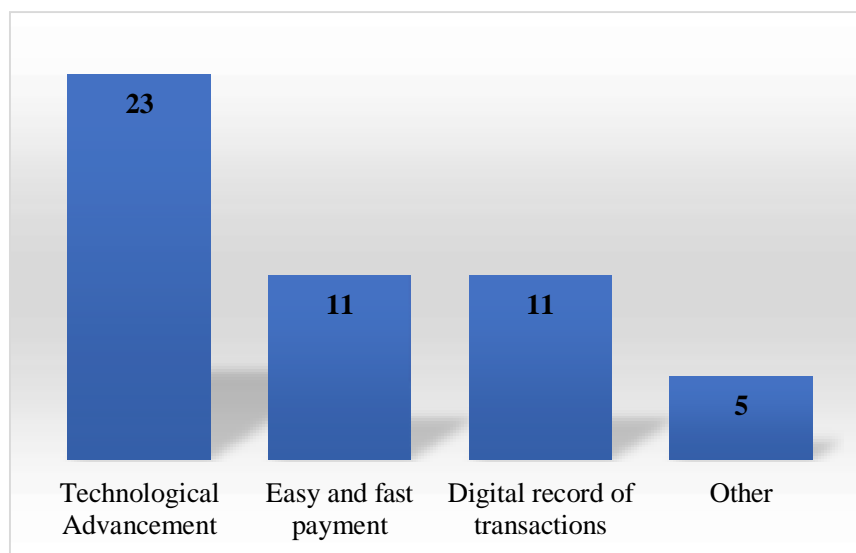
The research has been able to find out that out of all the mobile wallets available in the country, such as, Mobikwik and google pay, Paytm is extremely trusted by them. Out of 50 women, 37 have been able to state that, they find Paytm more trustworthy, rather than any other mobile wallet application, that is available in the market.



The questionnaire then focussed upon the extent to which digital payment modes have been adopted for initiating transactions. The results were able to state that there are 60% of women who make 10% to 30% of their transactions through electronic modes. It was also able to state that, out of those 50 women, there is only 1 woman whose more that 50% of the transactions are initiated online. Further, the results were able to reflect regarding 38% of people, who have been able to start their business at small level, through adoption of digital payment system. Also, there are other 20% of women, who have been able to take their business to medium level, through its implementation. However, there are still 36% of women, who have not started any type of business or made use of these payment methods.



The questionnaire finally helped in understanding the factors that have flourished through digital payments. It has helped in understanding that technological aspect is one factor that is enhanced to the maximum. There were 23 women who agreed to the fact that electronic payments have been able to bring technological advancement. There are other 22 people who equally thinks that digital payments have helped in easy and fast payment and digitally recording the transactions.



Analysis

The data, being received through research, indicates that there is great change and people have been adopting digital payments at large scale. Women, on the other hand, have been able to become financially independent where they are able to manage their finances individually. Being independent, in terms of finances, is one of the most important aspect of being empowered. The results were also able to indicate that, digital payments modes have also helped them in starting their own businesses at small level. It can be analysed from the same that appropriate adoption of digital payment modes can help in adequate growth of women, make them empowered and bring on equality in the society. Wiping out gender discrimination can be one of the method that can help. Indian government have been constantly working upon championing women entrepreneurship and embracing innovation in growing industries by focussing upon advance financial technology (Kabir, Saidin & Ahmi, 2015).

Digital financial ecosystem has a foundation of new platforms, biometric technology and regulated environment, to bring the best results out of it. The growth of various large firms, such as, Google Pay and Paytm has been playing a key role in advancing digital technology in the country. It has revolutionised the concept of fund transfer through low cost and has enabled mobile to mobile transactions. It has been able to bring technological advancement that not only makes it convenient to perform fund related tasks but to give their least efforts and run businesses, without stepping out of homes.

One of the major concern of women in Mavli was that they have to handle their business and household activities both. Going into the market for fund collection used to be tedious and time-consuming task for them. Digital payments have been able to make this aspect easier and convenient. They also stated that, electronic payments have been able to play vital role in taking their businesses to next level. Another factor that was analysed through the research was, seminars and workshops initiated by the government for knowledge enhancement among women, have been able to bring positive change in them. Females were taught to make digital payment which made them an avid user of the same. Hence, it can be stated that, digital payments have been able to bring technological innovation along with women empowerment in the country. It has also helped in reducing gender discrimination and challenge stereotypical thinking that women are meant to perform only household chores.

Female independence is another important determinant that has been touched by electronic payments.

Conclusion

The changing trends of payments have been able to bring women empowerment in the country. The research indicates that women have been growing and getting empowered where an effective role is played by digital and cashless economy. It has helped in making payment aspects convenient for females. It is a unique platform which ensures that they can make fund transfer and other payments without stepping out of their homes. The study stated that stepping into cashless economy can be a vital step for not only growth of the country but for women empowerment as well. Mavli, being a small rural area, has been able to adopt digital payments at large scale. However, there is still a section of that place, who are not adopting this new development. It is required for the government to enhance programme and workshops that can help in making people aware at large scale. Also, awareness campaign can also prove to be helpful.

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