

Chapter 19

Impact of Digitalization on Youth and Its Relevance Regarding Demonetization

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ABSTRACT

This study focuses on the positive and negative effects of digitalization on youth and how demonetization has led to digitalization over a period of five years. The study focuses on or revolves around three major objectives: they are to study the level of digitalization among youth in Indian economy, to study the impact of demonetization on youth in India, and to study the relationship between digitalization and demonetization. There is a large amount of secondary data that is available, and which is analyzed in this chapter and primary study has also been conducted with 150 respondents. The behavior, emotions, and motivation of youth in general and in relation to digital technologies, especially the meaning attached to mobile phones, the Internet, and computer-based games should also be given attention to reach this target group. The probable outcomes of the research of the study would reflect the level of digitalization in the economy and how demonetizations affected digitalization and what are the impact digitalization.

1. INTRODUCTION

The digitalization of youth signifies their full involvement in the consumption, production, and sharing of digital content using various interconnected or interfaced digital devices. The announcement of demonetization led to a huge cash shortage for the months that followed, which created significant disturbance throughout the economy. Demonetization has made people adopt digital wallets and debit and credit cards as a mode of payment. Such digital payments have in a large way replaced cash payments, at least in urban areas. The path toward digitization in India started with various e-commerce start-ups like Jabong, SnapDeal, Flipkart, etc. These e-businesses have helped to initiate the process of attracting customers to online channels in the country. Most of these e-businesses carry on a huge part of their businesses through cash transactions, but what they did do was and continues to do is make people fa-

DOI: 10.4018/979-8-3693-1301-5.ch019

miliarise themselves with different modes of production like digital wallets, leading to the convenience of cashless transactions and online channels (Al-Naif & Al Shraah, 2018).

2. LITERATURE REVIEW

Luke (2008) revolves around understanding and determining the factors affecting changing consumer behaviour and also examining the same behaviour and its impact on digital marketing. The findings of the research paper are as follows: Many of the consumers of the present time have permission to use digital media, but lack awareness about its optimum utilization. Respondents feel that customers take very little time to purchase, and the majority of the respondents feel that all-time purchases are possible online. They also state that the use of smartphones has increased because they are easy to carry, due to which shopping behaviour has also grown. Youth (2019) revolves around the focus on the necessary conditions for social inclusion, including young people's capacities like the "human capital" (or competencies) required by young people now a day in order to access and negotiate for digital technologies (Al-maaitah, et al., 2021a).

The paper finds out that digitalization in youth work is not just a response to the digitalization of society and the changes and challenges this brings but is also an opportunity to apply new and better ways to achieve social inclusion. Al Shraah et al. (2022) reviewed the literature to analyse the pattern of modes of payment for transactions and also to investigate the effect of demonetizations on the use of different modes of payment or instruments for payment (Al-maaitah, et al., 2021b). The paper finally concludes that while the usage of cards for transactions as a percentage of total transactions has increased, mobile transactions and the share of point-of-sale transactions (PoS) have registered a decrease after demonetizations. Abu-Rumman (2021) explained around the digital finance providers and in Bangalore street sellers, conducted immediately after the announcement of demonetization. The outcomes of the paper are that poorer people, affected by a shortage of cash from the very immediate effect of the government's announcement of demonetization, have better and more direct knowledge than everyone else in Indian society, and information poverty comes with major factors that aggravate the unbanked street sellers facing demonetization.

Al Shraah et al. (2013) informed about the effects of demonetization on the digitalization of the economy, and the paper also gave suggestions to improve the structure of digitalization in India. The outcome given by the research paper is that the digital revolution has a transformational impact in terms of the formalisation of the economy, especially the BHIM app and other digital instruments used by the government to make the system transparent and vigilant. Abu-Rumman and Qawasmeh (2021) revolve around demonetization in the context of the present state of the Indian economy, and this paper also focuses its attention on the impact of demonetization on the informal economy of India.

This Chapter talks about the various initiatives taken by the government to develop the country and ensure the efficient working of the economy, including curbing corruption, boosting the customer base of banking systems, reducing unemployment with "Make in India," improving entrepreneurial skills among youths with "MUDRA," and various other programmes. Kathial (2018) reviewed the relationship between digitalization and demonetization. The main outcome of the paper is that demonetization has promoted and pushed millions of people into the country's digital economy. New bank accounts are being opened, e-payment services are seeing increased rates of growth, cash-on-delivery in e-commerce has crashed, and digitally-focused sectors like the online grocery business have witnessed a boom in the economy.

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