

Transitioning to the Central Bank Digital Currencies: A Mixed-Methods Approach

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ABSTRACT

Central Bank Digital Currencies (CBDCs), often regarded as the future of money, are gaining momentum globally as central banks explore their potential. This study investigates the factors influencing individuals' switching intentions from cash to the CBDCs, focusing on the push, pull, and mooring (PPM) framework by adopting an exploratory sequential mixed-methods approach. Semi-structured interviews with 25 participants informed the development of a context-specific PPM-based framework, which was validated through a survey of 285 respondents using Partial Least Squares Structural Equation Modelling (PLS-SEM). The findings indicate that perceived inconvenience and environmental concern are the push factors driving individuals away from cash. Similarly, government incentive policy and personal innovativeness are the pull factors attracting individuals to adopt the digital rupee. Among the mooring factors, perceived government control had a significant impact, acting as a barrier, while cognitive lock-in did not exhibit a significant impact on switching intentions toward the digital rupee. By employing a mixed-methods approach, our study provides a nuanced understanding of switching intentions from cash, offering actionable insights to policymakers to enhance CBDCs adoption globally. We offer a fresh perspective on CBDC adoption strategies by positioning CBDCs as an eco-friendly alternative that aligns with sustainable development goals (SDGs).

Keyword: Central Bank Digital Currency (CBDC), Digital Rupee, Push–Pull–Mooring Framework, Switching Intention, FinTech Adoption

