



**A STUDY ON PREFERENCES OF SENIOR CITIZENS TOWARDS DIGITAL
FINANCIAL TRANSACTIONS IN MULAGUNNATHUKAVU GRAMA
PANCHAYATH**

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INTRODUCTION

The digital age has significantly impacted various aspects of our lives, especially financial transactions. The tremendous rise of digital payment methods like mobile banking and online shopping necessitates a consideration of how senior citizens are adapting to these changes. There has been rise in population of senior citizens in Kerala. The global population of people aged 65 and above is expected to double from 761 million in 2021 to 1.6 billion in 2050, and people aged 80 and above growing even faster. Senior citizens are increasingly adopting digital payment methods due to convenience and the ease of use. With the advancement of technology, they can easily make purchases or transfer funds without the need for physical currency, making digital payments a preferred choice for seniors. Some appreciate digital payments for convenience, while others worry about online fraud, identity theft, and unauthorized access. Ensuring secure practices and digital payment system safety can improve security. Seniors may require assistance in setting up accounts, navigating apps, and understanding digital transactions. This shift towards digital payment methods is a significant trend in the elderly population. The rise in digital payments among senior citizens is driven by security concerns, as they fear carrying large sums of cash or losing their wallets. Despite the growing acceptance of digital payments among seniors, a significant portion still prefers traditional methods due to limited access to technology and lack of familiarity with digital platforms. Many older adults lack smartphones or internet access, making online transactions difficult for them. Digital financial literacy significantly influences senior citizens' inclination towards digital payments, as some may find online banking systems complex or unclear, thereby creating barriers that hinder their full adoption of new technologies. Financial literacy involves evaluating awareness, knowledge, skills, attitude, and behaviors necessary for sound financial

decisions and individual well-being. The preference for digital payment methods among senior citizens is increasing, but barriers such as access, familiarity, and financial literacy need to be addressed to prevent seniors from being left behind in the digital revolution.

SIGNIFICANCE OF THE STUDY

The rate of increase in the number of aged persons at a pace higher than that of the general population has been pronounced in our country as per the available statistics. But in the case of Kerala, this phenomenon has been felt far more than even in some of the developed countries. The number of aged persons, as a proportion of the total population in Kerala, has increased at a rate double than the overall growth rate of population. Financial institutions tend to underestimate the potential of senior citizens and their desire to embrace digital services. It is assumed that they are technophobes who prefer traditional methods like pen-and-paper or face-to-face interactions. However, reality tells a different story. Today, senior citizens are increasingly embracing digital banking and have access to the necessary tools. But senior citizens may face several issues due to technology backwardness and poor digital financial awareness. In this scenario, it is significant to analyse the preferences of senior citizen towards digital financial transactions in Mulagunnathukavu Grama Panchayath in Thrissur district of Kerala.

STATEMENT OF THE PROBLEM

The population of senior citizens are increasing rapidly in Kerala and advancements in technology have led to widespread adoption of digital transactions across various sectors. This demographic shift presents unique challenges for society, particularly in terms of financial management and accessibility. However, it also presents opportunities for innovation and growth. Digital transactions are increasingly being adopted by senior citizens, offering convenience, security, and efficiency compared to traditional methods like cash or checks. However, there are still barriers to inclusivity for all seniors, such as lack of familiarity with technology or physical limitations. As the population of senior citizens continues to rise, society must promote digital literacy among older adults to enhance financial management and foster inclusivity and independence. In this context, it is significant to analyse the preferences of senior citizen towards digital financial transactions in Mulagunnathukavu Grama Panchayath in Thrissur district of Kerala.

OBJECTIVES OF THE STUDY

- 1) To examine digital financial awareness among senior citizens in Mulagunnathukavu Grama panchayath in Thrissur district.
- 2) To analyse the preferences of senior citizens towards digital financial transactions.

METHODOLOGY

The present study was based on both primary data and secondary data. Secondary data has been collected from different journals, books, online sites, newspapers, RBI annual report, press information bureau (PIB), Organization for Economic Co-operation and Development (OECD), National Payments Corporation of India (NPCI) etc. The primary data has been collected from randomly selected 25 senior citizens in Mulagunnathukavu Grama Panchayath. The analytical tools like tables, diagram, percentages, Likert scale were used for the analyses. For measuring digital financial awareness among the respondents, a digital financial awareness score is constructed.

LIMITATIONS OF THE STUDY

- Limited number of sample size which is 25 people only
- Respondents of this survey are limited to Mulagunnathukavu Grama panchayath
- Respondents are not willing to reveal data

DATA ANALYSIS AND INTERPRETATION

The present study is intended to examine the preferences of senior citizens towards digital financial transaction in Mulagunnathukavu Grama Panchayath. The responses from randomly selected 25 senior citizens in Mulagunnathukavu Grama panchayath have been recorded to analyses the subject. This chapter deals with the presentation and the interpretation of the preferences of senior citizens towards digital financial transaction. Primary data collected by conducting survey by using well- structured schedule.

SOCIO ECONOMIC PROFILE OF THE RESPONDENTS

The socio-economic factors of the respondents are discussed below

TABLE 2.1.1 AGEWISE DISTRIBUTION OF THE RESPONDENTS

AGE	FREQUENCY	PERCENTAGE
60-65	13	52
65-70	8	32
70-75	4	16
TOTAL	25	100

Source: primary data

Table 2.1.1 shows the age wise distribution of the respondents. Majority of the respondents (52 percentage) belong to 60-65 age group. Only 16 percentage belongs to 70-75 age group.

TABLE 2.1.2 RELIGION WISE DISTRIBUTION OF THE RESPONDENTS

RELIGION	FREQUENCY	PERCENTAGE
CHRISTIAN	14	56
HINDU	9	36
MUSLIM	2	8
TOTAL	25	100

Source: primary data

Table 2.1.2 shows the religious profile of the respondents. Majority of the respondents (56 percentage) belongs to Christian religion. 36 percentage of respondents are Hindus and 8 percentage of the respondents are Muslims.

TABLE 2.1.3 CASTE PROFILE OF THE RESPONDENTS

CASTE	FREQUENCY	PERCENTAGE
GENERAL	15	60
OBC/OEC	7	28
SC/ST	3	12
TOTAL	25	100

Source: primary data

Table 2.1.3 shows the caste profile of the respondents. Majority of the respondents (60 percentage) belongs to general category; 28 percentage belongs to OBC/OEC category and 12 percentage belongs to SC/ST category.

TABLE 2.1.4 MARITAL STATUS OF THE RESPONDENTS

MARITAL STATUS	FREQUENCY	PERCENTAGE
MARRIED	17	68
UNMARRIED	8	8
WIDOW	24	24
TOTAL	100	100

SOURCE: PRIMARY DATA

Table 2.1.4 shows the marital status of the respondents. Majority of the respondents (68 percentage) are married, 24 percentage are unmarried and 8 percentage are widow.

TABLE 2.1.5 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

EDUCATION QUALIFICATION	FREQUENCY	PERCENTAGE
BELOW SSLC	15	60
SSLC/HSC	2	8
PROFESSIONAL	2	8
UG	4	16

PG	2	8
Total	25	100

SOURCE: PRIMARY DATA

Table 2.1.5 shows the Education qualification of the respondents. Majority of the respondents (60 percentage) are below SSLC,16 percentage have UG,8 percentage have SSLC/HSC, professionals and PG.

TABLE 2.1.6 CURRENT OCCUPATION OF THE RESPONDENTS

PREVIOUS OCCUPATION	FREQUENCY	PERCENTAGE
CASUAL WORKERS	6	24
PRIVATE SALARIED JOB	4	16
UNEMPLOYED	11	44
SELF EMPLOYED	4	16
GOVERNMENT JOB	0	0
TOTAL	25	100

Source: primary data

The table 2.1.6shows the current occupation of the respondent. Majority of the respondents (44 percentage) are unemployed,24 percentage are casual workers and 8 percentage are private salaried job.

TABLE 2.1.7 SMART PHONE OWNERSHIP STATUS OF THE RESPONDENTS

OWNS A SMART PHONE	FREQUENCY	PERCENTAGE
YES	18	72
NO	7	28
TOTAL	25	100

Source: primary data

Table 2.1.7 shows frequency of owning smart phone. Majority of the respondents (72 percentage) owns a smart phone and 28 percentage don't own.

DIGIT AL FINAN CIAL APPLI CATIO NS	NO AWAREN ESS		LOW AWAREN ESS		AVERAG E AWAREN ESS		HIGH AWAREN ESS		VERY HIGH AWAREN ESS		TOTAL	
	Freq uen cy	perc enta ge	Freq uen cy	perc enta ge	Freq uen cy	perc enta ge	Freq uen cy	perc enta ge	Freq uen cy	perc enta ge	Freq uen cy	percentag e
ATM, Debit card, Credit card	0	0	3	12	15	60	3	12	4	16	25	100
POS	7	28	6	24	7	28	3	12	2	8	25	100
Digital wallets & UPI platforms	0	0	2	8	11	44	6	24	6	24	25	100
Mobile banking	6	24	7	28	8	32	4	16	0	0	25	100
Internet banking	7	28	6	24	9	36	2	8	1	4	25	100
Online bill payment	1	4	4	16	10	40	3	12	7	28	25	100

DIGITAL FINANCIAL AWARENESS AMONG SENIOR CITIZENS

Digital financial service awareness is an inevitable aspect of education. It enhances the usage of digital financial services. One of the objectives of the study is to identify digital financial awareness among the respondents.

TABLE 2.2.1 DIGITAL FINANCIAL AWARENESS AMONG THE RESPONDENTS.

Source: primary data

The table 2.2.1 shows the Likert scale responses about digital financial awareness among the senior citizens. Majority of the respondents (60 percentage) have average awareness on ATM, debit card and credit card. 28 percentage have average awareness on POS.44 percentage have average awareness on UPI platforms. 32 percentage have average awareness on mobile banking. 36 percentage have average awareness on internet banking. 40 percentage have average awareness on online bill payment.

DIGITAL FINANCIAL AWARENESS SCORE AMONG THE RESPONDENTS

A Digital Financial Awareness Score is constructed for measuring the digital financial awareness among the senior citizens. It is derived from 5-point Likert scale response to level of knowledge about digital financial services. For questions answering “No Awareness” about various financial digital platforms score one is given, low awareness gets two score, average awareness gets three score, high awareness gets four score and very high awareness get five score. The digital financial awareness score is obtained by totaling the answer to all the

questions. Based on this maximum value of digital financial awareness score is 30 and minimum value of digital financial awareness score is 6. The level of general Digital Financial Awareness Score among the respondents is classified under three categories.

Low Digital Financial Awareness Score- below 10 score Moderate

Digital Financial Awareness Score– 10 -20 scores

High Digital Financial Awareness Score - More than 20 score

DIGITAL FINANCIAL AWARENESS SCORE AMONG THE RESPONDENTS

LEVEL OF FINANCIAL AWARENESS SCORE	FREQUENCY	PERCENTAGE
HIGH DIGITAL FINANCIAL AWARENESS SCORE	1	4
MODERATE DIGITAL FINANCIAL AWARENESS SCORE	13	52
LOW DIGITAL FINANCIAL AWARENESS SCORE	11	44
TOTAL	55	100

Table 2.2.3 shows the digital financial awareness score of the respondents. Majority of the respondents (52 percent) have moderate digital financial awareness score; 44 percent respondents have low digital financial awareness score and only 4 percent respondents have high digital financial knowledge score. Majority of the respondents have medium digital financial awareness.

PREFERENCES OF SENIOR CITIZENS TOWARDS DIGITAL FINANCIAL TRANSACTIONS

One of the objectives is to examine the preferences of senior citizens towards digital financial transaction in Mulagunnathukavu Grama panchayath. The preferences towards digital financial transactions of the respondents are discussed below

DIGITAL FINANCIAL PLATFORMS USED BY THE RESPONDENTS

DIGITAL FINANCIAL PLATFORMS	YES		NO	
	Frequency	Percentage	Frequency	Percentage
Application of particular banks	4	16	21	84
Google Pay	23	92	2	8
Paytm	10	40	15	60
Phonepe	5	20	20	80

Source: primary data

Table 4.4.2 shows digital financial platforms used by the respondents. Majority of the respondents (92 percent) used google pay. 40 percentage of the respondents used paytm,16

percentage of the respondents used application of particular banks and 20 percentage of the respondents used phonepe.

CONCLUSION AND FINDINGS

The global population of people aged 65 or older is expected to double from 761 million in 2021 to 1.6 billion in 2050, with the number of people aged 80 or older growing even faster. Digital payment methods have become increasingly popular, revolutionizing financial transactions, but some senior citizens may feel overwhelmed and excluded from this new technological landscape. In this context it is relevant to examine the preferences of senior citizens towards digital financial transaction. This present study entitled “A STUDY ON PREFERENCES OF SENIOR CITIZENS TOWARDS DIGITAL FINANCIAL TRANSACTION IN MULAGUNNATHUKAVU GRAMA PANCHAYATH” is carried out with the following objectives.

- To examine digital financial awareness among senior citizens in Mulagunnathukavu Grama panchayath in Thrissur district.
- To analyse the preferences of senior citizens towards digital financial transactions.

The primary data was randomly collected from selected 25 senior citizens from mulagunnathukavu Grama panchayath. A predetermined schedule was prepared to collect the data for analysing the objectives of the study. A digital financial awareness score is constructed for examining digital financial awareness of senior citizens.

MAJOR FINDINGS

SOCIO ECONOMIC PROFILE OF THE RESPONDENTS

- Majority of the respondents (52 percentage) belong to 60-65 age group. Only 16 percentage belongs to 70-75 age group.



- Majority of the respondents (56 percentage) belongs to Christian religion.36 percentage of respondents are Hindus and 8 percentage of the respondents are Muslims.
- Majority of the respondents (60 percentage) belongs to general category; 28 percentage belongs to OBC/OEC category and 12 percentage belongs to SC/ST category.
- Majority of the respondents (68 percentage) are married,24 percentage are unmarried and 8 percentage are widow.
- Majority of the respondents (60 percentage) are below SSLC,16 percentage have UG,8 percentage have SSLC/HSC, professionals and PG.
- Majority of the respondents (44 percentage) are unemployed,24 percentage are casual workers and 8 percentage are private salaried job.
- Majority of the respondents (72 percentage) owns a smart phone and 28 percentage don't own.

DIGITAL FINANCIAL AWARENESS SCORE AMONG THE RESPONDENTS

- Majority of the respondents (52 percent) have moderate digital financial awareness score; 44 percent respondents have low digital financial awareness score and only 4 percent respondents have high digital financial knowledge score. Majority of the respondents have medium digital financial awareness.

PREFERENCES OF SENIOR CITIZENS TOWARDS DIGITAL FINANCIAL TRANSACTIONS

- Majority of the respondents (92 percent) used google pay. 40 percentage of the respondents used paytm,16 percentage of the respondent's used application of particular banks and 20 percentage of the respondents used phonepe.

CONCLUSION

This present study mainly examines the preference of senior citizens toward digital financial transactions in Mulagunnathukavu Grama Panchayath. Study found that majority of the respondents



have moderate level of digital financial awareness. Most preferred digital financial platform is google pay.