

A Study on Impact of Artificial Intelligence (AI) on Consumer Awareness and Enrolment in Atal Pension Yojana (APY) in Coimbatore City

¹Dr. S. Renugadevi, ²Ms. A. Kavya

¹Professor, Department of Commerce with CSCA, Dr. N. G. P. Arts and Science, College Coimbatore-641048

²Research Scholar, Department of Commerce, Dr. N. G. P. Arts and Science College, Coimbatore-641048

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ABSTRACT

In the modern digital era, technology has become an integral part of everyday life, influencing how individuals interact, communicate, and make decisions. Among emerging technologies, AI has gained significant importance due to its ability to process large volumes of data, provide insights, and automate processes. The study examines the influence of AI on consumer awareness and enrolment in the Atal Pension Yojana in Coimbatore City. With the rapid growth of digital technologies, AI-driven tools such as chatbots, personalized recommendations, and data analytics are transforming the way financial schemes are promoted and accessed. The research focuses on how these technologies contribute to improving awareness levels among consumers.

Keywords: Artificial intelligence, Consumer Awareness, Atal Pension Yojana

INTRODUCTION

A government-sponsored pension program called the Atal Pension Yojana (APY) was established to give those employed in the unorganized sector financial stability. A sizable section of the Indian labour force works informally, with no access to statutory retirement benefits. In a situation like this, APY is essential to guaranteeing social security and post-retirement financial security for residents.

The purpose of APY's launch was to motivate people to willingly save for retirement. Subscribers to this plan make regular, fixed-amount contributions during their working years in exchange for a guaranteed monthly pension upon reaching the age of sixty. The contribution made and the age at which the person enrolls in the plan determine the pension amount. Because of this, APY is a dependable and safe choice for long-term financial planning.

APY's emphasis on inclusion is one of its main characteristics. The program is intended especially for workers in the unorganized sector who lack access to official pension systems, such as labourers, small business owners, domestic helpers, and independent contractors. It encourages middle-class and lower-class people to save money and practice financial discipline.

Since the program is run by banks and other financial organizations, the general people can simply access it. Contributions are automatically deducted at predetermined times, and subscribers can sign up using their savings bank accounts. This automation lessens the strain on people to handle payments by hand and guarantees consistency in savings.

The government assurance of pension benefits is another significant feature of APY. APY offers a fixed pension amount, which guarantees stability and lowers subscribers' financial risk in contrast to market-linked

pension plans. Customers, particularly those who are risk conservative and like safe investment options, are more trusting of this feature.

The promotion of government programs like APY has been greatly aided in recent years by technical breakthroughs and digital change. Artificial intelligence's incorporation into digital platforms could help close the gap between financial services and consumers.

AI-powered solutions can offer tailored information, streamline intricate procedures, and increase accessibility—particularly for new users. Additionally, AI can assist in identifying target groups that are more likely to profit from APY and monitoring consumer behaviour. Financial institutions may create more effective plans to boost enrolment and enhance client engagement by using predictive analytics and data-driven insights.

OBJECTIVES OF THE STUDY

- To study the impact of AI based tools such as chatbots and digital platforms on consumer enrolment in APY.
- To analyse challenges faced by AI based tool towards consumer enrolment in APY.
- To provide suggestions and recommendations for improvement of the scheme.

RESEARCH METHODOLOGY

The systematic process of collecting, analysing, and interpreting data for a study is known as research methodology. The study is descriptive in nature, aiming to characterize and analyse consumer awareness. The study is carried out in Coimbatore City, a significant metropolitan centre with a diversified population that includes salaried employees, self-employed individuals, and workers from the informal sector.

The study uses both primary and secondary data. Primary data has been collected directly from 110 respondents through a well-structured questionnaire. Secondary data has been collected from various journals, magazines, and from various government portals.

Analysis and Interpretation

Table 1 Documents submitted as a Proof of Citizenship by Respondents

Documents submitted as Proof of Citizenship	Frequency	Percent
Passport	17	15.4
Election ID Card	34	31.0
Pan Card	47	42.7
Driving License	12	10.9
Total	110	100.0

Interpretation

It is interpreted from the table that maximum (42.7%) of the respondents have submitted their pan card as proof of citizenship

Table 2 Monthly Income of the Respondents

Monthly Income	Frequency	Percent
Up to Rs.10,000	55	50
Rs.10,001- Rs.15,000	26	23.6
Rs.15,001 – Rs.20,000	14	12.7
Above 20,000	15	13.7
Total	110	100.0

Interpretation

It is concluded that Majority (50%) of the respondents' monthly income is up to Rs.10,000.

Table 3 Mode of Income of the Respondents

Mode of Income	Frequency	Percent
Daily Wages	27	24.5
Weekly Wages	63	57.2
Monthly Salary	20	18.3
Total	110	100.0

Interpretation

It is interpreted from the table that majority (57.2%) of the respondents' mode of income is weekly wages.

Table 4 Occupation of the Respondent

Occupation	Frequency	Percent
Domestic Worker	34	30.9
Street Vendors	4	3.6
Security Guards	5	4.5
Agriculture Wage Workers	3	2.7
Tiny Industry Workers	30	27.3
Handloom Workers	15	13.7
Drivers	19	17.3
Total	110	100.0

Interpretation

From the table it is inferred that maximum 30.9% of the respondents belong to domestic workers.

Table 5 Area of Residency of the Respondent

Area of Residency	Frequency	Percent
Rural	54	49.0
Urban	33	30.0
Semi Urban	23	21,0
Total	110	100.0

Interpretation

It is inferred from the table that maximum 49% of the respondents belong to rural areas.

Table 6 Nature of Belonging

Nature of Belonging	Frequency	Percent
Local	44	40,1
From other districts of Tamil Nadu	16	14.5
Northeast States	13	11.8
Northwest States	10	9.0
Southeast States	15	13.7
Southwest States	12	10.9
Total	110	100.0

Interpretation

It is concluded from the table that maximum (40.1%) of the respondents belong to local area.

Table 7 Impact of AI based tools on Respondents' enrolment in APY

Nature of Belonging	Frequency	Percent
Provides clear information about the scheme	17	15.4
Easier and faster enrolment	36	32.7
Effective answering of queries	13	11.8
Improvement of awareness about APY benefits	7	6.4

Step by Step guidance in enrolment process	11	10.1
Time Saving	12	10.9
Reduction of errors during registration	14	12.7
Total	110	100.0

Interpretation

From the table it is inferred that maximum (32.7%) of the respondents says that AI based tools are helping them to make easier and faster enrolment towards APY.

Ranking Analysis

Table 8 Challenges faced by AI based tool towards consumer enrolment in APY

S. No	Challenges Faced	Rank
1	Lack of digital literacy among users	2
2	Difficulty in understanding chatbot responses	3
3	Limited awareness about AI tools for APY	1
4	Language barriers in AI platforms	6
5	Technical issues	5
6	Complexity of digital platforms	4
7	Privacy and security concerns	7
8	Lack of personalized assistance	8
9	Errors in AI generated information	9
10	Lack if trust in AI based systems	10

Interpretation

According to the ranking study, consumers' biggest problem is their lack of knowledge about AI tools for APY, which is placed 1. This suggests that many users are not well-informed about the use and availability of AI-based platforms. Lack of digital literacy and trouble comprehending chatbot responses come next, demonstrating that consumers have trouble with both technical expertise and interacting with AI systems.

SUGGESTIONS AND CONCLUSION

AI can greatly increase Atal Pension Yojana's efficacy through raising awareness, streamlining enrolment, and offering better customer service. However, concerns like low digital literacy, ignorance, and accessibility must be resolved in order to fully reap its benefits. AI has the potential to significantly boost enrolment and provide financial stability for a greater number of people with the right application.

APY and AI-based tools should be made more widely known by the government and financial institutions through local outreach initiatives and digital media. To teach individuals how to use digital platforms and AI technologies efficiently, training sessions and workshops should be held, particularly in rural regions. To respond to user inquiries in a clear, accurate, and context-based manner, chatbots should be enhanced.

According to the report, AI-based technologies significantly increase customer enrolment in APY by streamlining, expediting, and improving the process. However, obstacles including ignorance, poor computer literacy, and trouble comprehending AI systems prevent their successful use. The need for straightforward and easily available digital solutions is further highlighted by the fact that the majority of respondents are from low-income groups, live in rural areas, and earn a weekly wage.

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