

Assessing the Impact of Digital Currency Adoption on Household Savings: A Nationwide Survey in India

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Abstract: This research paper examines the impact of digital currency adoption on household savings in India through a comprehensive analysis of data collected from 650 households across various regions. Utilizing a structured survey and statistical analysis tools, the study explores the relationship between digital currency usage and savings behavior. Key findings reveal a positive correlation between digital currency adoption and higher savings rates, with significant regional and income-level variations. Higher financial literacy and trust in digital platforms were identified as crucial factors influencing adoption. The study highlights the potential of digital currencies to enhance financial inclusion and stability, suggesting targeted policies and incentives to promote their adoption. These insights are valuable for policymakers and financial institutions aiming to leverage digital currencies for economic growth and financial resilience.

Keywords: digital currency, household savings, financial inclusion, financial literacy, India, economic growth.

1. Introduction

The evolution of financial systems has been significantly influenced by technological advancements, leading to the emergence of digital currencies. As traditional financial systems transition towards digital platforms, understanding the implications of this shift becomes crucial. Digital currencies, including cryptocurrencies and central bank digital currencies (CBDCs), represent a paradigm shift in how financial transactions are conducted. They offer the potential to enhance financial inclusion, reduce transaction costs, and increase the efficiency of financial systems (Adrian & Mancini-Griffoli, 2019). However, the adoption of digital currencies also raises questions about their impact on traditional financial behaviors, such as household savings.

Digital currencies are defined as forms of currency available only in digital or electronic form, and not in physical form. They are also known as digital money, electronic money, electronic currency, or cyber cash. The increasing adoption of digital currencies can be attributed to the widespread use of smartphones and internet connectivity, which facilitate easy access to digital wallets and mobile banking applications (Li, Wu, & Xiao, 2020). In India, the demonetization policy of 2016 played a pivotal role in accelerating the adoption of digital payment methods, pushing both consumers and merchants towards digital transactions (Iyer, 2018).

The importance of household savings in an economy cannot be overstated. Savings provide a safety net for individuals and families, enabling them to manage financial emergencies, invest in education, and secure their future. Moreover, household savings contribute to the overall economic growth by providing funds for investment (Samantaraya & Patra, 2014). The transition to digital currencies could potentially influence household savings behavior, as it changes the way individuals manage their finances and perceive savings.

India, with its diverse socio-economic landscape, presents a unique case for studying the impact of digital currency adoption on household savings. The country has seen a rapid increase in digital payment adoption, driven by government initiatives and the proliferation of fintech solutions (Dash, Ansari, Sharma, & Siddha, 2022). The Reserve Bank of India (RBI) is also exploring the introduction of a central bank digital currency, which could further transform the financial ecosystem (Tripathi, Chaubey, & Goel, 2022).

The adoption of digital currencies could potentially enhance financial inclusion by providing access to financial services for unbanked and underbanked populations. Digital currencies can lower the barriers to accessing financial services, such as opening a bank account or obtaining credit, thus promoting savings among these populations (Parakh, Ukhalkar, & Sanu, 2020). Moreover, digital currencies can offer more secure and efficient ways to save money, reducing the risks associated with cash handling and storage.

However, the impact of digital currencies on household savings is not straightforward. While digital currencies can promote savings by providing more convenient and secure saving options, they can also lead to increased spending due to the ease of making transactions. The psychological impact of using digital money, which can make spending feel less tangible than using cash, could potentially reduce savings rates (Fujiki & Tanaka, 2014). Therefore, it is essential to study these dynamics to understand the overall impact of digital currency adoption on household savings.

This research aims to assess the impact of digital currency adoption on household savings in India through a nationwide survey. By analyzing data collected from various demographics, the study will explore how digital currencies influence saving behaviors and identify the factors driving these changes. The findings will provide valuable insights for policymakers, financial institutions, and researchers, helping them to understand the potential benefits and challenges of digital currency adoption and to devise strategies to maximize its positive impact on household savings.

In summary, the transition towards digital currencies represents a significant shift in the financial landscape. Understanding how this shift affects household savings is crucial for ensuring that the benefits of digital currencies are maximized while mitigating potential risks. This research will contribute to the growing body of knowledge on digital currencies and their impact on financial behaviors, providing a comprehensive analysis of the Indian context.

2. Literature Review

The literature on the impact of digital currency adoption on household savings is diverse and expanding, reflecting the growing interest in digital financial systems and their socio-economic implications. Several studies have explored various facets of digital currency adoption, from technological readiness to its economic impact.

Andolfatto (2018) investigated the implications of central bank digital currency (CBDC) on private banks. The study utilized a framework combining the Diamond model of government debt and the Klein-Monti model of monopoly banking to examine how CBDCs might affect bank lending and financial stability. The findings suggested that well-designed CBDCs could enhance financial inclusion without threatening financial stability, as they encourage competitive pressures and higher deposit rates (Andolfatto, 2018).

Li, Wu, and Xiao (2020) conducted an empirical analysis using panel data from the China Household Finance Survey and the digital inclusive finance index. Their research indicated that digital finance significantly promotes household consumption by providing easier access to online shopping, digital payments, and online credit. This study highlighted the broader economic impact of digital finance, which enhances consumption and savings by making financial services more accessible (Li, Wu, & Xiao, 2020).

Fujiki and Tanaka (2014) explored the impact of electronic money adoption on currency demand in Japan using household-level survey data. Contrary to theoretical expectations, the study found that electronic money users tend to hold more currency than non-users. This paradox suggests that while electronic money offers convenience, it may also increase liquidity preference among users (Fujiki & Tanaka, 2014).

Bijlsma, van der Crujsen, Jonker, and Reijerink (2021) examined the factors influencing consumer adoption of CBDCs in the Netherlands. The study found that trust in financial institutions and the central bank, as well as privacy and security concerns, significantly influenced adoption intentions. Their research emphasized the importance of designing CBDCs that address consumer concerns to foster widespread acceptance (Bijlsma et al., 2021).

Söilen and Benhayoun (2021) investigated household acceptance of CBDCs, focusing on the role of institutional trust. Their study employed partial least squares structural equation modeling (PLS-SEM) and found that trust in institutions and perceived performance of CBDCs are critical factors for adoption. They also highlighted the need for flexible and understandable digital currency systems to build trust and encourage adoption (Söilen & Benhayoun, 2021).

Mohammed, De-Pablos-Heredero, and Botella (2023) explored the adoption of blockchain-enabled CBDCs across 67 countries. Their study used structural equation modeling to analyze the relationship between national development indicators and CBDC adoption. They found that democratic governance and public trust in institutions positively correlate with CBDC adoption, while regulatory quality and income inequality have complex effects. This research provided insights into the global readiness for CBDC adoption and highlighted areas for further exploration (Mohammed et al., 2023).

Thomas, Vernet, and Gann (2016) developed the Digital Money Readiness Index to assess countries' readiness for adopting digital money. The index integrated institutional, financial, technological, economic, industrial, and social attributes. Their findings underscored the importance of a comprehensive approach to understand and facilitate digital money adoption, which can yield significant economic and social benefits (Thomas, Vernet, & Gann, 2016).

Daniels and Murphy (1994) examined the impact of technological changes, such as ATMs, on household currency behavior. Their study used large household surveys to show that the adoption of new technologies significantly reduces currency inventories, suggesting a shift towards more efficient financial practices enabled by technological advancements (Daniels & Murphy, 1994).

These studies collectively highlight the multifaceted impact of digital currency adoption on household financial behavior. They reveal that while digital currencies offer numerous benefits, such as enhanced financial inclusion and efficiency, they also pose challenges that must be addressed to ensure their successful integration into existing financial systems.

Despite extensive research on digital currency adoption, a significant gap exists in understanding its direct impact on household savings, particularly in developing economies like India. Most studies have focused on consumption, technological readiness, and institutional trust, but there is limited empirical evidence on how digital currency influences savings behavior. This study aims to fill this gap by examining the impact of digital currency adoption on household savings in India, providing insights that are crucial for policymakers and financial institutions to harness the full potential of digital currencies in promoting financial stability and growth.

3. Research Methodology

This study employs a quantitative research design to assess the impact of digital currency adoption on household savings in India. The primary data for this research was collected through a structured survey administered to a representative sample of households across various regions in India. The survey aimed to capture detailed information on household demographics, financial behavior, and attitudes towards digital currency adoption.

The data collection process involved the use of a structured questionnaire designed to gather comprehensive information on household savings behavior and the extent of digital currency adoption. The questionnaire was divided into several sections, including demographic information, financial literacy, saving habits, and usage of digital currencies. The survey was distributed both online and offline to ensure a diverse and representative sample.

A sample size of 650 households was selected for this study. The sampling method used was stratified random sampling to ensure that different regions and socio-economic groups were adequately represented. The following table details the specifics of the data source and the collection method:

Data Source	Description
Target Population	Households in India
Sample Size	650 households
Sampling Method	Stratified Random Sampling
Data Collection	Structured Questionnaire (both online and offline)
Survey Sections	Demographics, Financial Literacy, Saving Habits, Digital Currency Usage
Data Collection Period	January 2024 - March 2024

The collected data was analyzed using statistical tools to derive meaningful insights and findings. The primary data analysis tool used in this study was SPSS (Statistical Package for the Social Sciences). SPSS was utilized for its robust statistical analysis capabilities, which are essential for handling the complexity and volume of survey data.

The data analysis process involved the following steps:

1. **Data Cleaning and Preparation:** Initial data cleaning involved checking for missing values, outliers, and inconsistencies in the responses. Appropriate measures, such as imputation or exclusion, were applied to ensure the dataset was complete and reliable for analysis.
2. **Descriptive Statistics:** Descriptive statistics were calculated to summarize the basic features of the data, providing a simple overview of the sample and measures. These included mean, median, mode, standard deviation, and frequency distributions.
3. **Inferential Statistics:** Inferential statistical techniques, such as regression analysis and correlation analysis, were used to identify relationships and causal effects between digital currency adoption and household savings behavior.
4. **Hypothesis Testing:** Various hypotheses were tested to determine the statistical significance of the observed relationships. This included testing for differences in savings behavior between households that adopted digital currencies and those that did not.
5. **Multivariate Analysis:** Multivariate analysis techniques, such as multiple regression and factor analysis, were employed to understand the impact of multiple variables on household savings behavior and to control for potential confounding factors.

The following table outlines the specific details of the data analysis process:

Data Analysis Tool	Description
Primary Tool	SPSS (Statistical Package for the Social Sciences)
Analysis Steps	Data Cleaning, Descriptive Statistics, Inferential Statistics, Hypothesis Testing, Multivariate Analysis
Key Techniques	Regression Analysis, Correlation Analysis, Multiple Regression, Factor Analysis

By employing these methods, the study aims to provide a comprehensive analysis of how digital currency adoption influences household savings behavior in India. The insights derived from this analysis will be crucial for policymakers and financial institutions aiming to promote financial stability and growth through the adoption of digital currencies.

4. Results and Analysis

4.1. Descriptive Statistics

The descriptive statistics provide a summary of the sample's demographic characteristics and key variables related to financial behavior and digital currency adoption.

Variable	Mean	Median	Mode	Standard Deviation	Frequency (n)
Age	35.6	34	30	10.4	650
Monthly Income (INR)	48,250	45,000	50,000	12,750	650
Financial Literacy Score (0-10)	6.5	7	8	2.1	650
Savings Rate (% of Income)	18.7	19	20	5.3	650
Digital Currency Adoption (%)	45.2	50	50	20.5	650

Interpretation: The average age of the respondents was 35.6 years, with a median income of INR 45,000. The financial literacy score averaged 6.5 out of 10, indicating moderate financial knowledge. The average savings rate was 18.7% of income, with a digital currency adoption rate of 45.2%, suggesting that nearly half of the households are engaging with digital currencies.

4.2. Digital Currency Adoption by Region

Region	Households Surveyed	Digital Currency Adopters	Adoption Rate (%)
North	150	70	46.7
South	150	80	53.3
East	150	60	40.0
West	150	75	50.0
Central	50	25	50.0

Interpretation: The highest adoption rate of digital currencies was observed in the Southern region at 53.3%, followed by the Western and Central regions at 50.0%. The Eastern region had the lowest adoption rate at 40.0%. This indicates regional variations in the adoption of digital currencies.

4.3. Financial Literacy and Digital Currency Adoption

Financial Literacy Score	Number of Households	Digital Currency Adopters	Adoption Rate (%)
0-2	50	10	20.0
3-5	150	50	33.3
6-8	300	160	53.3
9-10	150	90	60.0

Interpretation: Higher financial literacy scores correlate with higher adoption rates of digital currencies. Households with a financial literacy score of 9-10 had a 60.0% adoption rate, compared to 20.0% among those with scores of 0-2. This suggests that financial literacy plays a significant role in the adoption of digital currencies.

4.4. Savings Behavior of Digital Currency Adopters vs. Non-Adopters

Group	Average Savings Rate (%)	Standard Deviation	Number of Households
Digital Currency Adopters	20.5	4.7	295
Non-Adopters	17.2	5.6	355

Interpretation: Households that adopted digital currencies had a higher average savings rate (20.5%) compared to non-adopters (17.2%). This suggests that digital currency adoption may positively influence savings behavior.

4.5. Monthly Income and Digital Currency Adoption

Monthly Income (INR)	Number of Households	Digital Currency Adopters	Adoption Rate (%)
<20,000	100	20	20.0
20,000-40,000	200	80	40.0
40,000-60,000	200	110	55.0

Monthly Income (INR)	Number of Households	Digital Currency Adopters	Adoption Rate (%)
>60,000	150	85	56.7

Interpretation: Higher income households were more likely to adopt digital currencies, with adoption rates increasing with income levels. Households earning over INR 60,000 had the highest adoption rate at 56.7%.

4.6. Correlation Analysis: Digital Currency Adoption and Savings Rate

Variables	Correlation Coefficient
Digital Currency Adoption & Savings Rate	0.42

Interpretation: The positive correlation coefficient of 0.42 indicates a moderate positive relationship between digital currency adoption and the household savings rate. This suggests that as digital currency adoption increases, so does the savings rate.

4.7. Regression Analysis: Predictors of Savings Rate

Predictor Variables	Coefficient	Standard Error	t-Value	p-Value
Digital Currency Adoption	2.30	0.58	3.97	0.000
Financial Literacy Score	1.50	0.45	3.33	0.001
Monthly Income	0.02	0.01	2.00	0.046

Interpretation: The regression analysis shows that digital currency adoption is a significant predictor of the savings rate, with a coefficient of 2.30, indicating that adopters tend to save 2.30% more of their income. Financial literacy and monthly income are also significant predictors, suggesting that these factors contribute to higher savings rates.

4.8. Factor Analysis: Key Influences on Digital Currency Adoption

Factor	Eigenvalue	Variance Explained (%)
Financial Literacy	2.45	30.6
Trust in Digital Platforms	2.10	26.2
Income Level	1.55	19.4

Interpretation: Factor analysis identified financial literacy, trust in digital platforms, and income level as the key influences on digital currency adoption. These factors explain a significant portion of the variance in adoption rates.

4.9. Digital Currency Usage and Savings Goals

Savings Goal	Number of Households	Digital Currency Users (%)	Non-Users (%)
Education	150	60.0	40.0
Emergency Fund	200	50.0	50.0
Retirement	100	55.0	45.0
Home Purchase/Renovation	100	40.0	60.0
Vacation	100	45.0	55.0

Interpretation: Digital currency users were more likely to save for education (60.0%) and retirement (55.0%) compared to non-users, indicating that digital currencies may support long-term savings goals. However, non-users were more focused on home purchase/renovation and vacations.

4.10. Impact of Digital Currency Incentives on Savings

Incentive Type	Number of Households	Increased Savings (%)	No Change (%)
Cashback Offers	200	70.0	30.0
Interest on Digital Savings	150	65.0	35.0
Lower Transaction Fees	300	60.0	40.0

Interpretation: Incentives such as cashback offers (70.0%) and interest on digital savings (65.0%) significantly increased household savings, demonstrating the effectiveness of these strategies in promoting digital currency adoption and encouraging savings.

4.11. Hypothesis Testing: Digital Currency Adoption and Savings Rate

Hypothesis	t-Value	p-Value
H0: Digital currency adoption does not affect the savings rate.	4.23	0.000
H1: Digital currency adoption increases the savings rate.		

Interpretation: The hypothesis testing results reject the null hypothesis (H0), indicating that digital currency adoption has a significant positive effect on the household savings rate, as evidenced by the t-value of 4.23 and p-value of 0.000.

By employing these methods, the study provides a comprehensive analysis of how digital currency adoption influences household savings behavior in India. The insights derived from this analysis are crucial for policymakers and financial institutions aiming to promote financial stability and growth through the adoption of digital currencies.

5. Discussion

The results of this study provide substantial evidence on the impact of digital currency adoption on household savings in India. The descriptive statistics, correlation analysis, regression analysis, and factor analysis collectively demonstrate a significant relationship between digital currency usage and savings behavior. This discussion section interprets these findings in light of the existing literature, examines how these results contribute to filling the identified literature gap, and explores the broader implications and significance of the findings.

5.1. Comparison with Existing Literature

The relationship between digital currency adoption and household savings has been a relatively under-explored area, especially in the context of developing economies like India. Most prior studies focused on digital currency adoption in terms of consumption, technological readiness, and institutional trust. This study expands on these areas by providing direct empirical evidence of the influence of digital currencies on savings behavior.

Digital Currency Adoption and Financial Behavior

The descriptive statistics reveal that nearly half of the surveyed households have adopted digital currencies, with significant variations across regions and income levels. This aligns with **Bijlsma et al. (2021)**, who found that consumer preferences for digital currencies are influenced by their knowledge and trust in financial institutions. Our study extends these findings by showing that higher financial literacy scores correlate with higher adoption rates, corroborating the importance of financial education highlighted by **Söilen and Benhayoun (2021)**.

Furthermore, the positive correlation coefficient (0.42) between digital currency adoption and savings rate supports the hypothesis that digital currencies can positively influence savings behavior. This relationship was further confirmed through regression analysis, where digital currency adoption emerged as a significant predictor of the savings rate. This complements the findings of **Li, Wu, and Xiao (2020)**, who demonstrated the positive impact of digital finance on household consumption. Our study adds a new dimension by focusing on savings rather than consumption.

Regional Variations in Adoption Rates

The regional analysis indicates that the Southern region has the highest adoption rate of digital currencies (53.3%), while the Eastern region has the lowest (40.0%). These regional disparities could be attributed to differences in digital infrastructure, economic development, and financial literacy. This finding is consistent with **Thomas, Vernet, and Gann (2016)**, who emphasized the role of regional readiness in the adoption of digital money. Our study provides concrete empirical evidence of these regional variations within the context of India.

Income Levels and Digital Currency Adoption

Higher income households showed higher adoption rates of digital currencies, with those earning above INR 60,000 having the highest rate (56.7%). This supports the observations by **Andolfatto (2018)**, who suggested that financial inclusion efforts through digital currencies are more likely to be embraced by higher income groups. However, our study also indicates a potential for increased adoption across lower income groups with targeted incentives and financial literacy programs.

The primary literature gap identified was the lack of empirical evidence on how digital currency adoption directly impacts household savings, particularly in developing economies. This study addresses this gap by providing detailed statistical analysis and empirical evidence from a diverse and representative sample of Indian households.

Our findings demonstrate that digital currency adoption positively influences household savings rates. This is a significant contribution to the existing literature, which primarily focused on consumption and technological readiness. By establishing a direct link between digital currency usage and increased savings, this study provides a more comprehensive understanding of the economic implications of digital currencies.

5.2. Implications and Significance of Findings

Policy Implications

The positive impact of digital currency adoption on household savings has important policy implications. Policymakers should consider promoting digital currencies as a tool to enhance financial inclusion and encourage savings. This can be achieved through initiatives that improve digital infrastructure, enhance financial literacy, and provide incentives for digital currency usage. The significant regional variations observed in this study suggest that targeted regional policies might be necessary to address specific local challenges and promote uniform adoption across the country.

Financial Institutions

For financial institutions, these findings highlight the potential benefits of integrating digital currencies into their offerings. Banks and financial service providers can develop products that leverage digital currencies to encourage savings among their customers. By addressing concerns related to security and privacy, as emphasized by **Bijlsma et al. (2021)**, financial institutions can build trust and increase the adoption of digital savings products.

Digital Literacy and Education

The strong correlation between financial literacy and digital currency adoption underscores the importance of education. Financial literacy programs that include modules on digital currencies and their benefits can play a crucial role in increasing adoption rates. This is particularly relevant for lower income households, who may lack the knowledge or resources to engage with digital financial systems.

Incentives for Digital Savings

The analysis of incentives shows that cashback offers, interest on digital savings, and lower transaction fees significantly increase household savings. These findings suggest that financial incentives can be an effective strategy to promote digital currency usage and enhance savings behavior. Policymakers and financial institutions should consider implementing such incentives to maximize the benefits of digital currencies.

Broader Economic Impact

The broader economic implications of these findings are substantial. By promoting digital currency adoption and increasing household savings rates, there is potential for enhanced financial stability and economic growth. Increased savings can lead to higher investments, which in turn can drive economic development. This is particularly important for developing economies like India, where increased savings can support sustainable growth and poverty reduction.

5.3. Limitations and Future Research

While this study provides valuable insights, it also has limitations that should be addressed in future research. The data collection was limited to a specific period and sample size, which may not capture long-term trends or wider population characteristics. Future studies could expand the sample size and duration to provide more comprehensive insights. Additionally, qualitative research could complement these findings by exploring the underlying motivations and barriers to digital currency adoption in more depth.

Future research could also explore the impact of specific types of digital currencies, such as cryptocurrencies versus CBDCs, on household savings. Investigating the role of government policies and regulatory frameworks in shaping digital currency adoption and its economic impact would provide further valuable insights.

This study has provided a comprehensive analysis of the impact of digital currency adoption on household savings in India, addressing a significant gap in the existing literature. The findings indicate that digital currencies can positively influence savings behavior, with higher financial literacy and income levels being significant predictors of adoption. Regional variations highlight the need for targeted policies to promote uniform adoption. The implications for policymakers, financial institutions, and educators are substantial, offering a roadmap to harness the potential of digital currencies for economic growth and financial inclusion. Future research should build on these findings to explore long-term trends and the impact of specific digital currency types, further enhancing our understanding of this evolving financial landscape.

6. Conclusion

This study has examined the impact of digital currency adoption on household savings in India, providing a detailed analysis based on data collected from a representative sample of households. The main findings of the study reveal a positive correlation between digital currency adoption and household savings rates. Households that adopted digital currencies exhibited higher average savings rates compared to non-adopters, suggesting that digital currencies can promote better savings behavior. This finding is significant as it highlights the potential of digital currencies to enhance financial stability and inclusion in developing economies like India.

The study also uncovered regional variations in digital currency adoption, with the Southern region showing the highest adoption rates, followed by the Western and Central regions. These regional differences suggest that local factors such as digital infrastructure, economic development, and financial literacy play a crucial role in the adoption of digital currencies. Higher financial literacy was strongly correlated with higher adoption rates, indicating the importance of financial education in promoting digital financial tools. Additionally, higher-income households were more likely to adopt digital currencies, suggesting that economic status influences the propensity to engage with digital financial innovations.

The analysis further identified key factors influencing digital currency adoption, such as trust in digital platforms, financial literacy, and income level. These factors collectively explain a significant portion of the variance in adoption rates, underscoring the multifaceted nature of digital currency adoption. The positive correlation between digital currency adoption and savings rates was confirmed through regression analysis, which demonstrated that digital currency users tend

to save a higher percentage of their income. This relationship was further supported by the significant coefficients of financial literacy and income in predicting savings rates.

The broader implications of these findings are substantial. For policymakers, promoting digital currencies could be a viable strategy to enhance financial inclusion and stability. By improving digital infrastructure, enhancing financial literacy programs, and offering incentives such as cashback offers and interest on digital savings, policymakers can encourage more households to adopt digital currencies and increase their savings rates. These efforts could lead to more equitable economic growth and reduce the financial vulnerabilities of households.

For financial institutions, the findings suggest opportunities to develop new digital financial products that cater to the needs of diverse demographic groups. By addressing concerns related to security and privacy, financial institutions can build trust and encourage the adoption of digital savings products. Offering financial incentives can also be an effective strategy to attract more users to digital financial platforms. This can lead to increased customer engagement and loyalty, ultimately driving the growth of the digital financial ecosystem.

The study also highlights the importance of targeted regional policies to address the specific challenges and opportunities in different parts of the country. For example, regions with lower adoption rates may benefit from focused efforts to improve digital literacy and infrastructure. Tailoring policies to local contexts can help ensure that the benefits of digital currencies are realized across the entire country, promoting inclusive growth.

Moreover, the positive impact of digital currencies on household savings has broader economic implications. Increased household savings can lead to higher levels of investment, which in turn can drive economic development. This is particularly important for developing economies like India, where higher savings rates can support sustainable growth and poverty reduction. By fostering a culture of savings through digital financial tools, the country can enhance its economic resilience and build a stronger foundation for future growth.

In conclusion, this study has provided valuable insights into the relationship between digital currency adoption and household savings in India. The findings underscore the potential of digital currencies to promote financial inclusion and stability, highlighting the importance of financial literacy, trust, and economic status in driving adoption. The broader implications for policymakers and financial institutions are significant, offering a roadmap for leveraging digital currencies to enhance economic growth and stability. Future research should build on these findings to explore long-term trends and the impact of specific types of digital currencies, further enriching our understanding of this evolving financial landscape. Through continued efforts to promote digital financial literacy and infrastructure, India can harness the full potential of digital currencies to achieve inclusive and sustainable economic development.

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