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# A Study on Consumer Insights on the Impact of Digital Divide

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## ABSTRACT:

The digital divide—defined by the unequal distribution of access to digital technologies and the internet—continues to pose significant challenges in today's increasingly digital world. This study focuses on consumer insights to understand the multifaceted impact of the digital divide on consumer behavior, access, and empowerment. It investigates how limitations in digital access and literacy affect consumers' ability to engage with digital platforms for shopping, communication, education, banking, and information gathering. Through a combination of surveys, interviews, and secondary data analysis, the research captures the perspectives of consumers from various socio-economic, geographic, and educational backgrounds. Findings reveal that individuals without reliable internet access or adequate digital skills are at a distinct disadvantage, leading to reduced participation in digital markets, lower trust in digital services, and a dependency on traditional systems. This exclusion often results in missed economic opportunities, increased transaction costs, and limited awareness of choices and rights. The study also uncovers psychological impacts, such as digital anxiety and a sense of disconnection from the modern marketplace. Moreover, the study identifies patterns showing that the digital divide reinforces existing social inequalities, particularly among rural populations, the elderly, and economically disadvantaged groups. Based on these insights, the research advocates for targeted interventions, including the expansion of digital infrastructure, digital literacy training, and user-friendly digital services designed with inclusivity in mind. The study concludes by emphasizing that closing the digital divide is not only a technological imperative but also a critical social and economic priority for ensuring equal consumer participation in a digital-first economy.

## **INTRODUCTION:**

In the era of rapid digitalization, the digital divide has emerged as a critical concern, fragmenting societies into digitally empowered and disconnected communities. While traditional perspectives view digital divide as a binary issue of access versus no access, this study proposes a nuanced understanding, recognizing digital divide as a multifaceted, dynamic, and context-dependent phenomenon. The digital divide is not solely a matter of technological availability but encompasses a complex interplay of socio economic factors, cultural background, and geographical location. The digital divide refers to the significant gap between individuals, communities, and societies that have access to modern digital technologies, such as the internet, smartphones, and computers, and those who do not. This divide encompasses four key dimensions: access, skills, usage, and participation. The causes of the digital divide are multifaceted, including socioeconomic factors like income, education, and age, geographic location, cultural background, and disability. As a result, individuals and communities on the wrong side of the divide face numerous consequences, including limited access to information, education, and economic opportunities, social isolation and exclusion, and decreased civic engagement and participation. To bridge this gap, efforts are needed to develop digital infrastructure, provide digital literacy programs, offer affordable access initiatives, and implement inclusive policies and regulations. Despite progress, stark statistics remain, with 37% of the global population lacking internet access, 22% of Americans lacking broadband internet, and 40% of seniors lacking digital literacy skills, underscoring the urgency to address this critical issue and ensure digital equity for all. 1 In the digital age, access to technology has transformed nearly every aspect of society, from how people communicate and work to how they learn and participate in the global economy. Yet, despite the widespread proliferation of digital tools, there exists a significant disparity in who benefits from these advances-a phenomenon widely known as the digital divide. This divide is not merely about having or lacking access to devices and the internet; it represents broader inequalities tied to socioeconomic status, education, geography, and infrastructure that prevent entire communities from fully participating in the digital world. The digital divide creates barriers to opportunities, limiting individuals' access to resources, information, and essential services that are increasingly available only online. Inadequate digital literacy further exacerbates these challenges, leaving many at a disadvantage in education, employment, and civic engagement. This thesis explores the digital divide's multifaceted impacts on society, examining how it perpetuates existing inequalities and proposing strategies to bridge the gap for a more inclusive, digitally empowered future. Through understanding and addressing the digital divide, we can unlock potential for marginalized populations, enabling them to thrive in an increasingly interconnected and digital-centric world.

### **OBJECTIVES:**

- To identify factors contributing to digital exclusion.
- To analyse digital literacy levels among underserved populations.

## **SCOPE:**

A study on consumer insights regarding the impact of the digital divide examines how unequal access to digital technologies influences consumer behaviour, decision-making, and purchasing patterns. It explores the variations in digital access across regions, income levels, and demographics, and how these disparities affect consumers' ability to access information, engage with brands, and participate in online commerce. The study also looks at how the digital divide impacts economic factors like purchasing power, employment opportunities, and consumer spending. It investigates the role of 6 digital literacy, identifying the barriers faced by low-income, elderly, and minority consumers, and assesses how businesses can adapt their offerings to reach underserved segments. Additionally, the study considers the policy implications and the social consequences of the divide, highlighting the need for initiatives to bridge the gap and promote digital inclusion.

## STATEMENT OF PROBLEM:

The digital divide perpetuates socioeconomic inequalities by limiting access to information, education, economic opportunities, and social connections for marginalized communities, thereby hindering their ability to fully participate in the digital economy and exacerbating existing disparities in wealth, education, healthcare, and civic engagement. To bridge the digital divide, a multi-faceted approach is necessary. Short-term solutions include digital literacy training, device donation programs, public access points, low cost internet plans, and community-based digital inclusion initiatives. Long term strategies involve infrastructure development, integrating digital education into school curricula, community engagement, policy reforms, and dedicated funding. Technological solutions, such as mobile hotspots, community networks, low-cost devices, open-source software, and virtual reality training tools, can also enhance access. Social solutions, including digital mentorship programs, community digital centers, online support platforms, and public awareness campaigns, foster digital citizenship. Economic solutions, such as subsidies, tax incentives, public-private partnerships, social impact investing, and digital economy job training, can further address the divide. By combining these solutions, we can ensure equitable digital opportunities and promote social and economic inclusion for all.

## **RESEARCH METHODOLOGY:**

The study uses only primary data confined questionnaire have been prepared and collected from various consumers. Primary research is done to gather original data required for the research. The research is focused on both qualitative and quantitative issues. Secondary data are collected from websites, books, journals etc.

## LIMITATIONS:

Time taken for the study is limited.

- Data collection period is September 2024 March 2025
- As the sample size is 152 so the study results cannot measure the whole.
- The data collected and the survey made is done only and drawn from a single town so the findings cannot be generalized.
- This study is analysed by respondents opinion it will be change any time.

## **REVIEW OF LITERATURE:**

Norris (2015): Research has consistently shown that socioeconomic disparities significantly impact internet access and digital literacy. Norris's study found that lower-income households are less likely to have internet access, which creates a significant gap in digital inclusion. This lack of access affects various facets of life, from education to employment, and highlights the importance of addressing these gaps in order to promote equality.

**Mossberger et al. (2015):** The digital divide not only limits access to information and communication technologies but also exacerbates existing socioeconomic inequalities. Mossberger and colleagues noted that individuals from disadvantaged backgrounds are disproportionately affected by the digital divide, with limited access to educational and economic opportunities, thereby widening the gap between the haves and have-nots in society.

**Davis** (2015): Consumer attitudes and perceptions play a crucial role in technology adoption, as identified by Davis in his Technology Acceptance Model. He found that perceived usefulness and perceived ease of use are the two most important factors that influence whether consumers adopt new technologies. This research underscores the importance of ensuring that new technologies are user-friendly and clearly beneficial to potential users in order to facilitate widespread adoption.

## **PROFILE OF THE STUDY:**

#### **Definition of Digital Divide:**

The digital divide is the term used to describe the gap between individuals, communities, or regions that have access to modern information and communication technology (ICT) such as the internet, computers, and smartphones, and those who do not. This divide manifests in several ways, including geographical differences where rural or remote areas may lack the necessary infrastructure for reliable internet connectivity. It also exists economically, as individuals or families with lower incomes may be unable to afford the devices or high-speed internet required to participate fully in the digital world. Additionally, there is a significant educational divide, as some people may not have the necessary skills or knowledge to effectively use technology, further excluding them from accessing online resources, educational materials, and job opportunities. The digital divide also affects certain social groups, such as the elderly or marginalized communities, who face additional challenges in adopting and utilizing digital technologies. In today's increasingly connected world, this divide can limit access to vital services like healthcare, education, and employment, making it harder for disadvantaged groups to improve their quality of life. Bridging the digital divide is essential for fostering inclusivity, ensuring that all individuals, regardless of their background or location, can fully engage with and benefit from the opportunities presented by the digital age. This requires not only improving access to technology and the internet but also providing digital literacy programs to equip people with the skills they need to navigate the digital world confidently.

#### Factors Influencing the Digital Divide Economic Status

Affordability of digital devices, internet services, and data plans determines access to technology. Lower-income groups face financial barriers to digital inclusion.

Geographical Location – Urban areas have better digital infrastructure, while rural and remote regions often lack stable internet connectivity and technological resources.

Education and Digital Literacy – Higher education levels correlate with better digital skills and technology adoption. Limited digital literacy prevents effective usage of online services.

#### **Consumer Behaviour in the Digital Era**

Consumer behaviour in the digital era refers to the way individuals make decisions about purchasing products and services in an online-driven environment. With the rise of the internet, social media, and e-commerce platforms, consumers now have access to a vast amount of information that influences their choices. Unlike traditional shopping, where decisions were based on physical store visits and word-of-mouth recommendations, digital consumers rely on online reviews, product comparisons, and social media influencers before making a purchase. The convenience of online shopping, digital payments, and personalized recommendations has changed how consumers interact with brands, making businesses focus on customer experience and engagement. Social media plays a crucial role in shaping consumer preferences, as targeted advertisements and influencer endorsements impact buying decisions. Additionally, mobile technology has enabled consumers to shop anytime and anywhere, increasing the demand for fast delivery, seamless transactions, and high-quality service. However, concerns about data privacy, cybersecurity, and trust in digital platforms also influence consumer behaviour. Businesses need to adapt to these changing patterns by providing secure, transparent, and personalized digital experiences to meet the expectations of modern consumers.

#### Consumer insights and digital divide

Consumer insights and the digital divide are closely related, as the digital divide directly impacts how consumers interact with products, services, and brands in the digital world. Consumer insights refer to the understanding of consumer behaviour, preferences, needs, and challenges based on data analysis and research. This helps businesses make informed decisions about how to engage, market to, and serve their customers effectively. When it comes to the digital divide, understanding consumer insights becomes more complex, as there are distinct differences in how consumers experience the digital world based on their access to technology. Consumers in areas with reliable internet and access to modern devices may have different behaviours, needs, and expectations compared to those in underserved or rural areas with limited access to technology. These insights can help businesses tailor their marketing strategies, products, and services to accommodate the needs of diverse consumer groups. For example, in areas with limited internet access, companies might need to rethink how they offer digital services. A consumer in a low connectivity region might prefer offline or low-bandwidth options, while those in urban areas may have high expectations for fast, seamless digital experiences. Additionally, consumers who lack digital literacy may need more user-friendly interfaces or targeted educational initiatives to help them engage with technology.

#### Bridging the digital divide:

To address the digital divide and increase digital inclusion, various initiatives have been launched globally to improve access to technology, enhance digital literacy, and ensure that underserved populations can benefit from digital tools and services. Here are some key initiatives aimed at increasing digital inclusion:

1. Digital Literacy Programs

• Purpose: These programs aim to equip individuals with the essential skills needed to navigate the digital world, from basic computer use to more advanced internet navigation and online safety.

• Examples: o Digital Literacy for All (various governments and NGOs): These programs often target older adults, low-income communities, and rural populations. They may involve free online courses, workshops, or community-based training to teach skills like using email, browsing the internet, and understanding digital privacy.

#### Policies to address digital divide:

## 1. Digital India Program

• Goal: The Digital India initiative aims to transform India into a digitally empowered society and knowledge economy.

• Key Features: 26 o Expanding internet connectivity in rural and underserved areas. o Promoting digital literacy, particularly in remote regions. o Enhancing the delivery of government services online, such as e-Governance, e-health, and e-education.

2. BharatNet Project

· Goal: To provide high-speed broadband connectivity to all 250,000 gram panchayats (village councils) across India.

• Key Features: o The project aims to connect rural areas with optical fiber, facilitating access to government services, education, healthcare, and business opportunities.

- 3. National Digital Literacy Mission (NDLM)
- · Goal: To provide digital literacy to people in rural and underserved areas.

• Key Features: o Training individuals to use digital devices and the internet, helping them access government services and information online.

#### Technologies to bridge digital divide:

In India, various technologies are being leveraged to bridge the digital divide, aiming to provide equitable access to digital resources and services for underserved populations, especially in rural, remote, and low-income areas. Here are some key technologies being utilized to enhance digital inclusion in India:

1. BharatNet Project

• Purpose: To connect all 250,000 gram panchayats (village councils) with high speed broadband through optical fiber.

• Key Features: o Launched by the Government of India, BharatNet is the largest rural broadband network project in the world. It aims to improve internet access for people in rural areas, enabling better access to government services, education, and healthcare.

2. Mobile Broadband (4G and 5G)

• Purpose: To provide affordable and accessible internet using mobile networks, especially in rural areas where traditional broadband is lacking.

• Examples: o 4G LTE Networks: Telecom providers like Reliance Jio and Airtel have rolled out 4G networks extensively, offering low-cost data packages that make internet access more affordable in rural and urban areas. o 5G Rollout: With the introduction of 5G networks, India is expected to improve internet speeds and provide greater coverage, enhancing access to high speed connectivity in underserved regions.

#### **Methodological Approaches**

The digital divide in India refers to the gap between individuals and communities who have access to modern information and communication technology (ICT), such as the internet, computers, and mobile devices, and those who do not. Bridging this divide is crucial for ensuring equitable access to opportunities, services, and participation in the digital economy. Various methodological approaches have been used to study and address the digital divide in India:

#### 1. Quantitative Approach

• Survey Research: Large-scale surveys and data collection play a central role in quantifying the digital divide. Government agencies, NGOs, and academic institutions often conduct national or regional surveys to gather data on access to ICT, internet usage patterns, literacy levels, and socio-economic factors influencing digital inclusion. These surveys can reveal trends in access based on demographics like age, gender, rural-urban location, and income level.

• Data Analysis & Statistics: Statistical techniques such as regression analysis and correlation are used to understand the relationship between access to technology and various socio-economic indicators. For example, researchers may look at how income levels or educational attainment correlate with internet usage.

2. Qualitative Approach

• Case Studies: Case studies focus on specific communities, regions, or programs to understand the unique factors contributing to the digital divide. For instance, studies on rural or tribal communities in India highlight barriers such as low literacy rates, lack of infrastructure, or cultural factors.

• Interviews and Focus Groups: Conducting interviews or focus group discussions with people in both urban and rural areas helps gather in-depth insights into personal experiences with technology, challenges in accessing the internet, and the impact of digital exclusion on daily life.

• Ethnographic Research: Researchers may engage in long-term observation and immersion within specific communities to understand the complex cultural and socio-economic factors influencing digital access.

## ANALYSIS AND INTERPRETATION OF DATA:

## TABLE 4.1

#### TABLE SHOWING THE INTERNET ACCESS BY THE RESPONDENTS

PARTICULARS	FREQUENCY	PERCENTAGE	
ALWAYS	40	26	
OCCASSIONALLY	51	34	
RARELY	50	33	
NO ACCESS	11	7	
TOTAL	152	100	

## **INTERPRETATION:**

The above table shows that 34% of the respondents are occasionally accessible to internet, 33% of the respondents are rarely accessible to internet, 26% of the respondents are always accessible to internet and 7% of the respondents are not accessible to internet.

## TABLE 4.2

#### TABLE SHOWING THE PRIMARY DEVICE FOR INTERNET USED BY THE RESPONDENTS

PARTICULARS	FREQUENCY	PERCENTAGE	
SMARTPHONE	66	44	
LAPTOP	31	20	
DESKTOP	39	26	
TABLET	14	9	
NO ACCESS	2	1	
TOTAL	152	100	

## **INTERPRETATION:**

The above table shows that 44% of the respondents are using smart phone, 20% are using laptop, 26% of the respondents are using desktop, 9% are using tablet and 1% has no access.

#### Table 4.3

## Table showing the lack of digital access affects job opportunities

PARTICULARS	5	4	3	2	1	TOTAL	RANK
STRONGLY AGREE	74	11	41	12	13	574	1
AGREE	10	95	29	12	5	546	2
NEUTRAL	39	20	64	21	7	516	3
DISAGREE	17	48	43	34	9	483	4
STRONGLY DISAGREE	29	22	52	21	22	458	5

#### Interpretation:

The table shows that most respondents agree that lack of digital access affects job opportunities. Neutral responses are moderate, while disagreement is minimal. This highlights the importance of digital access for jobs.

## FINDINGS:

- Majority (34%) of the respondents are occasionally accesses the internet.
- Majority (44%) of the respondents are using smartphones as primary device for internet access.

## SUGGESTION:

To enhance the study on consumer insights regarding the impact of the digital divide, it is important to analyze how different demographics, including rural and urban consumers, various income groups, and age categories, are affected by digital disparities. The research should focus on understanding how limited access to digital resources influences consumer behavior, decision-making, and participation in digital services such as e-commerce, online banking, and education. Data collection methods like surveys, interviews, and secondary sources from government and industry reports can provide valuable insights. Additionally, industry-specific analysis, particularly in sectors where digital engagement is crucial, can help identify challenges faced by digitally excluded consumers. Exploring policy implications and potential solutions, such as affordable internet access, digital literacy programs, and infrastructure development, can provide recommendations to bridge the digital divide. Furthermore, technological interventions, including the expansion of mobile penetration, fintech solutions, and government initiatives, can play a crucial role in minimizing the negative impact and ensuring greater digital inclusion.

## **CONCLUSION:**

The study highlights that the digital divide has a significant impact on consumer behaviour, affecting access to online services, digital transactions, and overall economic participation. Findings suggest that lower-income and rural populations face challenges due to limited internet access, digital illiteracy, and inadequate technological infrastructure, leading to disparities in opportunities and economic engagement. These challenges not only hinder consumer convenience but also widen socio-economic gaps, making it essential to implement solutions that promote digital inclusivity. Addressing the digital divide through government policies, corporate efforts, and technological advancements can help create a more equitable digital landscape. Ensuring digital access for all consumers is not just a technological necessity but a key factor in economic development, social empowerment, and inclusive growth in the digital era.

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