Status of Internet use among Young Entrepreneurs in Towns adjoin major Cities in Rajasthan[[1]](#footnote-1)

Jaipal Singh kaushik[[2]](#footnote-2)

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*Abstract*

*The digital technology proved its worth in many cases like online booking of railway tickets, ATMs and other banking services and so on. With increasing number of smart phones and internet connectivity available in even remotest of areas, there is a huge potential of the use of digital technology in many more areas to transform lives of people. But the adoption of digital technology depends on a number of factors like availability of network, device to use the network, awareness & ability of the user, utility of the content and so on. This research was conceptualized to have understanding about the extent of digital inclusion among young entrepreneurs in semi urban areas in Rajasthan and also to know the impediments they face in adoption of digital technology and the enabling factors for adoption of digital technology. From the research it came out very clearly that the target group uses internet almost on daily basis but mostly for social networking and infotainment. The use of digital technology for augmenting business is still at very nascent stage, however the digital interaction to avail government services is picking up. The affordability of the devices and cost of the data network is still an issue for the poor, especially considering the perceived benefits of the technology by them (poor). It also came out very clearly that the target segment is convinced of the usefulness of the digital technology but the awareness (what all is available on internet) and the ability to interact is quite low.*

Introduction

The Information and Communication technology (ICT) is becoming driver of growth and development globally. Considering the pace at which social and economic transactions are taking place through the use of digital technology, it is no more a matter of ‘option’ for people to be digitally included. There are a number of benefits of digital technology and of being digital- it saves time, it increases efficiency & transparency, it is cost effective to transact digitally (compared to manual transactions), and it helps people to take control of their lives in a way.

Government of India is very keen to promote digital technology and it has launched Digital India as a campaign with the objective of ‘transform India as a Digitally Empowered society and Knowledge Economy’. Gone are the days when there used to be long queues on the windows of train and bus ticket bookings, cinema halls, gas agency, banks, electricity and water supply offices! Demonetization towards end of 2016 seems to have further forced/ encouraged people to try digital methods of payments. The increase in the smart phone availability has taken social networking and internet use to people who were never thought as potential internet users.

There are various sources like TRAI, service providers, census etc. that provide data on the status of digital inclusion in India. As it usually happens different sources collect data for various different purposes and often it becomes difficult to pin point the exact data for answering specific question. In this case, it is difficult to estimate number of internet users on the basis of internet connections. Also the telecom sector data collected by service providers cannot be disintegrated in to rural and urban areas in the sector and so on. The Annual Status of Education Report (ASER) 17 released in Jan 2018 says that 64% youth in age group of 14-18 have never used Internet and 59% have never worked on the computer. Only 5% of them have used i-banking. In 2013, India ranked 139th among major countries with 15.1% population using internet

The internet connectivity, its reliability & speed; ownership/ access to the device like computer, laptop, tablets or smart phone, language (that users can understand), relevant information are basic supply side factors that influence the progress of digitalization. Whereas the awareness, skills to use internet, confidence and faith in technology, need of the people are some demand side factors.

Vikas Anvesh Foundation (VAF) thought it appropriate to study the status of Digital Inclusion across different settings – Rural, Urban and Semi urban; among men and women; what are the factors that are facilitating and hindering the digital inclusion? One of the geography for the study of Digital Inclusion was two towns of Alwar and Dausa town of Rajasthan.

Rajasthan Government’s Digital Initiatives

The Vision of the state government is to harness the energy of Information & Communication Technology (ICT) for good governance and to put in place the tools that allow improved delivery of services to citizens & bridge the digital divide. Government of Rajasthan has taken concrete steps towards digital inclusion. The prime purpose of the government’s digital initiatives is to ensure efficiency, transparency and ease of access to government services for better quality of life of the citizens. Its Department of IT &C is spearheading digital inclusion program. Following are the government’s Digital initiatives

e-Mitra: There are more than 35,000 e-Mitra kiosks along with a web portal and mobile application. The e-Mitra provides about 200 services to people and it has facility of payment gateways with all major banks and payment portals like m-pesa, Paytm etc. The e-Mitra kiosks also provide banking facilities like micro ATMs and business correspondents.

Rajasthan Sampark is to ensure unified and integrated public grievances redressal mechanism for entire state. Public can register any kind of complaints through mobile, web portal, eMitra kiosk or call 1800 180 6127. The application includes SMS integration, GIS linked inspections/ visits, reality check functionality for disposed cases, provision to collect feedback and extensive monitoring.

Bhamashah Yojna is a project to empower women and reform direct benefit delivery mechanism in Rajasthan. It has comprehensive family profile including their entitlements pertaining to all the departmental schemes. It is mandatory for all departments to use Bhamashah Yojna portal for deciding entitlements. The lady of the house is recognized as ‘Head of the Family’ and there is unique ID for individual and the family. All cash and non-cash benefits for a family are available at one place and it can be accessed through Point of Service (POS) device, eMitra, Mobile App, web Portal and departmental outlets.

Bhamashah Health Insurance Scheme- It is Web-based application for implementation of Health Insurance Scheme including processing claim and payment for the insurance. It provides single platform to facilitate implementation of Health Insurance Scheme under the broad umbrella of Bhamashah Yojana, having authentication with UIDAI and Bhamasha card/number. It is integrated with important applications across the State like: (i) Bhamashah Database Hub (ii) UIDAI Database Hub (iii) Arogya Online (iv) eAushadhi and (v) eMitra. It has increased efficiency and effectiveness with transparency and reduced complexity with 24x7 availability of the system to the patients for filing claim and it can be used for government pensioners/employees as well.

Rajasthan Government has also digitized the Public Distribution System (ePDS). The ration delivery is done using lightweight hand held Point of Sale device using GPRS connectivity. The devices are at all 26500+ fair price shops and the identification/ validation of the beneficiary is done through Aadhaar biometric. It has completely stopped proxy withdrawal and other leakages. As soon as the shops get delivery, the beneficiaries get SMS on their phones.

State Portal- Electronic face of Government of Rajasthan: it is single source of information for all Government matters for citizens and government users. It provides single window interface for all informational/transactional Government services for citizens, businesses and overseas people. It link up dynamically with departmental web portals. This also ensures real time information updation through departmental websites. State government has also linked all Gram Panchayats with internet and has created facilities at Panchayat Samiti/ Block level for Video Conferencing besides various initiatives for office automation.

Objectives of the Study:

The purpose of this study is to understand the extent of digital inclusion of people, mainly small entrepreneurs in towns adjoining major cities and to see the purpose of the internet use by them. Also to find out who are the people which are digitally excluded and the reasons for the exclusion? The study does not intent to evaluate the schemes and programs initiated by the governments or by any other service provider.

Methodology

The study used primarily three research- literature survey to understand what is happening at macro level on digital inclusion, Focused Group Discussion with mixed group of participants to get generic idea on why people use internet, who uses the most, what are the problems that people face in using internet etc. and personal interviews of 100 small entrepreneurs to get specific data on the use of internet.

The study was done with small shop owners, service providers, and traders etc. mainly to understand the digital inclusion of this segment of the society. Also the study was targeted on small towns adjoining bigger cities like Delhi and Jaipur because usually the studies focus on either on remote rural areas or bigger urban centers and the towns are left out.

Alwar and Dausa are two urban locations near Jaipur. Dausa is about 55 kms north-east of Jaipur on the main highway of connecting Jaipur with Agra. The population of dausa is approx 5 lakh and thus it is not a big city. As it is closer to Jaipur many people from Dausa daily travel to Jaipur for work. Alwar is at equal distance from Delhi and Jaipur on Jaipur Delhi road. Nauganwa is a town in Alwar District on the Alwar-Delhi road; about 50 kms from Alwar. The rural area around Nauganwa is dominated by Meo community whereas in the town, there are people from all communities.

Profile of the respondents:

The study was conducted with youth who are engaged in small enterprises in towns near Alwar and in Dausa town. Total respondents are 100 of which 50 are from two towns of Alwar and 50 are from Dausa town. Most of the respondents are young; the median of respondents’ age is 25 years. Almost 75% of the respondents are in age group of 15-29 years; let’s call them ‘youth’. The average age of all the respondents is 27 years. This is the group in population which is supposed to be using internet maximum. From the FGDs it came out that the smart phone is possessed by the youth in the family. 21% of the respondents are from the age group of 30-49 years; let’s call them ‘Adult’ and rests 4% are older people i.e. above 50 years. Though it was tried that the female respondents should be interviewed in equal number but the enterprises are mostly owned/ managed by male and moreover it was difficult to interview women and ask questions like what is that they use the internet for. Only 9% of the respondents are women.

The target group for the study was ‘small entrepreneurs’ and 63% of the respondents are ‘self employed’ 19% are doing private or government jobs, 14% are studying (while helping their parents in managing small shops) and 4% were housewives. The caste wise distribution of the respondents- 39% are from general category like Brahmins, bania etc; 34% from other backward castes (OBC); 19% from scheduled castes; 4% from scheduled tribes (meena) and 4% from Muslim community.

Findings of the Study:

People in general are aware as well as are convinced about the utility of the internet in daily life; be it online shopping or getting the exact status of the trains or registering online complaints about non performance of civic utilities. But the high level of illiteracy and poverty are two major impediments in digital inclusion. Also the volume of transactions is so low that many people do not see it worth doing on their own; rather they would like to go to a digital facility center and get their work done by paying the fee. The cost of the data has no doubt brought the internet within reach of many more people but the cost of the device is still high enough that many people can’t afford.

At present, there is no formal training on internet use or digital literacy. People are learning themselves or from their friends and relatives and they could learn only that much which their friends and relatives know. So the maximum use of internet is on entertainment (youtube, wattsapp, facebook etc.). More than 50% of population in semi urban areas (in rural it might be 2/3rd) does not know what the internet has, and what benefits they can have by using internet. Then comes the question of actually using the net, the capability of people to use internet and their economic status to afford the device and operational expenses.

 Availability of the Network:

The availability of reliable data network in the towns is not an issue. In all the towns studied, there are multiple internet service providers. And the data network is available in all parts of the town though in areas habitated by poor, the speed of the network is slow. This might be because the numbers of towers are less in such areas. Jio is the most prevalent service provider in both the districts and BSNL is the least prevalent. Idea is at fourth place and 2nd and 3rd place is shared by Airtel and Vodafone.

Frequency of Internet Use

The respondents are using internet almost daily. 95% of the despondent are using the internet on daily basis and 3% have never used the internet while 2% have used once in three months. People who have not used the internet are mostly the older people; 50% of them have never used the internet. All the respondents who are in job and all the housewives are using internet daily. Almost 98% of the youth are using internet daily and 90% of the adults are also using the internet daily. Surprisingly 100% women are using the internet daily whereas 95% men are using internet daily. Also it was found that 100 % of Muslims and 100% ST respondents are using the internet on daily basis. 90% of the respondents belonging to SC community were found using the internet on daily basis.

Place of accessing the internet

The use of the internet is largely from the home because people are using the internet from smart phone. Almost 98% users are using the net from home and only 6% are using internet from café or office. (There are a few who are using both from the home and from office/café). And the people who use the internet from café/office are mostly from youth. The older people use internet from home only. All women and all Muslims users use the internet from home and 14% students use café.

Purpose of Internet Use

The use of the internet is mainly for social media like wattsup and facebook. Almost 95% users are using internet for this. Then the next most use of the internet is for watching YouTube, listing songs and other infotainment channel (73% users) and one third of the users told that they also look for government sites for information. There is no significant difference in the pattern of internet use by women and men except that slightly more men are using You Tube and other infotainment channels. More of the employed people (58%) and students (36%) are using internet to see government sites compared to housewives and self employed (25%). Interestingly no Muslim respondent is using government sites whereas 75% ST are using them. In use of social media and infotainment channels, there is no significant difference across caste categories.

Device used to access Internet

99% of the users are using smart phone to access the internet. There are 37.5% of them who are also using their own computers or laptops. The computers and laptops are mainly used by employed/ self employed people; no housewife is having her computer. Only 6% of the respondents are using broadband connection for internet. They are people who are managing either e-Mitra or slightly bigger business or use it in the office. More than 80% of the broadband users are youth.

Electrification is not the issue in the town, as all respondents has electricity and the duration of the current availability is sufficient to charge the laptops/ smart phone. No respondent reported the use of solar equipment for charging phones.

The skill of using the smart phone/ computer and logging in the web, searching for the required information and transacting on internet are some of the key factors that effects the digital inclusion. Respondents were asked to tell their skill level.

Almost 97% respondents know how to turn on/off the device they are using. About 95% are able to log in the net. 87% know how to use the internet; 73 % are able to use key words to search the web and 70% are able to understand the language of the websites. It must be kept in mind that most respondents are using the internet from their smart phones and for accessing social media and infotainment channel. They do not require much of the writing while accessing the information. They just open the files that they receive and use installed software to see the contents. Respondents also told that most phones and websites provide translation facility so the language is not the problem except for 30% of the users.

But there is significant difference in the internet use skills across men and women. Where 97% male users are able to switch on/off their device, only 90% women could do so. The skill difference increases in men and women when asked about logging in the net and searching the web; 97% men are able to log in the internet whereas only 78% women users could do so. Ability to use web was in 90% men and in 67% women. Searching web by writing key words is with 75% men and with only 57% women. Similarly 73% men were able to understand the language of the websites but only 44% women could do so. If we see the internet using skills across the age groups, the younger generation (youth and adult) possess better skills compared to older people.

Purpose of the Internet Use

The use of internet after social networking and infotainment channels gives an interesting picture. It appears that after demonetization, the internet users are increasingly using paytm like services for buying internet pack, paying bills etc.. Booking of rail/bus/taxi etc. is also an important use. Applying online for the entitlements is the least in use (16%) but the people are picking up i-banking and making payments using internet (38%). Accessing government services like PDS, putting up complaints for civil amenities etc. is also picking up (47% users).

Maximum respondents are using internet to download/ stream movies and TV programs. The next best use is for social networking followed by e-mail use and online shopping. Only about 1/4th (24%) respondents said that they have searched for jobs on the net and only 10% respondents used internet for obtaining information for research etc. Cloud computing is almost non-existent use.

The cost of data is not a big issue now, especially after the entry of Jio; almost everyone feels the need to use the internet and they like it. Only one young girl said that her family is against her using the internet. In some of the government portals the payment through PayTM is not allowed so they are not able to use the internet. The online applications also require scanning of documents and taking print outs etc. Such facilities are not available at home so people use internet shops in such cases.

The availability of net at lower price (Jio and now many others) has enhanced internet use. The availability of smart phone at affordable price (though many people still find smart phone unaffordable) has also contributed in use of internet especially wattsup. The online shopping is increasing at a great speed. Even in semi urban areas where the products are not delivered, people order from their phones and give the address of Alwar city (of their friends and relatives) and collect the goods later when they visit the city.

Young students are using internet for finding out suitable colleges and subjects for taking admissions. They also search for the results, fees etc. No one teaches the internet use. Most people learn by themselves or from their friends. In fact the portals are so easy to use that even the beginners are comfortable in using the internet.

There was a pilot project of ‘internet sakhi’ to popularize the internet use in this area. The project was implemented by IBTADA- local NGO with the support of CmF, Tata Trusts and Google. The project has also helped women to know and use the internet products. One of the participants was internet sakhi and she is using most internet products on her own. She also helps other women to use the internet.

People are hesitant to use internet-banking because there are some cases (only one) where the money transferred went to a wrong account and it took almost 6 months to recover the same. Banks take about 24 hours to register the party whom the money is to be paid. People feel it is a bit complicated and less secure than DD or cheque. Many banks do not allow more than Rs. 10,000/- (that is what participants think) in one go.

The payments are mainly through e-mitra in the towns. People do not go to the offices to pay the bills. The school fee is mainly paid in cash or bank. Almost all participants feel very strongly that the future belongs to the ‘internet’ and the internet skills are very important for their children. They also feel that there is no need of formal training (except may be for internet banking).

Almost all participants know about the internet data, and its use through smart phones. Even if someone is not using internet himself/herself their children use the internet on their behalf. Wattsup is widely used to send and receive photos and messages. The awareness about the internet use is increasing rapidly.

Presently there are four major impediments in internet use:

1. During the FGDs many participants told that they face difficulty is using internet because many of the sites are still in English and they do not know English well.
2. The poor people think that the smart phones (reliable ones) are still costly and beyond the reach of many.
3. Speed is slow and it takes too much time to get required information. They lose interest and do not use
4. There is lack of awareness about what all can be done through internet. They get this information from friends and the friends are equally unaware about full use of the internet
5. There is bombardment of unnecessary information; too many advertisements and games.

All FGD participants strongly agree that the ‘computers and technology’ give them more control over their life. And they would like to access internet from wherever they are. About 70% think that technology is changing too fast. There is extremely low awareness about security of the software. Only 1/4th of the participant use computers (rest all use phones) so they are not aware about updating security software.

The speed and reliability is an issue (the place was one of the poor area of the town). However for poor (about 50% in the group) also think that Rs. 2-300/- pm for data is too much for them. They look for the corresponding benefits and they don’t think that the benefits are worth that much.

Regarding the benefits of the internet they said that they are able to see if the train is on time or delayed and accordingly they leave their home for travelling (many of them go to Jaipur for work). The demonetization had led to digital payments and now people are attracted towards cash back features of inline shopping and digital payments so they are continuing it.

Poverty is the main hindrance in use of internet; almost 50% people in the group who did not have smart phone want it if they have the money. Almost everyone thinks the internet useful and if they get the chance they will like to use it. Five participants who are not using it is because they can’t afford the smart phone. They also feel that the monthly expense of the data on phone is something they can’t afford at this stage especially when they do not have regular work.

When they were asked how much time it will take when everyone will be using internet for most of their work, they said it will take at least 10 years. The main problem is the lack of literacy and poverty. Illiterate or low literate people can use wattsapp and youtube because it does not require much of the skill. But using the internet for seeking relevant and useful information need skills; making payments etc. need even higher level of skills which many people do not have.

Regarding payments etc. there are some young people who have emerged as entrepreneurs; they make payments for the bills, online shopping etc. and charge about Rs. 10-20 per transaction as their service charge. Thus they are able to earn at least for their own data bill and some more. The latest example was the result of 10th and 12th class which they did for students who did not have smart phone and charged Rs. 10/- for every result.

The biggest benefit of the internet they think is the ‘ease’ with which complaints can be made to government for civic services. They feel that the net has brought senior officers closer to them; at least they can send their complaints to Chief Minister, Ministers, senior police officers, and other officers of electricity, PHED and other departments; which were inaccessible to them otherwise. They will like to use the internet for registering complaints. A few participants see huge potential of Digital Technology in education; especially for rural areas where there is lack of good quality teachers and reading material. They think that every child will have a tablet and only a facilitator in school can teach the students through online exercises and lectures.

Conclusion

With the increased use of smart phones and reduction of the data costs the use of internet is widespread, especially in the younger age group. However the use of internet is still mainly for entertainment and social networking. This study was with the people who have set up their small enterprises and the assumption was that they will be using internet to look for raw materials and markets for their goods and services and also to do financial transactions digitally, but it is not the case, at least not so far. Though during the demonetization period when the cash was in short supply, people started making payments digitally but slowly that is dissipating and most people are coming back to cash payments.

The insistence of government to use internet for availing government benefits and many of its services is leading to the adoption of digital technology. People are very well convinced about usefulness of the digital technology but the adoption will take some time and it needs persistent focus of the government. Low literacy and poverty among people are still the major impediments in adoption of digital technology besides the low awareness of people on the availability of usable products and services on the net.

Therefore, government might have to invest on spreading digital literacy and awareness campaign to realize its dream ‘transform India as a Digitally Empowered society and Knowledge Economy’. The side effects of too much wattsup use without proper awareness have already started showing up in various parts of country in terms of mobs reacting to false rumors. Considering the excellent results of proven digital technology adoption like in case of railway ticket reservation, ATMs, direct benefit transfers and so on, governments should now replicate it in sectors like education, health, businesses and agriculture.

1. Thanks to Prof Sanjeev Phansalkar for regular guidance, to Nikhil Dhanda for supporting in the data analysis and special thanks to respondents and investigators in Saheli Samiti Dausa and IBTADA in Alwar [↑](#footnote-ref-1)
2. Independent Development Researcher based in Jaipur (Rajasthan) jpsinghk@gmail.com [↑](#footnote-ref-2)