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Review Article

Trust, Awareness, and Perceived Risks: A Comprehensive Model of Adoption Intent on Central Bank Digital Currency (CBDC)

Dr. V. Abirami[1] and V. Ambika[2]

[1]Professor, Department of Management Studies, Dr. N.G.P Arts and Science College, Coimbatore.

[2]Research Scholar, Department of Management Studies, Dr. N.G.P Arts and Science College, Coimbatore.

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***Corresponding author: Dr. V. Abirami**

Abstract: The banking sector has undergone substantial digital transformation, with Central Bank Digital Currency (CBDC) emerging as a major advancement in financial technology. Since 2013, extensive research has assessed the feasibility of CBDC implementation, with many nations recognizing its benefits. However, several countries, particularly developing ones, have faced implementation challenges, leading to withdrawals. A key concern in these nations is financial inclusion, as a large segment of the population remains unbanked. In India, where over 20% of adults lack bank accounts, the success of CBDC adoption depends on public awareness, perceived benefits, trust in regulatory bodies, and concerns regarding its use. This study investigates the intent to adopt CBDC among respondents in Coimbatore district. Globally, CBDCs are transforming financial services by enhancing security, efficiency, and accessibility while promoting financial inclusion. By 2023, more than 60 countries had explored CBDC implementation, with 20 fully launching their versions. Nations such as the Bahamas, Jamaica, and Nigeria have successfully adopted CBDCs, while India remains in the early stages. Research indicates that public trust, awareness, and perceived benefits are key factors influencing adoption. Concerns over privacy, financial stability, and technological complexity pose barriers. This study, based on a survey of 300 respondents, uses Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) to analyze key adoption determinants. Findings reveal a significant knowledge gap, particularly among women. The study concludes that for successful CBDC implementation, awareness campaigns, education initiatives, and regulatory frameworks are crucial to building public trust and overcoming adoption challenges.

Keywords: Central Bank Digital Currency (CBDC), Financial Inclusion, Public Trust, Adoption Intent, Regulatory Frameworks.

INTRODUCTION

The digitalisation of banking services has been undergoing a metamorphosis. The recent development in the digitalisation is the proposal to introduce Central Bank Digital Currency or e-currency. Since 2013 there has been continuous research carried in the feasibility of implementing CBDC. The studies could come out with major advantages of CBDC implementation. However, a few countries have withdrawn their proposal to implement CBDC. Though the overall benefits of applying CBDC is common to almost all the countries the difficulties in the implantation differs between the developed and developing countries (Piero Cipollone, 2022).

In the context of developing countries like, the major problem is the financial inclusion. Also, the acceptance of such new technology or the intention to adopt the technology depends on the level of awareness, the perceived benefits from the use of technology, the trust of the public on the agency providing such technology and the problems associated with the use of the technology. In the Indian context, with more than 20 per cent of the population are not having a bank account, creating awareness on the (Leora Klapper et.al.2021). hence, in the context India, the feasibility in the implementation of CBDC depends on the intention to use, the trust, the perceived benefits, awareness and the problems in the usage. In the present paper it is attempted to examine the views of the selected respondents in district of Coimbatore.

EMERGENCE OF CBDC GLOBALLY

Since banks are essential in people's daily lives, technology adoption in the banking business is making strides toward rapid advancement (Ashworth and Goodhart, 2020). Such technology-based digital metamorphosis is occurring not only in a selected countries but is unleashed to the world, India being no exception.

The digital economy has given birth to digital money called Central Bank Digital Currency (CBDC). In contrast to other digital innovations in payment systems, CBDC is the officially sanctioned concept of digital innovations in payments initiated and managed by the central bank.

Globally, central banks have been developing CBDCs with the intention of replacing or supplementing fiat currency. The introduction of Central Bank Digital Currency (CBDC) represents a landmark event in financial service history that acts as a gateway to more sophisticated financial services, while at the same time increasing the efficiency, security, and accessibility of financial services provided by the banks to the public. More importantly, it promotes financial inclusion in the country and reduces cash circulation costs.

In consideration of realization stated above, almost all countries of the world are now undertaking attempts to introduce a Central Bank Digital Currency. By 2023, 60 countries had either issued a CBDC or were at various stages of research and trials on it; about 20 countries completely launched CBDC. Several countries that issued CBDC are the Bahamas, Jamaica, Anguilla, Nigeria, and Grenada. Additionally, most of the European and Asian countries are in the development phase with regard to their own CDBCs, which include Australia, China, and Indonesia. In India, the introduction of CBDC is still in its infancy, and discussions are ongoing among technical and academic experts on the advantages and disadvantages thereof. Since the introduction of the concept for CBDC in the world, a lot of advantages and disadvantages associated with it have been researched by various scholars in the aspects of financial inclusion, its role and purpose, design, competition for commercial banks, and its contribution toward economic development and success of financial policy in adoption (Peterson K. Ozili, 2023).

REVIEW OF RELATED STUDIES

The research carried out at the global context in both the developed and developing countries like India could come out with certain inferences. Bijlsma et al. (2021) viewed that the central bank of the Netherlands concluded in their survey that a better understanding of CBDCs increases the likelihood of their adoption, highlighting the importance of public awareness. The 2022 study by Abass on the public's perception of CBDCs in Ireland revealed that a lack of awareness and understanding of CBDCs are significant barriers to adoption, emphasizing the need for educational initiatives. Research by Carapella et al. (2020) showed that technological advancements have led to a growing array of electronic payment options, raising questions about how public knowledge affects CBDC acceptance.

Bijlsma et al. (2021) also noted that trust in banks and central banks significantly boosts the likelihood of adopting CBDCs, underlining the role of institutional trust. Zarifis et al. (2023) argued that building consumer trust is crucial for the successful development and acceptance of CBDCs, as trust can greatly affect usage patterns. Hossain et al. (2023) studied China's e-CNY and found that trust acts as a mediating factor in the adoption process, highlighting its importance for user acceptance. Regarding the anticipated challenges of using Central Bank Digital Currency (CBDC), Guo et al. (2022) pointed out that users' concerns about privacy and consumer protection are significant obstacles to CBDC adoption. The Federal Reserve's report (2022) noted that implementing a CBDC could raise concerns such as bank disintermediation and potential negative effects on financial stability. Additionally, the report emphasized that a CBDC could exacerbate the effective lower bound issue with nominal interest rates. On the potential benefits of CBDCs for consumers, the Federal Reserve's (2022) study suggested that CBDCs could improve welfare by reducing financial frictions in deposit markets and promoting financial inclusion.

Shahzad et.al. (2018) viewed that due to the complexity in the digital currency developing countries could not adopt CBDC and a lion's share of the people in these developed countries do not possess financial literacy and awareness. The data base of Global Findex (2021) pointed out that 22 per cent of adults in India do not have a bank account. The earlier report by Global findex (2008) pointed out that 61 per cent of rural adults and 40 per cent of urban adults do not have bank accounts. Also, the All-India Debt and Investment Survey (AIDIS) data indicated that with regard to Indian women there is no much difference between the rural women and urban women in accessing a bank account as 80.7% of rural women and 81.3% of urban women had deposit accounts. This indicates that nearly one-fifths of the women in both rural and urban areas do not have a bank account. These data highlight the difficulty in financial inclusion in India which helps to understand the influence of gender, location, and socioeconomic status on the access to banking.

From the above studies it could be concluded that the adoption intention on CBDC depends on the trust, the perceived benefits from CBDC and the expected problems. However, it is the awareness level that influences the knowledge on the perceived benefits and the trust on the CBDC agency.

Thus, under the latent construct, Awareness, Trust, and Expected Problems are categorised as independent variables (exogenous constructs) that influence the perception of CBDCs. The Perceived Benefits acts as a mediating variable, influenced by awareness, trust, and expected problems.Adoption Intent is the dependent variable (endogenous construct), affected by perceived benefits and other factors. The Path analysis under the structural equation modelling is designed as:

1) Awareness → Perceived Benefits → Adoption Intent
2) Trust → Perceived Benefits → Adoption Intent
3) Expected Problems (potential negative effect) → Perceived Benefits & Adoption Intent

OBJECTIVES OF THE STUDY

Based on the above discussion, the objectives formulated for the present study are:

1. To identify the socio-economic conditions of the sample respondents
2. To trace out the level of awareness on CBDC
3. To identify the factors determining the adoption and intention to use CBDC

METHODS AND MATERIALS

METHODOLOGY AND RESEARCH DESIGN

A direct interview method was adopted to collect data from 300 respondents across the district of Coimbatore.

SOURCE OF DATA

A total of 300 sample respondents were selected by the method of convenience. The samples include the financial analysts, bank employees who are branch managers, educationists, stock market practitioners. In the course of data collection, it could be identified that even among the educated, a higher share of the public were not aware of

even what is CBDC. The share was found to be higher among female than their counterparts. Hence, those respondents who were not aware of CBDC were ignored and replace. The sample selection is constrained or limited by the availability or the interest of the respondents in responding to the questions by the researcher.

DATA COLLECTION

A pre tested questionnaire was used which included the basic information on their socio-economic conditions and questions relating to awareness, benefits, intention of usage, trust and problems in the use of CBDC. Under these five constructs 19 factors were identified from the extensive literature survey.Likert scale was used as the measurement tool.

TOOLS USED

Apart from simple percentage method, Exploratory Factor Analysis (EFA) was used to identify the key latent variables influencing CBDC adoption. Confirmatory Factor Analysis (CFA) was used to validate these constructs.

RESULTS AND DISCUSSION

As provided in Table 1, among the sample respondents, 87 per cent are male and the remaining 13 per cent are females. A highest share of the sample respondents lives in urban areas. As high as 41 per cent of the sample respondents are in the age category of 45-55 years. The respondents who have General Degree like, graduation or post-graduation in arts, science, commerce formed the highest share with 40.33 per cent. Among the sample respondents, the bank managers identified from the various branches of public and private sector banks formed the highest with 32.33 per cent.

TABLE:1 SOCIO ECONOMIC VARIABLES			
Sl.No.	**Description**	**No of Respondents**	**Percentage**
I	**Gender**		
1	Male	**39**	**13.00**
2	Female	**261**	**87.00**
II	**Location of Residence**		
1	Urban	**221**	**73.70**
2	Rural	**79**	**26.30**
III	**Distribution of Age**		
1	Less than 35	12	4.00
2	35-45	48	16.00
3	45-55	123	41.00
4	55-65	80	26.67
5	Above 65	37	12.33
	Education		
1	Professional Degree/course .	**108**	**36.00**
2	General Degree	**121**	**40.33**
3	Technical Degree	**48**	**16.00**
4	Others	**23**	**7.68**
	Occupation		
1	Financial Consultant	**65**	**21.68**
2	Stock Brokers	**50**	**16.68**
3	Bank Managers	**97**	**32.33**
4	Chartered accountant	**36**	**12.00**
	Stock market Investors	**52**	**17.33**

As it could be seen in the table 2, the highest share of the respondents highly agreed to the following views: "I am aware of Digital Rupee (CBDC) " (23.00 per cent), "I am very much familiar with the concept of CBDC? " (24.67 per cent), " Social Media is the major source of awareness on CBDC?" (22.67 per cent), and " I am highly aware of the difference between CBDC and UPI payments?" (23.00 per cent). In the case of the following factors, a majority moderately agreed to it. These include: "Digital Payments are More Secured in CBDC" (60.67 per cent), "CBDC will improve financial inclusion in rural areas" (59.00 per cent), "Dependency on physical cash is reduced due to the introduction of CBDC" (60.33 per cent), "The cross-border transaction would be made easier due to the introduction of CBDC" (58.67 per cent), "I trust RBI in managing CBDC effectively, if introduced " (50.33 per cent), " CBDC would help to maintain privacy and security" (49.00 per cent), "CBDC is more safer than all other methods of digital transactions" (50.67 per cent), "If CBDC is launched, I will continue to use " (54.00 per cent), "My usage would depend on the usage of my friends and families" (49.67 per cent), "I would prefer using CBDC over cash or any other method of transactions " (52.00 per cent), and " I would recommend CBDC to friends and family " (50.67 per cent), .

TABLE:2 FACTOR WISE OPINION ON CBDC HA-Highly Agree MA- Moderately Agree N-Neutral MD-Moderately Disagree HD-Highly Disagree

Factor	**HA**	**MA**	**N**	**MD**	**HD**	**Total**
I am aware of Digital Rupee (CBDC)	69	61	53	62	55	300

Percentage	23.00	20.33	17.67	20.67	18.33	100.00
I am very much familiar with the concept of CBDC?	74	54	56	64	52	300
Percentage	24.67	18.00	18.67	21.33	17.33	100.00
Social media is the major source of awareness on CBDC?	68	55	56	64	57	300
Percentage	22.67	18.33	18.67	21.33	19.00	100.00
I am highly aware of the difference between CBDC and UPI payments?	69	60	57	62	52	300
Percentage	23.00	20.00	19.00	20.67	17.33	100.00
Digital Payments are More Secured in CBDC	3	76	182	39	0	300
Percentage	1.00	60.67	13.00	25.33	0.00	100.00
CBDC will improve financial inclusion in rural areas	3	177	39	81	0	300
Percentage	1.00	59	13.00	27	0.00	100.00
Dependency on physical cash is reduced due to the introduction of CBDC	3	181	40	76	0	300
Percentage	1.00	60.33	13.33	25.33	0.00	100.00
The cross-border transaction would be made easier due to the introduction of CBDC	3	176	40	81	0	300
Percentage	1.00	58.67	13.33	27	0.00	100.00
I trust RBI in managing CBDC effectively, if introduced	1	151	75	70	3	300
Percentage	0.33	50.33	25.00	23.33	1.00	100.00
CBDC would help to maintain privacy and security	1	147	77	72	3	300
Percentage	0.33	49	25.67	24	1.00	100.00
CBDC is safer than all other methods of digital transactions	2	152	72	71	3	300
Percentage	0.67	50.67	24.00	23.67	1.00	100.00
If CBDC is launched, I will continue to use	6	162	61	67	4	300
Percentage	2.00	54	20.33	22.33	1.33	100.00
My usage would depend on the usage of my friends and families	6	149	65	76	4	300
Percentage	2.00	49.67	21.67	25.33	1.33	100.00
I would prefer using CBDC over cash or any other method of transactions	5	156	64	71	4	300
Percentage	1.67	52	21.33	23.67	1.33	100.00
I would recommend CBDC to friends and family	6	152	62	75	5	300
Percentage	2.00	50.67	20.67	25	1.67	100.00
CBDC will be difficult to use for people who are not tech-savvy	55	69	67	58	51	300
Percentage	18.33	23.00	19.33	22.33	17.00	100.00
Lack of internet access in rural areas will make CBDC adoption difficult	52	66	62	64	56	300
Percentage	17.33	22.00	20.67	21.33	18.67	100.00
CBDC transactions may come with hidden fees or costs	49	66	58	67	60	300
Percentage	16.33	22.00	19.33	22.33	20.00	100.00
CBDC may increase government control over personal finances	52	63	64	62	59	300
Percentage	17.33	21.00	21.33	20.67	19.67	100.00

The Cronbach's Alpha coefficient, an indicator of the reliability or the consistency of the data. The Cronbach alpha coefficient is estimated as 0.854. The estimated Cronbach's Alpha coefficient it is higher than the minimum desirable value of threshold value of 0.70 indicating the consistency of the data. An item wise alpha coefficient provided in table 3 also indicate that they are well above the value of 0.70. Hence each variable is consistent.

	TABLE 3 CRONBACH'S ALPHA	
	Item-Total Statistics	**Cronbach's Alpha**

1	I am aware of Digital Rupee (CBDC)	0.84
2	I am very much familiar with the concept of CBDC?	0.84
3	Social Media is the major source of awareness on CBDC?	0.843
4	I am highly aware of the difference between CBDC and UPI payments?	0.841
5	Digital Payments are More Secured in CBDC	0.848
6	CBDC will improve financial inclusion in rural areas	0.848
7	Dependency on physical cash is reduced due to the introduction of CBDC	0.848
8	The cross_border transaction would be made easier due to the introduction of CBDC	0.848
9	I trust RBI in managing CBDC effectively, if introduced	0.848
10	CBDC would help to maintain privacy and security	0.848
11	CBDC is safer than all other methods of digital transactions	0.847
12	If CBDC is launched, I will continue to use	0.845
13	My usage would depend on the usage of my friends and families	0.845
14	I would prefer using CBDC over cash or any other method of transactions	0.845
15	I would recommend CBDC to friends and family	0.845
16	CBDC will be difficult to use for people who are not tech-savvy	0.852
17	Lack of internet access in rural areas will make CBDC adoption difficult	0.852
18	CBDC transactions may come with hidden fees or costs	0.85
19	CBDC may increase government control over personal finances	0.853
	OVERALL ITEMS	0.854

TABLE:4 KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.887
	Approx. Chi-Square	7850.689
Bartlett's Test of Sphericity	Df	171
	Sig.	0.000

The Kaiser Meyer – Oklin (KMO) measure of sample adequacy shows that the value is 0.887. this estimate suggests the adequacy of the data as it is higher than the threshold value of 0.80. The significant value of Bartlett's Test of Sphericity, implies the significant correlation among the variables included. An attempt made to understand the major factors that could be extracted from the 19 variables, as seen in Table 5, from the total variance explained, the component matrix it could be identified that the 19 variables have extracted into five components. The rotation indicated that the five extracted components could explain almost 91 per cent, as it is also seen in the table, the first component alone could explain more than 20 per cent of the variance.

TABLE:5 TOTAL VARIANCE EXPLAINED						
	Initial Eigenvalues			Rotation Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.379	33.575	33.575	3.804	20.019	20.019
2	3.531	18.583	52.158	3.657	19.248	39.266
3	2.868	15.097	67.255	3.595	18.923	58.19
4	2.571	13.534	80.789	3.36	17.682	75.871
5	1.907	10.035	90.824	2.841	14.952	90.824
6	0.284	1.496	92.319			
7	0.26	1.37	93.689			
8	0.211	1.11	94.799			
9	0.19	1.001	95.8			
10	0.155	0.816	96.616			
11	0.131	0.69	97.306			
12	0.117	0.614	97.92			
13	0.092	0.483	98.403			
14	0.075	0.394	98.797			
15	0.068	0.357	99.154			
16	0.064	0.339	99.494			
17	0.04	0.208	99.702			
18	0.033	0.172	99.874			
19	0.024	0.126	100			

The rotated component matrix, called as the factor loadings, shows the correlations between each of the variables and the estimated components. It can be seen that the first component has higher and almost equal correlation value with all the factors

under dimension on Awareness. Interestingly none of the factors have registered value below 0.90 which implies that all the variables are highly relevant.

	TABLE:6 ROTATED COMPONENT MATRIXA					
		Component				
	Variable	1	2	3	4	5
1	I am aware of Digital Rupee (CBDC)	0.953				
2	I am very much familiar with the concept of CBDC?	0.95				
3	Social media is the major source of awareness on CBDC?	0.966				
4	I am highly aware of the difference between CBDC and UPI payments?	0.955				
5	Digital Payments are More Secured in CBDC		0.938			
6	CBDC will improve financial inclusion in rural areas		0.917			
7	Dependency on physical cash is reduced due to the introduction of CBDC		0.941			
8	The cross_border transaction would be made easier due to the introduction of CBDC		0.921			
9	I trust RBI in managing CBDC effectively, if introduced			0.927		
10	CBDC would help to maintain privacy and security			0.93		
11	CBDC is safer than all other methods of digital transactions			0.923		
12	If CBDC is launched, I will continue to use			0.927		
13	My usage would depend on the usage of my friends and families				0.913	
14	I would prefer using CBDC over cash or any other method of transactions				0.905	
15	I would recommend CBDC to friends and family				0.908	
16	CBDC will be difficult to use for people who are not tech-savvy				0.923	
17	Lack of internet access in rural areas will make CBDC adoption difficult					0.941
18	CBDC transactions may come with hidden fees or costs					0.939
19	CBDC may increase government control over personal finances					0.941

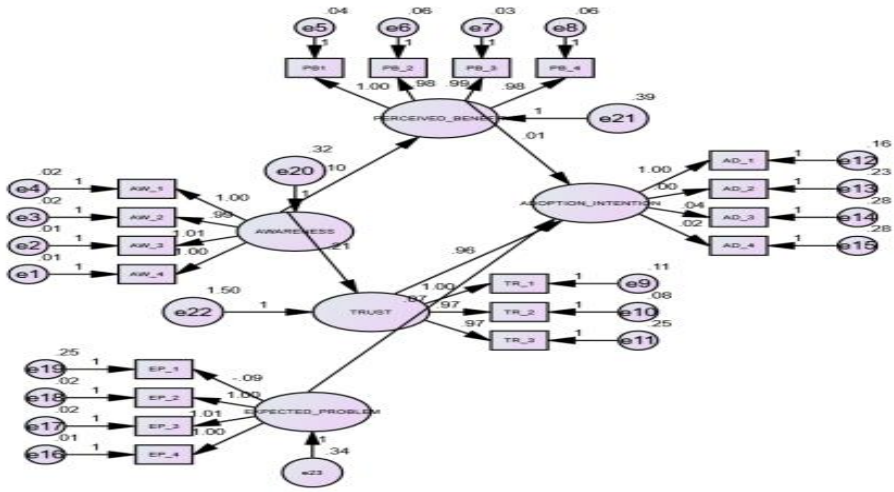
The regression model run in SPSS AMOS indicate that among the latent variable, the influence of Trust on Adoption intention is significant. A factor wise examination on the influence would show that all the factors under awareness, perceived benefits and trust are significantly influencing their related variables. This implies that in the context of implementation of CBDC, the respondents viewed that awareness, benefits from CBDC, the trust on the implementing agency are the major determinants. In the case of expected problems, the hidden fees and the internet availability in rural areas are the factors determining CBDC implementation.

	TABLE:7REGRESSION WEIGHTS						
	Variable		Variable	Estimate	S.E.	C.R.	P
	Perceived benefit	<---	Awareness	.105	.071	1.465	.143
	Trust	<---	Awareness	.208	.138	1.501	.133
	Adoption intention	<---	Trust	.962	.037	26.015	***
	Adoption intention	<---	Expected problem	.070	.064	1.089	.276
	Adoption intention	<---	Perceived benefit	.008	.056	.148	.882
1	I am highly aware of the difference between CBDC and UPI payments?	<---	Awareness	1.000			
2	Social media is the major source of awareness on CBDC?	<---	Awareness	1.007	.019	52.343	***
3	I am very much familiar with the concept of CBDC?	<---	Awareness	.992	.023	43.775	***
4	I am aware of Digital Rupee (CBDC)	<---	Awareness	.997	.024	41.069	***
5	Digital Payments are More Secured in CBDC	<---	Perceived Benefit	1.000			

6	CBDC will improve financial inclusion in rural areas	<---	Perceived Benefit	.980	.035	28.109	***
7	Dependency on physical cash is reduced due to the introduction of CBDC	<---	Perceived Benefit	.995	.029	34.157	***
8	The cross-border transaction would be made easier due to the introduction of CBDC	<---	Perceived Benefit	.977	.035	28.236	***
9	I trust RBI in managing CBDC effectively, if introduced	<---	Trust	1.000			
10	CBDC would help to maintain privacy and security	<---	Trust	.973	.029	33.465	***
11	CBDC is safer than all other methods of digital transactions	<---	Trust	.971	.036	26.779	***
12	If CBDC is launched, I will continue to use	<---	Adoption intention	1.000			
13	My usage would depend on the usage of my friends and families	<---	Adoption intention	.000	.039	.003	.997
14	I would prefer using CBDC over cash or any other method of transactions	<---	Adoption intention	.040	.045	.898	.369
15	I would recommend CBDC to friends and family	<---	Adoption intention	.019	.040	.465	.642
16	CBDC may increase government control over personal finances	<---	Expected problem	1.000			
17	CBDC transactions may come with hidden fees or costs	<---	Expected problem	1.010	.024	42.417	***
18	Lack of internet access in rural areas will make CBDC adoption difficult	<---	Expected problem	.997	.025	40.644	***
19	CBDC will be difficult to use for people who are not tech-savvy	<---	Expected problem	-.090	.071	-1.256	.209

Given the discussion on the regression coefficients, the model summary indicate that the model is best fit in examining the impact of the latent variables on the CBDC implementation.

TABLE:8 MODEL FIT SUMMARY		
Common Fit Indices for SEM	Accepted Fit	Estimated values
Chi-Square Test (χ^2) – Should be non-significant	Must be greater than 0.05	0.072
Degrees of Freedom (df)	-	148
CMIN/DF (Chi square Divided by Degrees of Freedom)	Less than or equal to 3 indicates an acceptable fit and less than or equal to 5 indicates a reasonable fit	2.601
CFI (Comparative Fit Index	Greater than or equal to 0.90 indicate an acceptable fi and greater than or equal to 0,95 considered an excellent fit	0.980
RMSEA (Root Mean Square Error of Approximation)	Less than or equal to 0.05 considered excellent Less than or equal to 0.08 considered acceptable	0.07
GFI (Goodness of Fit Index)	≥ 0,90 indicates a reasonable fit ≥ 0,95 is considered an excellent fit	0.960
Tucker- Lewis Index (TLI)	≥ 0,9 indicates a reasonable fit ≥ 0,95 is considered an excellent fit	0.901



Thus, the included variable is all found to be relevant in explaining the opinion on the implementation aspect of CBDC.

Given the influence of the socio-economic factors on the opinion on the CBDC implementation, it is also attempted to examine the differences in the opinion on the 19 variables by gender and by rural urban residence. To do this the discriminant analysis has been used.

As provided in Table 9, in the case of rural urban residence, the test of equality indicate that all the variables are significant and hence, the group means are significantly different.

Thesmaller the Wilks's lambda, the more important is the independent variable to the discriminant function. Since the Wilks's lambda are less for all the variables, these variables are important in explaining the discriminant function. Among the five variables, awareness, trust and adoption are the variables of higher discrimination as these variables carry a smaller wilks' lambda. The significant value of Box M indicate that the data are not normally distributed. The higher eigen value of 2.49 indicate the greater power of discrimination. A higher value of canonical correlation indicates the higher discriminating ability between the two groups namely rural and urban. The canonical function coefficient is the discriminatory coefficient and higher value of awareness of 3.292 indicates the highest level of discrimination between rural and urban on the awareness on CBDC implementation. Similarly, the next highest discriminating coefficient is Trust.

	TABLE: 9 DISCRIMINANT ANALYSIS: RURAL URBAN RESIDENCE					
	Tests of Equality of Group Means					
Sl.NO.	**Factors**	**Wilks' Lambda**	**F**	**Df1**	**Df2**	**Sig**
1	Awareness	0.29	730.728	1	298	0
2	Benefits	0.427	399.114	1	298	0
3	Trust	0.369	508.5	1	298	0
4	Adoption	0.411	427.029	1	298	0
5	Problems	0.51	286.667	1	298	0
	Box's M					
	Box's M					
		F Approx.	8.332			
		df1	15			
		df2	89218.96			
		Sig.	0			
	Eigenvalues					
	Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation	
	1	2.494a	100	100	0.845	
	Wilks' Lambda					
	Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.	

	1	0.286	369.648	5	0	
	Canonical Discriminant Function Coefficients					
		Function				
		1				
	Awareness	3.292				
	Benefits	-0.577				
	Trust	0.254				
	Adoption	-0.028				
	Problems	-0.045				
	(Constant)	-8.281				

As provided in Table 10, in the case of gender difference, the test of equality indicate that all the variables are significant and hence, the group means are significantly different. However, the Wilks's lambda values are found higher indicating the less importance of the independent variable in the discriminant function. The significant value of Box M indicate that the data are not normally distributed. The higher eigen value of 2.49 indicate the greater power of discrimination. A higher value of canonical correlation indicates the higher discriminating ability between the two groups namely male and female. The canonical function coefficient is the discriminatory coefficient and higher value of awareness of 2.592 indicates the highest level of discrimination between male and female on CBDC implementation. Similarly, the next highest discriminating coefficient is Trust. The other factors indicate the positive discrimination.

	TABLE: 10 DISCRIMINANT ANALYSIS: GENDER					
	Tests of Equality of Group Means					
Sl.NO.	**Factors**	**Wilks' Lambda**	**F**	**Df1**	**Df2**	**Sig**
1	Awareness	0.623	180.689	1	298	0
2	Benefits	0.718	117.1	1	298	0
3	Trust	0.671	145.917	1	298	0
4	Adoption	0.705	124.721	1	298	0
5	Problems	0.74	104.538	1	298	0
	Box's M					
	Box's M	128.198	138.02			
	F	Approx.	9.031			
		df1	15			
		df2	294918.4			
		Sig.	0			
	Eigenvalues					
	Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation	
	1	.633a	100	100	0.623	
	Wilks' Lambda					
	Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.	
	1	0.612	144.974	5	0	
	Canonical Discriminant Function Coefficients					
		Function				
		1				
	Awareness	2.596				
	Benefits	-0.823				
	Trust	0.49				
	Adoption	-0.325				
	Problems	-0.008				
	(Constant)	-5.533				

CONCLUSION AND RECOMMENDATIONS

CBDCs hold potential for financial transformation in India. The Governments should focus on awareness programmes and regulatory frameworks to enhance trust. These would help to ease implementation process of CBDC adoption.

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