Awareness of Digital Financial Products and Services among Migrant Workers in the MSME Sector: Evidence from Tirupur District

Dr. P. Chellasamy[1], A. Angelcybi[2],

[1]Professor, Department of Commerce, Bharathiar University, Coimbatore
[2] Research Scholar, Department of commerce, Bharathiar University, Coimbatore

Abstract

The supply of financial goods and services has undergone a substantial transformation as a result of digitalization, especially with regard to digital payment systems, online banking platforms, and mobile financial applications. The quick growth of digital financial services in India has improved accessibility and convenience, but it is still a major concern to what degree vulnerable workforce segments—particularly migrant workers in the Micro, Small, and Medium Enterprises (MSME) sector—are aware of and capable of using these digital products. This study looks at how much knowledge migrant workers in Tirupur District's MSME sector have about digital financial services and goods. The study examines awareness levels of a range of digital products and services, such as digital payment platforms, banking services, and government-backed digital initiatives, using primary data gathered via a structured questionnaire. It is anticipated that the results would shed light on migrant workers' present level of digital awareness and have policy-relevant ramifications for improving digital financial inclusion in the MSME ecosystem.

Keywords— **MSME sector, Migrant workers, Digital Financial products.**

I.   INTRODUCTION

The way people access and use financial products and services has changed as a result of the growing integration of digital technology into the financial system. India's financial inclusion policy now heavily relies on digital financial products, including digital wallets, online government service platforms, mobile and internet banking, and the Unified Payments Interface (UPI). One of the most economically engaged but underserved groups of workers is the migrant sector. The MSME sector, which is widely acknowledged as the foundation of industrial development, job creation, and export growth, employs a sizable percentage of migrant workers in India.

Adoption and use of digital financial services and solutions are greatly influenced by awareness. The degree to which people are aware of the availability, characteristics, advantages, and application of digital financial tools is referred to as awareness. Numerous migrant workers are employed by the MSME sector in Tiruppur District, which is well-known for its vibrant industrial operations, in a variety of production and service units. Knowing how much migrant workers know about and are ready to use these digital financial systems is crucial given the growing emphasis on digital payments, digital wage transfers, and online financial services inside MSMEs.

The goal of the current study is to determine how much knowledge migrant workers in Tiruppur District's MSME sector have about digital financial services and goods. The study aims to add to the body of knowledge on digital financial inclusion and provide policymakers, financial institutions, and MSME stakeholders with evidence-based insights by examining awareness levels and trends.

II.   REVIEW OF LITERATURE

Rekha et.al (2025) identified research gaps in the relationship between digital literacy and MSME decision-making through a comprehensive literature and bibliometric study on financial literacy in MSMEs

Min-Zhang (2025) investigated if digital money enhances the quality of employment for migrant workers in China. According to the study, the quality of employment is much improved by digital financial development, with the impacts being more pronounced for women, younger workers, and migrant groupings. The findings imply that digital finance might encourage inclusive growth and lessen labour market disparities.

Prihandini (2025) examined the level of digital financial literacy in Indonesia's digital economy and discovered a disconnect between people's access to financial technology and their comprehension and use of digital financial instruments, underscoring the need for inclusive policies.

Risman & Syarif (2025) examined a community initiative to raise migrant workers' digital finance literacy in Malaysia, demonstrating how educational training enhanced participants' knowledge and self-assurance when utilizing digital financial tools.

Zhang (2025) an empirical study found that because migration improves social networks and financial knowledge, migrant work experience promotes rural households' adoption of digital financial services.

III. OBJECTIVIES

To find out the awareness level of financial products and services of migrant workers working of MSME sector in Trippur District.

.

IV.METHODOLOGY

The study uses a descriptive research approach to determine how well-informed migrant workers working in Tiruppur District's MSME sector are about digital financial products and services. A systematic interview schedule, which was thought to be appropriate for guaranteeing the precision and clarity of responses, was used to gather primary data from 50 migrant workers. A convenience sample technique was used because there was no set sampling frame and the respondents were mobile. In order to assess and compare the level of awareness across different digital financial goods and services, the obtained data were analyzed using mean score analysis; greater mean values indicate higher levels of awareness among the respondents.

V ANALYSIS

MEAN SCORE ANALYSIS

Statements	N	Minimum	Maximum	Mean	Std. Deviation
Mobile to mobile money transfer	100	2	3	2.99	.100
QR code-based payments	100	2	3	2.91	.288
ATM cards	100	1	3	1.84	.748
Balance Enquiry Through Mobile	100	1	3	2.80	.449
Government saving schemes	100	1	3	2.84	.395
Buy now pay later services	100	1	3	2.74	.485
Digital savings account	100	1	3	2.15	.626
Credit through banking apps	100	1	3	1.45	.626
Mobile based remittance services	100	1	3	1.49	.643
Pin and OTP security	100	2	3	2.89	.314
Fraud and scam messages	100	1	3	1.83	.805
Reporting digital fraud	100	1	3	2.05	.716
Mobile to mobile transfer	100	2	3	2.99	.100
QR code-based payments	100	2	3	2.91	.288
ATM cards	100	1	3	1.84	.748

The Mean Score Analysis is used to identify the level of awareness of respondents toward different digital financial services. Since your scale appears to be 1 = Low awareness, 2 = Moderate awareness, 3 = High awareness, the interpretation is based on how close the mean value is to 3 (high awareness).

The respondents' awareness of different digital financial services and security procedures was assessed using the mean score analysis. The findings show that respondents are very knowledgeable about fundamental digital payment systems. Mobile to mobile money transfer had the highest mean score (Mean = 2.99, SD = 0.100) among the assertions, suggesting that respondents had a very high level of awareness. PIN and OTP security (Mean = 2.89, SD = 0.314) and QR code-based payments (Mean = 2.91, SD = 0.288) both demonstrate a high degree of awareness. Additionally, the respondents' knowledge of government savings programs (Mean = 2.84, SD = 0.395), mobile banking balance inquiries (Mean = 2.80, SD = 0.449), and buy now, pay later services (Mean = 2.74, SD =

0.485) is comparatively strong. On the other hand, reporting digital fraud (Mean = 2.05, SD = 0.716) and digital savings accounts (Mean = 2.15, SD = 0.626) have a moderate level of awareness. Conversely, lower mean scores are seen for fraud and scam messaging (Mean = 1.83, SD = 0.805) and ATM cards (Mean = 1.84, SD = 0.748), suggesting relatively low knowledge among respondents. Credit via banking applications (Mean = 1.45, SD = 0.626) and mobile-based remittance services (Mean = 1.49, SD = 0.643) have the lowest level of awareness. Overall, the data shows that while respondents' understanding of advanced digital financial services and issues connected to fraud is still relatively low, they are increasingly familiar with basic digital payment services.

VI FINDINGS

The overall results of the mean score analysis show that respondents have a comparatively high degree of awareness about fundamental digital financial services, especially PIN/OTP security, mobile-to-mobile money transfers, and QR code-based payments, which had the highest mean scores. Additionally, the respondents exhibit a reasonable level of awareness of services like buy now, pay later, and mobile banking balance inquiries. Digital savings accounts, reporting digital fraud, ATM cards, and fraud or scam notifications, on the other hand, are somewhat less well-known. Respondents are less familiar with sophisticated digital financial services, as seen by the lowest awareness of credit through banking apps and mobile-based remittance services. Overall, the results point to the need to raise understanding of sophisticated digital financial products and digital fraud protection techniques, even though respondents are at ease with widely used digital payment methods

VII CONCLUSION

The current study looked at migrant workers' knowledge of digital financial services and goods in the MSME sector in Tirupur District. The study's conclusions show that migrant workers are reasonably knowledgeable about fundamental digital financial services, especially mobile-to-mobile money transfers, QR code-based payments, and security features like PIN and OTP verification. Higher mean ratings for these services show that respondents are conversant with the digital payment methods that are frequently utilized in everyday financial transactions. Additionally, a moderate level of awareness of services including government savings plans, mobile banking balance inquiries, and buy now, pay later options was noted in the study.

The results also show that migrant workers' knowledge of sophisticated digital financial services and products is still relatively poor. Lower mean ratings were obtained for services such digital savings accounts, mobile-based remittance services, credit facilities via banking applications, and ways to report digital fraud. This implies that even if migrant workers are using simple digital payment systems, they still don't fully comprehend the wider spectrum of digital financial services and security procedures. In order to improve migrant workers' knowledge and promote the safe and effective use of digital financial products and services in

the MSME sector of Tiruppur District, the study concludes that effective financial literacy programs, awareness campaigns, and institutional support are necessary

REFERENCES

1) Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2022). The Global Findex Database 2021: Financial inclusion, digital payments, and resilience in the age of COVID-19. World Bank. https://doi.org/10.1596/978-1-4648-1897-4

2) Gomber, P., Koch, J. A., & Siering, M. (2017). Digital finance and FinTech: Current research and future research directions. Journal of Business Economics, 87(5), 537–580. https://doi.org/10.1007/s11573-017-0852-x

3) Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. Journal of Economic Literature, 52(1), 5–44. https://doi.org/10.1257/jel.52.1.5

4) Morgan, P. J., & Long, T. Q. (2020). Financial literacy, financial inclusion, and savings behavior in Laos. Journal of Asian Economics, 68, 101197. https://doi.org/10.1016/j.asieco.2020.101197

5) Ozili, P. K. (2018). Impact of digital finance on financial inclusion and stability. Borsa Istanbul Review, 18(4), 329–340. https://doi.org/10.1016/j.bir.2017.12.003

6) RBI. (2023). Report on trend and progress of banking in India 2022–23. Reserve Bank of India. https://www.rbi.org.in

7) Suri, T., & Jack, W. (2016). The long-run poverty and gender impacts of mobile money. Science, 354(6317), 1288–1292. https://doi.org/10.1126/science.aah5309

8) World Bank. (2020). Digital financial services. World Bank Group. https://www.worldbank.org

9) Donovan, K. (2012). Mobile money for financial inclusion. In T. Kelly & M. Minges (Eds.), Information and communications for development 2012: Maximizing mobile (pp. 61–73). World Bank.

10) Ghosh, S. (2021). Financial inclusion and digital financial services in India: Opportunities and challenges. Asian Economic and Financial Review, 11(7), 595–607