

A Study on Individuals Perception towards Development of Digital Economy during COVID-19 Pandemic

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Abstract

Developing country like India is facing major economical drawback because of out break of COVID-19 and it causes adverse effect on various sector like manufacturing auto, retail aviation and hospitality due to lock downs and migration of labours, on other side COVID-19 outbreak has helped India to achieve digitalization mission. In this study has been taken to know the positive impact of COVID-19 in development of digital economy in Tamilnadu. Objective of this study is to know the individual's perception towards increased usage of digital transactions on during COVID-19 pandemic and its impact on socio economic profile. 148 samples were collected with the help of questionnaire. SPSS package has been used to derive statistical inferences.

Keywords: Digital economy, Digital transactions, Perception

Introduction

The COVID-19 out break is indirectly helping India to achieve digital India vision, as many service providers slowly moving on to digital platform to reach their customers virtually. After pandemic India will permanently shift to digital transactions hence the consumers behaviour has changed and they preferred to shop online and it causes the enormous development in e-commerce. Rapid digitalization will drive economic recovery and helps to systematic approach to solve problems in an economy. Impact of digitalization can key sectors like health care, education and manufacturing sector will innovate success in future. In this study an attempt has been made to know the impact of digitalization among individuals and their perception towards increases in digital transactions.

Objective of the Study

- To analyse individuals' perception towards increased usage of digital transactions and development of digital economy
- To know the socio-economic profile of the sample respondents
- To compare the socio-economic profile of the respondents and the impact of digitalization

Research Methodology

The study is descriptive in nature; 148 respondents have been selected from various parts of TamilNadu. The method of convenient sampling has been used as the main purpose is to find perception towards increased usage of digital transactions and development of digital economy. The data has been collected in January to March 2021 by using a personally- administered questionnaire.

The descriptive statistics have been calculated and results have been analysed by using the technique of one-way ANOVA (Analysis of Variance) two way Anova.

Hypothesis

- There is no effect of Educational Qualification and occupation on perception towards development of digital economy.
- There is no significant association between gender and the perception towards Increased Usage of Digital Transaction and Development of Digital Economy.
- There is no significant relationship between socio economic profile of the sample respondent and the impact of digitalization.

Table 1: Gender of the Respondents

Classification	No. of respondents	Percentage
Male	112	75.7
Female	36	24.3
Total	148	100

Table 1 indicates that majority of the respondents are male that is 76 % of the respondents, 24 % of them are female.

Table 2: Age of the Respondents

Classification	No. of respondents	Percentage
18-30 years	67	45.3
31-40 years	31	20.9
40 years above	50	33.8
Total	148	100

Table 6: Perception Towards Increased Usage of Digital Transaction and Development of Digital Economy

Classification	Highly aware	Aware	Neutral	Not aware	Not at all aware	Mean
Digitalization increases transparency in transaction	19 (12.8)	47 (31.8)	58 (39.2)	18 (12.2)	8 (4.1)	3.37
Digitalization can reduce spreading of disease and saves life	37 (25)	55 (37.2)	44 (29.7)	12 (8.1)	0 (0)	3.79
Digitalization helps to increase technical skill among individuals	48 (32.4)	64 (43.2)	16 (10.8)	14 (9.5)	6 (4.1)	3.85
Digital transactions and digitalization of services saves time	76 (51.4)	21 (14.2)	10 (6.8)	23 (15.5)	18 (12.2)	3.77
Digitalization reduces corruption and black money	44 (29.7)	36 (24.3)	9 (6.1)	23 (15.5)	36 (24.3)	2.8

It is observed from the table 2 that majority among 148 respondents 45% are between the age group of 31 to 40 years.

Table 3: Literacy level of the Respondents

Classification	No. of respondents	Percentage
Primary School	15	10.1
High School	92	62.2
UG	12	8.1
PG	29	19.6
Total	148	100

It is observed that majority of the respondents (35%) has qualification up to high school.

Table 4: Occupation of the Respondents

Classification	No. of respondents	Percentage
Casual Labour	51	34.5
Unemployed	28	18.9
Private Employee	37	25
Self Employed	32	21.6
Total	148	100

It is observed that majority 34% of the respondents are casual labours.

Table 5: Monthly Income

Classification	No. of respondents	Percentage
No regular income	44	29.7
Less than 5000	30	20.3
5000 to 15000	38	25.7
More than 15000	36	24.3
Total	148	100

It is observed that majority of the respondents (30%) has no regular income.

According to mean score secured by variables highest mean 3.79 is secured by the variable digitalisation can reduce spreading of disease and can save life of the individual, second mean score 3.77 secured by digital transactions and digitalization of services saves time of the individual. It is concluded that individual has higher perception towards digitalisation can reduce spreading of disease and can save life of individual.

Hypothesis 1

Two Way ANOVA

The significant effects of Educational Qualification Category and occupation Category on the perception towards development of digital economy have been statistically analysed by using Two-way ANOVA. For this purpose, the researcher has framed the following hypothesis:

There is no effect of Educational Qualification and occupation on perception towards development of digital economy.

Table 7: Effects of Educational Qualification and Occupation on the perception towards Increased Usage of Digital Transaction and Development of Digital Economy

Tests of Between-Subjects Effects					
Source	Type III Sum of Squares	Mean square	F	Sig.	SI
Dependent Variable					
Educational Qualification	17.502	5.834	1.58	0.196	NS
Occupation	25.93	8.645	2.34	0.076	
Educational Qualification * Occupation	9.454	1.351	0.367	0.920	
Error	493.6	3.684			
a. R Squared = .152 (Adjusted R Squared = .069)					

SI: Statistical Inference; NS: Not Significant

Source: Computed from Primary Data;

Inference: The table indicates that, the p-values of all Educational Qualification Levels (0.196, 0.076 and 0.920) are > 0.05; This shows that both main effects and the interaction effects of Educational Qualification and occupation on the perception

towards development of digital economy are not statistically significant. This explain that, there are no significant differences in the perception towards development of digital economy between Educational Qualification Levels as well as between employees working in Top and Middle Level Category. The adjusted R Squared tells us that more than 1% of the variance in perception towards development of digital economy. Since this is a very low value, indicating poor no relationships between our educational qualification and occupation and the Increased Usage of Digital Transaction and Development of Digital Economy.

Hypothesis 2

There is no significant association between gender and the perception towards Increased Usage of Digital Transaction and Development of Digital Economy.

Table 8: Gender and Perception towards Increased Usage of Digital Transaction and Development of Digital Economy

Impact	F value	P value	Statistical inference	Result
Digitalization increases transparency in transaction	10.072 ^a	0.018	p value < 0.05	S
Digitalization can reduce spreading of disease and saves life	23.407 ^a	0.000	p value < 0.05	S
Digitalization helps to increase technical skill among individuals	68.120 ^a	0.000	p value < 0.05	S
Digital transactions and digitalization of services saves time	25.804 ^a	0.000	p value < 0.05	S
Digitalization reduces corruption and black money	27.761 ^a	0.000	p value < 0.05	S

Source: Primary data

Inference: Table indicates that there is a significant association between gender and the level of perception towards development of digital economy. Since level of significance is less than 0.05 (p value < 0.05) null hypothesis rejected,

Hence it is concluded that there is a significant association between gender and perception towards increased usage of digital transaction and development of digital economy

Hypothesis 3

There is no significant relationship between socio economic profile of the sample respondent and the impact of digitalization.

Table 9: Socio Economic Profile and the Impact of Digital Transaction

Socio Economic Profile	F value	P value	Statistical inference	Result
Gender	1.070	0.000	p value < 0.05	S
Age	10.899	0.000	p value < 0.05	S
Qualification	9.743	0.000	p value < 0.05	S
Salary	29.820	0.000	p value < 0.05	S
Marital Status	10.359	0.000	p value < 0.05	S

Source: Primary data

Table 9 indicates that there is a significant relationship between socio economic profile of the sample respondents and impact of digital transaction. Since p value < 0.05 null hypothesis rejected.

Findings

- Majority of the respondents are male that is 76 % of the respondents, 24 % of them are female.
- Majority among 148 respondents 45% are between the age group of 31 to 40 years.
- Majority of the respondents (35%) has qualification up to high school.
- Majority 34% of the respondents are casual labours.
- Majority of the respondents (30%) has no regular income.

- Individual has higher perception towards digitalisation can reduce spreading of disease and can save life of individual.
- The p-values of all Educational Qualification Levels (0.196,0.076 and 0.920) are > 0.05; This shows that both main effects and the interaction effects of Educational Qualification and occupation on the perception towards development of digital economy are not statistically significant. This explain that, there are no significant differences in the perception towards development of digital economy between Educational Qualification Levels as well as between employees working in Top and Middle Level Category. The adjusted R Squared tells us that more than 1% of the variance in perception towards development of digital economy. Since this is a very low value, indicating poor no relationships between our educational qualification and occupation and the Increased Usage of Digital Transaction and Development of Digital Economy
- There is a significant association between gender and perception towards increased usage of digital transaction and development of digital economy
- There is a significant relationship between socio economic profile of the sample respondents and impact of digital transaction. since p value is less than 0.05 null hypothesis rejected.

Conclusion

From the study it is concluded that male respondents are highly interested in digitalization than female hence it reduced their physical transportation effort for house hold activity and the female opinion is totally different than male respondents. Perception towards increased usage of digital transaction can reduce physical handling of cash which also prevents from virus spreads and save life of the individual in current situations. Digitalization causes higher impact in the life style of the individual in Tamilnadu and it will help the government to recover from economic crises after and during COVID-19 pandemic situation. Due to increased usage of digitalization flow of cash commerce and other business got new opportunity and they are getting ready to face upcoming digital transformations as well.

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