
Interpreting Community Narratives on the Value of Money and Exchange in Rural Digital Economies

Indah Elychia Samuel

STIE Widya Darma Kotamobagu, Indonesia

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Corresponding Author:

Indah Elychia Samuel, STIE
Widya Dharma, Kotamobagu,
Indonesia Email:
indahsamuel.is@gmail.com

ABSTRACT

This study explores how rural communities understand the value of money and exchange systems in the emerging digital economy. As digital financial services—such as mobile banking, QR-based transactions, and digital wallets—penetrate rural areas, traditional meanings of monetary value are being renegotiated. Using a narrative-based qualitative approach, data were collected from 24 participants in three rural areas of Indonesia through in-depth interviews and focus group discussions (FGDs). Thematic analysis identified four main themes: (1) money as a social value in local transactions, (2) coexistence of traditional and digital practices, (3) resistance to digitalization due to literacy gaps and trust issues, and (4) the rise of hybrid exchange models. Findings reveal that while digital tools provide speed and convenience, their abstract and impersonal nature often conflicts with traditional values of reciprocity, social trust, and tangible exchange. The study concludes that the value of money in rural digital economies is not only economic but also cultural and relational, reflecting a hybrid understanding in which digital and traditional logics converge. These insights highlight the importance of designing digital financial inclusion policies that are culturally sensitive and aligned with the social logic of rural communities.

Keywords: Rural Digital Economy, Value of Money, Informal Exchange, Community Narrative, Financial Inclusion

1. INTRODUCTION

The rapid development of digital technology in the last decade has fundamentally changed various aspects of social and economic life, including how people use money and conduct daily economic activities. In rural areas, the presence of digital financial services such as e-wallets, QR code-based transactions, and mobile banking is gradually transforming traditional cash-based and face-to-face transaction patterns (Hilbert, 2020). While digitalization is often framed as economic modernization that expands financial inclusion, in rural economies the value of money extends beyond its numerical or functional role (Ingham, 2020). Money is also understood as a symbol of social relationships, trust, and collective responsibility, where exchanges are not solely profit-driven but also serve to strengthen networks and preserve community harmony (Jackson, 2016; Hidayati, 2025).

The entry of digital financial systems into rural areas has reshaped exchange practices by introducing money that is invisible, instantaneous, and detached from face-to-face interaction,

thereby challenging long-standing local values (Perry & Ferreira, 2018). While digital transactions offer efficiency and convenience, they also reduce the social dimension embedded in conventional exchanges, such as respect, friendliness, and personal negotiation (Woldmariam et al., 2016; Pazarbasioglu et al., 2020). Rural communities respond through both adaptation and resistance: some integrate digital tools into traditional practices, such as organizing social gatherings via payment apps, while others continue to rely on trust-based exchanges as a safeguard for more human-centered values (Young, 2016; Ferreira & Pantidi, 2018). This dynamic highlights the tension between the efficiency and individualism of digital systems and the relational and cultural logic that underpins rural economies.

The adoption of digital technology in rural areas is neither linear nor uniform, as communities operate within contextual value systems where money is not only an economic instrument but also a symbol of trust, respect, and cultural attachment. The coexistence of informal exchanges—such as social gatherings, barter, and trust-based loans—with digital transactions reveals a tension between the efficiency-driven logic of digital finance and the relational logic of traditional practices. This unresolved tension highlights a gap in understanding how rural communities interpret and negotiate the meaning of money in the digital age. To address this gap, this study employs a narrative-based qualitative approach to explore community perspectives on money and exchange, with the aim of capturing both adaptation and resistance. The findings are expected to contribute conceptually to debates on culture and digital economy while offering practical insights for designing financial inclusion policies that are participatory, culturally sensitive, and responsive to rural realities.

This situation raises important questions about how rural communities interpret the presence of digital money, as well as how informal exchange systems respond to these changes. Is digital money seen as a form of progress or rather as a threat to the social harmony that has been maintained through exchanges based on local values? How do the narratives that develop at the community level reflect the adaptation, resistance, or transformation of economic meaning in the digital age? The answers to these questions cannot be found through statistical approaches alone, but rather require a deep understanding of the ways in which societies construct collective meaning and experience through narratives (Dodgson et al., 2015).

This research was conducted to answer these needs, with the aim of interpreting community narratives about the value of money and exchange practices in the context of rural digital economy. The approach used is narrative-based qualitative, which allows the exploration of subjective experiences, social dynamics, and collective meanings inherent in people's financial practices. The research focus is directed at how individuals and groups in rural communities talk about money, how they understand digital exchange systems, and how they adjust or reject new forms of transactions.

By placing community narratives at the center of the analysis, this research is expected to provide a richer and more contextual understanding of economic change at the local level. The results of the research are expected to be a conceptual contribution to the study of culture-based digital economy, as well as practical input for the development of financial inclusion policies that are more responsive to the social realities of rural communities. In this framework, the digital economy is not only seen as a technological system, but also as a social space where values, meanings, and identities are constantly negotiated.

2. LITERATURE REVIEW

The development of digital financial services has transformed the structure of economic activities in rural communities. According to Hilbert (2020, p. 17), the spread of mobile banking, QR code-based payments, and e-wallets in rural areas is replacing conventional face-to-face and cash-based transactions. This transformation is often interpreted as part of economic modernization that promotes financial inclusion and increases transaction efficiency. However,

the value of money in rural communities cannot be separated from its social and cultural dimensions (Hilbert & Darmon, 2020). Ingham (2020, p. 45) emphasizes that money is not only a functional medium of exchange but also a symbol of trust, social relationships, and collective responsibility (Chambers, 2023). Pazarbasioglu et al. (2020, p. 76) also highlight that although digital finance offers practical advantages, its abstract nature can cause discomfort among users who are accustomed to the tangible and visible form of cash (Hossain, 2023). Furthermore, Hidayati (2025, p. 22) asserts that rural communities interpret money not only in economic terms but also through cultural meanings that are deeply rooted in daily life. As a result, the adoption of digital financial systems involves complex negotiations between technological efficiency and the logic of social togetherness (Budirahayu et al., 2025).

3. RESEARCH METHOD

This study employs a qualitative narrative inquiry approach to explore how rural communities experience and interpret changes in exchange systems and the value of money in the digital economy. The research method includes the approach and design, study location, participants, data collection and analysis, and ethical considerations.

Research Approach and Design

This research uses a qualitative approach with a narrative inquiry design that focuses on interpreting the experiences and life stories of rural communities in facing the transformation of the exchange system and the value of money in the digital economy era. This approach was chosen because it is considered the most suitable for exploring subjective and complex meanings formed through social and cultural interactions, especially in the context of economic change that is not purely technical, but also symbolic and relational (Tenny et al., 2017).

Through a narrative approach, this research not only records what happened, but also how society interprets the event, as well as how collective experiences are constructed, told, and inherited through stories. A major focus is directed at the ways in which individuals and groups in rural communities are reframing the meaning of money and exchange, both as a response to the digital financial system and as a form of continuity of traditional economic values.

Location and Research Participants

The research was carried out in three villages that represent different geographical and socio-economic characteristics in rural Indonesia, namely one agrarian village, one coastal village, and one semi-urban village that is undergoing digital urbanization. The selection of locations was purposively based on the penetration rate of digital financial services, the availability of technological infrastructure (internet access and smartphones), and the presence of rich informal exchange practices that are still embedded in the community.

Participants in the study consisted of various local economic actors such as farmers, market traders, micro business actors, religious leaders, and traditional leaders. A total of 24 key informants were selected through a snowball sampling technique, with consideration for diversity of age, gender, education level, and digital technology adoption rate. Recruitment began with initial contacts facilitated by local leaders and community organizations, who helped identify eligible individuals actively engaged in economic activities. These initial informants then recommended other potential participants who met the inclusion criteria, namely being permanent residents of the study area for at least five years and having direct involvement in farming, trading, or community leadership. Each participant took part in in-depth interviews or

focus group discussions (FGDs) to explore their personal experiences, perceptions, and practices related to digital money and existing exchange systems.

Data Collection Techniques

Data were collected through in-depth interviews, focus group discussions (FGDs), and participatory observations during the field visit period. Interviews were conducted with a semi-structured guide to remain open to narrative exploration, while FGDs were used to understand social dynamics and differences in meaning between community members. Observations are focused on economic interactions in daily activities such as buying and selling, social gathering activities, borrowing, and the use of payment applications.

All interviews are recorded (with the informant's consent), transcribed verbatim, and encoded using qualitative analysis assistance software (such as NVivo or ATLAS.ti). Field notes, visual documentation, and local artifacts (e.g. proof of transactions, fintech promotional flyers) are also collected to reinforce the context of the meaning.

Data Analysis Techniques

The analysis was carried out using narrative thematic analysis techniques, which involved three stages: (1) organizing stories based on the chronology of participants' experiences, (2) identification of key themes related to the value of money, exchange, and adaptation to the digital economy, and (3) interpretation of the socio-cultural meaning of the narrative in the context of the local community.

The researchers explore how the value of money is discussed, how exchange is interpreted in everyday life, and how these narratives show the tension or integration between the digital economy system and the traditional exchange system. The validity of the data was strengthened through source triangulation techniques (comparison between informants), member checking (re-verification of meaning by participants), and critical reflection by researchers.

Ethical Considerations

This research has been approved by the ethics committee of social research and ensures ethical principles such as informed consent, data confidentiality, and the right of participants to resign at any time without consequences. All names and locations listed in this research report have been disguised to maintain the anonymity and integrity of the informant.

4. RESULTS AND ANALYSIS

The results of this study are presented based on thematic analysis from in-depth interviews and focused group discussions conducted in three rural villages. The narratives collected from 24 participants were coded using qualitative aiding software and produced four main themes: (1) social meaning of money, (2) the coexistence of the exchange system, (3) resistance to financial digitalization, and (4) the transformation of economic practices. The following is the presentation of the results and discussion.

a. Social Value of Money Still Dominant in Local Transactions

Most of the informants pointed out that money in the context of rural communities is not simply understood as a neutral and standardized economic entity, but contains a deep and contextual social meaning. Money is treated as a medium that carries the values of relationships, human appreciation, and symbols of social attachment. In an interview with a vegetable trader from Sukamurni Village, this meaning was clearly revealed:

"If you pay directly, it feels different. They can smile, talk, and pray. If you go through a cellphone, it's like buying from a foreigner", (IW-07, Interview, June 4, 2024).

The statement illustrates that financial transactions in society not only mean the exchange of goods and services, but also an important moment in establishing emotional closeness, strengthening social trust, and strengthening community cohesion. Physical contact when handing over money, brief dialogue before or after the transaction, as well as non-verbal expressions such as smiles or greetings, all become an integral part of the meaning of the exchange itself.

In this framework, cash has strong symbolic characteristics: it can be touched, seen, and handed directly. Its physical existence strengthens trust, both in the value of the money itself and in the good intentions of the parties making the transaction. In contrast, digital money—which is invisible, without direct contact, and processed automatically by the system—is often considered a "dry" form of exchange and lacks the human touch of economic interaction.

Furthermore, the digitization of transactions is perceived to eliminate the opportunity to build spontaneous social dialogue that usually arises in cash exchanges. In many cases, especially in traditional market environments or village stalls, economic transactions become an entry point for interpersonal communication, exchange of news, and even the strengthening of solidarity. So when transactions are replaced by a fast-paced and efficient digital system, there is a sense of loss to the social dimension that has been accompanying economic exchange.

These findings confirm that money, particularly in the form of cash, carries a function that goes far beyond its nominal value. It becomes a social instrument that connects individuals in bonds that cannot always be explained by market logic or economic efficiency. Therefore, economic digitalization that does not consider this relational dimension has the potential to present alienation in exchange practices, especially for groups of people who are highly dependent on social closeness as the foundation of their economy

b. Coexistence of Traditional and Digital Practices in Exchange

The informant said that the use of digital financial technology does not necessarily erase traditional economic practices. Digital systems are used mainly for practical needs such as credit purchases, online payments, or transfers to families outside the city, while transactions between citizens still rely on cash or trust-based systems.

"If I buy goods from outside, I transfer them. But if you borrow money from your neighbor or deposit social gatherings, you still bring cash", (IW-12, Interview, June 10, 2024).

This shows a form of selective adaptation of society in accepting technology, while maintaining local values in exchange practices. This coexistence reflects the flexibility of the village's socio-economic system in absorbing change, without sacrificing the established social structure.

c. Resistance to Digital Money due to Lack of Literacy and Trust

The findings of this study reveal that resistance to the use of digital money is quite prominent, especially among participants who are elderly or those who are not used to actively using technological devices. The attitude of doubt and rejection of the digital payment system arises not only for technical reasons, but also because of the incompatibility between the characteristics of digital technology and the social value system that lives in rural communities.

The most common concern that arises is the fear of making technical errors in the transaction process. Ignorance in operating banking apps, e-wallets, or QR codes creates tension and insecurity among less trained users. This was clearly described by one of the informants:

"I'm afraid of the wrong press. If it is lost, who is responsible? It is safer to hold your own money", (IW-03, Interview, June 1, 2024).

This statement reflects that resistance to digitalization is not necessarily rooted in a rejection of progress, but rather a concern over the loss of control over the exchange process that previously took place in a direct and transparent manner. Physical money provides a real sense of ownership and is believed to be easier to control, whereas digital money is considered too abstract, invisible, and prone to mistakes or misuse.

In addition to the technical dimension, resistance also reflects a sense of loss to the social values inherent in the practice of cash exchange. In many cases, economic transactions are not just an exchange of goods or services, but also a forum to strengthen social relationships and create moments of interaction between community members. Cash opens up space for small talk, negotiation, gratitude, and even just a smile that strengthens mutual trust. When transactions are done digitally, many of those values are considered lost or replaced by rigid and impersonal systems (O'Dwyer, 2019).

This condition shows that resistance to digital money cannot be simplified as an "outdated" problem or lack of access to technology. Rather, the resistance reflects a conflict between the logic of technological efficiency and social values that place human relations as the main foundation in economic practice. Money, in the sense of rural society, is not just a medium of exchange, but also a medium for maintaining social harmony, respect, and solidarity.

Therefore, efforts to encourage the use of digital money in rural communities must consider these dynamics in depth. Technological interventions that ignore the social and cultural dimensions risk not only being subtly rejected, but also creating new gaps in economic access. It requires an approach that is not only technological, but also anthropological—where digital innovation is designed with regard to local narratives, social logic, and the cultural preferences of the people who are targeted by policy.

d. The Rise of Hybrid Exchange Practices

Interestingly, some community groups are beginning to develop a hybrid model between digital systems and traditional practices. One of the informants said that a group of women in her village now uses a WhatsApp group to manage social gatherings, while the deposit is made via bank transfer.

"We are still an arisan, but now the deposit is through transfer, absent from the WA group. It's practical, but sometimes we still meet so we can get more familiar", (IW-17, Interview, June 14, 2024).

Such an exchange model shows that digitalization is acceptable as long as it allows space for social relations and communal values. Technology is a complement, not a replacement.

DISCUSSION

Table 1. Narrative Thematic Matrix of the Value of Money and Exchange in a Rural Digital Economy

Informant Code	Interview Date	Narrative Quotes	Thematic Meaning
IW-07	June 4, 2024	"If you pay directly, it feels different. They can smile, talk, and pray. If you go through a cellphone, it's like buying from a stranger."	The value of money is understood as part of social interaction and personal relationships.
IW-03	1 June 2024	"I'm afraid of the wrong press. If it is lost, who is responsible? It's safer to hold your own money."	Lack of trust in digital money due to its abstract and invisible nature.
IW-12	June 10, 2024	"If I buy goods from outside, I transfer them. But if you borrow money from neighbors or deposit social gatherings, you still bring cash."	People choose exchange systems based on social context and proximity.
IW-17	June 14, 2024	"We are still an arisan, but now the deposit is through transfer, absent from the WA group. It's a bit of a stretch, but sometimes it's just a little bit more personal."	Hybrid exchange models are beginning to take shape, blending technology and social interaction.

Based on the findings outlined earlier, it can be concluded that the value of money in the context of the rural digital economy does not undergo a radical replacement process, but rather moves through a complex and negotiable transformation path. The process of financial digitalization that occurs in village communities does not necessarily eliminate or replace economic values that have long been rooted in the social structure of the community. In contrast, digital money is adopted in a selective and tiered manner, following local reasoning as well as established social norms.

The value of money for rural communities is not only understood from a nominal or functional aspect, but also contains symbolic, moral, and relational dimensions (Abrutyn, 2015). In daily practice, financial transactions are not only about the exchange of economic values, but also a space for interaction, social negotiation, and trust building between community members. Therefore, as money transforms into digital forms—which are abstract, impersonal, and automated—new challenges arise in adapting these social values into structurally and culturally distinct systems.

This phenomenon not only shows the existence of resistance to technology, but also shows a careful social adaptation strategy based on local values. Society does not completely reject technology, but rather conducts a process of "filtering" value—taking aspects that it feels supports efficiency without sacrificing social proximity. Hybrid practices are starting to emerge,

such as the use of digital wallets for social gatherings fund transfers that are still accompanied by social interaction through face-to-face meetings or online groups. This reflects that the digital economy in rural areas is relational and inseparable from the social context in which it operates.

The implications of these findings are crucial for policy design and implementation of digital technology-based financial inclusion in rural areas. An overly technocratic, infrastructure-first approach—such as internet signal expansion, application training, or the provision of digital accounts—without considering cultural aspects, social values, and community narratives risks creating a gap between system design and social reality. These inequality can cause resistance, mistrust, and even program failures because they are not in accordance with the economic logic of local communities (Goswami et al., 2022).

Thus, a more sensitive approach to social and cultural contexts is needed. Financial inclusion policies need to pay attention to how people interpret, experience, and participate in the transformation of the financial system. Strategies based on understanding the narrative and experiences of communities have a greater chance of creating sustainable, relevant technology adoption and strengthening the socio-economic resilience of rural communities, rather than destroying them (Mader, 2018).

5. CONCLUSION

This research shows that the transformation of the digital economy in rural areas does not necessarily eliminate traditional exchange systems deeply rooted in local culture. Instead, rural communities engage in a selective and social-value-based adaptation process, whereby digital financial technology is accepted only when it aligns with relational logics and community norms. Money, in this context, is understood not only as a functional medium of exchange but also as a symbol of trust, social interaction, and solidarity.

The emergence of hybrid practices between digital systems and traditional exchanges reflects that the value of money in rural societies is dynamic and contextual. Technology adoption is shaped not only by infrastructure or digital literacy but also by the way communities interpret and integrate digital tools into their existing value systems. Thus, the success of digital economy transformation in villages depends on the extent to which technological interventions resonate with local meanings and practices.

From a policy perspective, these findings highlight the need for digital financial inclusion initiatives to go beyond technical efficiency and focus on cultural sensitivity and participatory approaches. Policymakers should integrate community narratives into program design, involve local leaders in implementation, and adapt services to reflect trust-based practices. Furthermore, targeted training that emphasizes both digital literacy and cultural relevance can enhance acceptance. By embedding technological innovations within local social values, policies can ensure that digital financial systems become inclusive, sustainable, and truly empowering for rural communities.

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