Awareness on Demonetization and Satisfaction among Salem People of Tamil Nadu

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ARTICLE INFO	ABSTRACT
	The ability to be perceptive and aware of what is going on around us is a crucial aspect required for healthy development. One can become proactive rather than reactive by being aware of the things and happenings around him. In a country, there should exist proper understanding and awareness among the public about the schemes implemented by the governments. Hence this study has aimed to study the awareness of demonetization and satisfaction among the Salem people of Tamilnadu. To conduct this study the author applied descriptive research. By administering a self-designed instrument there were 196 data collected public from respondents who lived in the Salem district of Tamilnadu state in India. Using percentage and Chi-square test, the hypotheses were tested. The study has focused on measuring the awareness level and the significant factors in attaining awareness of demonetization. The study found gender and education is the important players in framing awareness and also found awareness leads to satisfaction. The people who were aware of demonetization were highly satisfied. Hence it is suggested that governments should show a keen interest in creating awareness among the public about the government schemes proposed or implemented.

1.0 INTRODUCTION

In a last few decades India had attempted to reduce its poverty. The poverty had been reduced to half between the year 2011 and 2019. The poverty has been indicated by the money earned by an individual and it was less than 2.15 dollars of the United States. The Indian poverty had been reduced to half during those years according to a world report (The World Bank, 2023). However, the situation has now continued as expected due to various reasons like the Covid pandemic, economic slowdown,

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etc. There are remarkable struggles in the world to eradicate the poverty. Such struggles are obstacles in supply and distribution of produces and products, political instability, geopolitics and trade policies around the world. Indian economy is expected to be the strongest economy in the world in near future by the economists. To increase growth and competitiveness, the government has remained committed to raising capital expenditures, notably on infrastructure. Govt is supporting the economy in many constructive ways like demonetization etc. The effect of such reforms can be realized in long-term capital gain (Taqi, 2018). To a common man whether such effects are understood/known or not known is a tough question to answer. But such questions must be answered because economic awareness or awareness of the economy among the general public is a critical issue because this one will affect the economic development and social development in turn. Hence this study has concentrated on the economic awareness of people living in Salem district about the economic activities of the Government with a special focus on demonetization.

1.1 Importance of the Study

Demonetization is understood as a process. This process eliminates the legal status of currency notes. A particular currency of a country will be withdrawn from the public use by legal orders. Generally, it is carried out to combat inflation or combat shadow economy or discourage cash-dependent economy. It is also sometimes focused to fight against economic crimes. Many countries have done this monetization process to stabilize their economy in the world over the past years. India also witnessed demonetization during the year 2016. In India moving towards a digital economy and cashless economy are also the outcomes of the demonetization carried out. Digital transactions have achieved tremendous growth in India which implies the ripple effect of the demonetization.

Bhattacharya and Sachdev (2022) indicate that the majority of individuals in India's metropolitan areas use apps like UPI, Paytm, GPay, and PhonePe, and they are increasingly turning to online transactions. However, there is also an economic slowdown. Few economists argue that this is because of demonetization. As it has an impact both in the short run and in long run, a common man should understand such changes to cope with that. But rarely few studies have focused on the awareness level of public about the demonetization. This study has focused deeper on the answer to this question specifically among people living in the Salem district of Tamilnadu.

1.2 Literature Review

Research on demonetization and e-banking was conducted by Singhal (2017) in India. This survey focused on the study revealed that urban male youth were shown to use and be more aware of e-commerce. The author had a strong opinion that his work would be beneficial to banks in terms of enhancing their e-banking capabilities. Agarwal and Reddy (2018) examined the impact of demonetization in the financial industry, using secondary sources such as newspapers, journals, websites, and other sources and they found that increased deposits decreased lending, and free deposit flow, expanded account holders and expanded usage of digital technologies will boost liquidity and profitability. Demonetization's impact was also studied by Singh et al., (2017). They realized that demand for cash following the demonetization, rise in bank deposits, monetary transmission, savings, digital payments, and bogus currency notes increased in the post demonetization period. ARMA model, root test, and correlation were used to conduct the study. Prabhu et al., (2017) explored research titled 'Demonetization and its impact on the banking industry'. They explored the influence of demonetization on bank operations in India. They highlighted the pros and cons of demonetization. Increment in deposits decrement in cost of funding

and requirement for bonds of the government were increased. The instability in cash reserve ratio (CRR) and reduction in the charges for ATM transactions were found as the challenges by them. Concurring to a ponder by Gautam (2018), money-related administrations and the electronic payment framework were both contrarily and emphatically affected, which had an effect on bank operations. A demonetization and banks' quality survey research were done by Ashish and Kurian (2017). They evaluated the goals of reliability, tangibility, and responsiveness. The study revealed during demonetization the quality of services had come down. A study conducted by Meher (2017) on the effects of demonetization on Indian banks' positions of the non-performing assets attempted to find out both the effects of demonetization on the states of nonperforming assets of Indian banks. The investigation revealed that there was an influence on the RBI's balance sheet before and after demonetization. A study explored by Bansal (2019) about the performance of Indian banking sector in the light of demonetization. The results indicated both the unfavourable and positive effects of demonetization. He alarmed about due to demonetization profitability and liquidity was getting reduced and the reduction of NPAs has also been highlighted. In their study of consumer attitudes toward cashless transactions, Soodan and Pandey (2014) discovered that bank offerings depend on the attitude of the customer. According to Thomas and Krishnamurthi (2017), it is a huge chance to India's rural economy, and it can be transmitted to a cashless one because the rural populace is willing to learn it. The effectiveness of India's cashless system depends on the internet, safety, and security, according to Garg and Panchal (2017) argument. It must therefore be strengthened. The key advantages of cashless transactions, according to Al-Dalaien (2017), includes speed, higher sales, transactional settlement in time, expediency, and lower expenditures on up keeping the records. Padashetty et al., (2013) examined empirical data on consumer adoption of mobile payments to gauge customers' propensity to adopt mobile payments and identify mobile phone usage trends in Bangalore City. It was discovered that some parameters, including perceived use, expressiveness, trust, and perceived simplicity of use, have a constant association with the uptake of mobile payments. Tajudeen et al., (2015) examined the relationship between a need for money and the Government policies on economic system in Nigeria. This study found implementing a forceful internet infrastructure, strict cybercrime rules and regulations would encourage cashless transactions. Immediate and lasting effects of demonetization on the market were evaluated by Roy et al., (2016). The government's goal, the flow of illicit funds, the availability of financing, and a host of other factors all affect a step's success. According to Kaur (2017), as digital payments, particularly those supporting m-commerce and e-commerce are being utilized increasingly and currently the demand is rising as it supports for speedier payment services. In turn it makes it easier to conduct financial transactions. Panag and Muniraju (2021) advocated that Demonetization hurts the country's ordinary economy and has little effect on preventing tax evasion and unlawful investments of black money. However, Shukla and Gupta (2018) claim that the public actively wires with the plans of the government that eradicates black money, national security and other risks including terrorism and naxalism.

1.3 Research Objectives

- To determine the awareness level on demonetisation among the Salem people
- To analyse the relationship between demographic factors and awareness level on demonetisation
- To investigate the association between social factors and awareness on demonetisation
- To suggest suitable measures to improve the awareness level if needed.

1.4 Hypotheses

The following hypotheses are tested in this study.

- **H_1:** There is no significant association between age and awareness on demonetization.
- **H_2:** There is no significant association between gender and awareness on demonetization.
- **H_3:** There is no significant association between location and awareness on demonetization.
- **H_4:** There is no significant association between education and awareness on demonetization.
- **H_5:** There is no significant association between Income and awareness on demonetization.
- **H_6:** There is no significant association between awareness on demonetization and satisfaction.

2.0 METHODOLOGY

The techniques used by the researcher in the development of data collection tools, sampling strategy, calculating sample size, and carrying out the intended study work are detailed here. First of all, the study's necessity and importance have been established earlier. Till now such research has not been undertaken by others in the Salem region which indicates there is a research gap. The study has been carried out as descriptive research through a simple random sampling technique. The sample size is estimated as 196 using the Cochran formula (Cocran, 1963). The instrument used to collect the data was a self-designed and self-administered questionnaire consisting of three parts. The first part is the respondents' profile, and the second part is the measurement of awareness about the economic conditions and the final third is about satisfaction level on demonetization. Statistical tools used to get the answer for the framed objectives are frequency, percentage analysis, and Chi –Square test. The results are tabulated and discussed in the following part.

3.0 RESULTS AND DISCUSSION

The respondents' Characteristics is exhibited in Table 1.

Table 1

Respondents Characteristics

Parameter	Frequency	Percentage
Sex		
Men	129	65.8
Women	67	34.2
Classification of Age		
18-25 Years	56	28.6
25-40 Years	66	33.7
40-50 Years	30	15.3
Above 50 Years	44	22.4
Income		
Low Income group	49	25.0
Lower Middle-Income Group	45	23.0

Middle Income Group	38	19.4
Upper Middle-Income Group	36	18.4
High Income	28	14.3
Education		
Upto 12th Std	43	21.9
Bachelor's degree	91	46.4
Master's degree	47	24.0
Above master's degree	15	7.7
Location		
Urban	106	54.1
Rural	90	45.9

There are 65.8 and 34.2 percent of the respondents are men and women respectively. Among the respondents, there is 33.7 percent are between 25 years old to 40 years old. 15.3 percent are at 40 to 50 years and the rest are above 50 years category. 21.9 percent of them are in the category of below or at the level of 12th standard in education. 46.4 percent are bachelor's degree holders and 24 percent are master's degree holders. Regarding the economic conditions of the respondents, 25 percent have come under the low-income category. 14.3 percent have come under the high-income category and the rests are in the middle-income category. 54.1 percent of the respondents are from urban areas and the remaining 45.9are from the rural area.

Table 2

Awareness of Respondents about Demonetization

S. No	Statistical Tool	Statistics
1	Mean	58.32
2	Variance	519.33
3	Std. Deviation	22.78
4	Std. Error	1.62776
5	Count	196

Table *2* indicates the awareness level of the respondents about the demonetization and the economic conditions of the respondents. The level was measured using 10-point scale with 10 questions with the maximum score of 100. The mean score computed for their awareness level is 58.2. from these statistics we can infer the respondents awareness regard to economic conditions and demonetization is not at appreciated level because the score is slightly above the middle level. The standard deviation obtained was 22.78 which indicate the data is distributed in a wider range i.e the respondents' awareness level had been scattered approximately from 30 to 80.

Table 3

Age and Awareness on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	5.659
Chi-square Test	Degrees of Freedom	6
	Two-sided Significance Value	0.462

In our perception, there might be a strong relationship between the awareness level of the people and their segment of age. But in the case of demonetization, the results (Chi square value:

5.569 and the significant value 0.462) indicate there is no such association or relationship between age and awareness on Demonetisation. Age alone may not be a factor for awareness. We have also observed old age people are not inclined towards technical issues. i.e., They don't show interest in technological issues.

Table 4

Gender and Awareness on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	9.603
Chi Square Test	Degrees of Freedom	2
	Two-sided Significance Value	0.008

A Chi-square test was carried out to understand the association between gender and awareness. The results indicate (Chi square value of 9.60 and a significant value of 0.008) association exists between gender and awareness on demonetisation. The hypothesis is rejected at 5 per cent level of significance. The awareness of male are not similar to female and the awareness level between male and female differ significantly. Gender is very significant in awareness level. For example, very few females have shown interest in watching the news on television and many of them have shown interest in watching serials. Similarly, it might have happened in this case i.e., their interest might have differed in analysing and understanding the demonetization and economic conditions.

Table 5

Location and Awareness on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	2.150
Chi Square Test	Degrees of Freedom	2
	Two-sided Significance Value	0.341

A Chi-square test was carried out to understand the association between location and awareness. The results indicate (Chi square value 2.150 and the significant value 0.341) there is no association between location and awareness on demonetisation. Living location does not play a critical role in bringing awareness among the respondents. People who live in urban as well as rural areas have similar level of awareness. Because of technological advancements, those who are in rural areas have also accessed all the information as it is accessed by the urban people and hence the information is available everywhere now. Hence location is not all significant in awareness level.

Table 6

Education and Awareness on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	15.754
Chi Square Test	Degrees of Freedom	8
	Two-sided Significance Value	0.046

The Chi-square test statistics are tabulated in Table 6. It is done to analyse the relationship between education and awareness The results indicate (Chi square value 15.75 and the significant value 0.046) there is an association between education and awareness on demonetisation. The

general opinion is that educated people are more aware than the uneducated people. The results reflected the same. In this case, shows education is critical or very significant for obtaining awareness. People with less level of education do not have more awareness than people who have high education. It may be because of their interest level. Those who have more interest in understanding the economy of a country might be having more awareness.

Table 7

Income and Awareness on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	2.292
Chi Square Test	Degrees of Freedom	5
	Two-sided Significance Value	0.891

The Chi-square test statistics are tabulated in Table 7. It is done to analyse the association between economic condition and awareness on demonetisation. The results indicate (Chi square value 2.279 and the significant value 0.891) there is no association between income and awareness. The general opinion is that rich people are more aware than poor people. Yet the results obtained here, in this case, show that income is not critical or significant for obtaining awareness.

Table 8

Awareness and Satisfaction on Demonetisation

Test	Descriptions	Pearson Statistics
	Statistical Value	392.000
Chi Square Test	Degrees of Freedom	42
	Two-sided Significance Value	0.000

The Chi-square test statistics are tabulated in Table 8. It is done to analyse the relationship between satisfaction on demonetization and awareness. The results indicate (chi square value 392 and the significant value 0.000) there is an association between satisfaction with demonetization and awareness.

Awareness of individuals is a complex variable which is influenced by many factors. Awareness is an integrated factor of all variables such as age, gender, income, location, education and other extraneous variables. In our study though the variables gender, location and income are not associated with demonetization, other variables have strong association with awareness on demonetization.

The results of much research indicated that awareness have a strong association with the satisfaction. Without awareness people do not understand the importance of an activity or a scheme implemented by the Government or any other organization. If they understand the importance (meant as awareness) they may be satisfied about the scheme. Poranki (2015) has found a strong association between awareness and satisfaction.

The people who have a good awareness on demonetisation have understood the implications of it and thereby eventually satisfied with the impact. Knowing the cause of demonetisation, people welcomed it as it helped to eradicate black money in the economy. Though they faced initial hurdles, it was later accepted, and this resulted in satisfaction on the impact of demonetisation.

4.0 CONCLUSION

The study had carried out to explore the awareness level among the Salem people about demonetization. It is important to understand this because it will help the stakeholders to devise salient suitable strategies to educate the people about the demonetization and economic conditions of a country. The people who understand the positive sides of implementations forwarded by the governments will support it so that a smooth environment will be created. The study has found that the people who have good awareness about demonetization are satisfied with the impact it had on the economy, eradicating black economy and reducing poverty in turn.

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