DIGITAL MONEY MANAGEMENT

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ABSTRACT

The article highlights the general understanding of digital money management and its usage. Also, it gives information about digital money, as well as a brief explanation of money management. Money is anything generally accepted as payment for goods and services and debt repayment in a given country or socio-economic setting. Allocate the main functions of money as a means of exchange; the unit of accounting; the store of esteem; once in a while, a standard of conceded installment.

KEYWORDS: *Money, Money Management, Digital Money, Digital Money Management.*

INTRODUCTION

Money is anything generally accepted as payment for goods and services and debt repayment in a given country or socio-economic setting. Allocate the main functions of money as a means of exchange; the unit of accounting; the store of esteem; once in a while, a standard of conceded installment.

Plexova Yu.O, Aldabayeva M.S, Basina Ya.V noted in their research: "Electronic and digital money are based on the general principle of intangible payment methods, but at the same time they have a number of significant differences.

The main difference between digital money is that they are not connected by the state monetary system, but are created directly in the memory of computers that are elements of a single network. While traditional money for conversion into electronic form must be deposited into the account in cash. Cryptocurrencies fall under this characteristic." **[1]**

The generalized concept of MONEY includes the whole complex of knowledge about the designated. The constituent components of the MONEY concept identified using an associative experiment and conceptual analysis most adequately convey the essence of the meaningful content of the designated fragment of reality and confirm that the concept of "Money" in American linguistic culture has the status of an important cultural concept. **[2]**

O.I. Larinaa, O.M. Akimov came this conclusion in their article: “New forms of money has its specific features and unique risks for consumers, the banking system and the state. Thus, private digital currencies incur risks for consumers and the state. In case of central bank digital money circulation for a wide range of users, the risks of financial intermediaries are more significant, since they compete with commercial banks’ deposits. Consecutively, this may lead to de-funding of commercial banks amid financial instability.” **[3]**

Money management refers to the process of controlling budgeting, saving, investing, spending, or the use of capital by an individual or group. The term can also more narrowly refer to investment management and portfolio management. Generally, it is the activity of organizing and investing your own or someone else's money.

Digital money is any form of money or payment that exists only in electronic form. Digital money has no tangible form like banknotes, checks, or coins. It is recorded and transmitted using your computer's electronic code. As technology becomes more popular, payments become more digital, reducing the use of tangible currency. A new form of technology now makes the use of digital money safer and more seamless. Digital currency can be transferred and exchanged using technologies such as credit cards, smartphones, and online cryptocurrency exchanges. One of the popular money transformation tools is mobile apps which create a lot of facilities for people. **[4]**

The usage of digital money has plenty of advantages and disadvantages. When it comes to advantages, using digital currency helps to complete payments much faster, as well as it is accessible anytime and anywhere that people need. If it is for disadvantages, digital currencies require work on the part of the user to learn how to perform fundamental tasks, like how to open a digital wallet and properly store digital assets securely. For digital currencies to become more widespread, the system needs to be simpler.

Digital currencies make transactions faster, cheaper, and more extensive. This eliminates intermediaries, connecting people and money more closelyWhen using the Internet to purchase and pay with a credit or debit card, you incur brokerage fees. We suffer from large exchange rate spreads used for the benefit of intermediaries when buying foreign currencies at airports. Non-cash transactions usually require the services of a bank or financial company. Digital money can eliminate the need for many of these intermediaries.

For individuals, digital currencies offer the potential for easier and cheaper access to finance, but threaten to reduce privacy and potential instability in financial transactions. For organizations, this provides opportunities for revenue growth in existing and new markets, lowers cash processing costs, and enables efficient account and receipt management and reduced audit costs.

However, digital money increases uncertainty and complexity in the business environment as new business entrants are prevented from maintaining the status quo due to doubts about technological solutions and low entry costs. For society, it can reduce tax avoidance, aid social payments, reduce the health risks of handling germ-carrying cash, and conceivably bring billions of previously disenfranchised people into the global financial system, but it poses challenging questions of balancing freedoms and openness with the need for oversight and regulation. It also brings with it risks and concerns about cyber security and electronic crime.

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