

Question 16

Many people now use digital payment methods instead of cash. What are the advantages and disadvantages of this trend?

Digital payment methods have become increasingly common as people use bank cards, mobile applications and online payment systems instead of cash. This development offers several advantages, although it also creates concerns about security and accessibility.

One important advantage is convenience. Digital payments allow people to complete transactions quickly without carrying large amounts of cash. Consumers can also make payments through mobile phones, which is particularly useful when shopping online or travelling.

Digital transactions can also improve financial record keeping. People can check their payment history through banking applications, making it easier to monitor spending. Businesses may also benefit because digital payments can reduce the time required to handle and count cash.

However, digital payments create security and privacy risks. Criminals may attempt to steal banking information through scams or cyberattacks. People may also become vulnerable if they lose access to their phones or bank accounts.

Another disadvantage is that some groups may struggle to use digital payment systems. Elderly people or individuals without reliable access to smartphones or banking services may still depend on cash.

In conclusion, digital payments provide convenience, speed and better financial management, but they also involve security and accessibility concerns. A combination of digital and traditional payment options may therefore remain necessary.