

THE STUDY OF SAVING HABITS OF YOUTH IN BADLAPUR

By Sujata Dayare & Rupali Titkare

Abstract

India is a developing country where the middle- class has relatively grown monetarily stronger and with the increase in the spending power of the adults, even the young have become free-hand spendthrifts in some cases. This paper addresses the question of why, where and how the youth spend? The youth referred to here are of the age group 15-30 years. With the rocketing economy, the buying trends are also changing. The age group of 15-30 years in that part of the society which is immortalized in advertisement. This paper is analyzed the theoretical background of savings and we also preformed a primary research. Development of the questionnaire was on an online interface. The goal was to inspect the financial knowledge of youth and to get a deeper look at how can they manage their household wealth. The west depicts this youth as financially and emotionally free, but in India the case in not the same. Despite this financially dependent on the parents till about an age of 25-26 years, there is a radical difference observed in the spending behavior of the youth of country. This paper is an attempt to study the spending and saving habit of the youth in the city of Badlapur.

Keywords

Youth, Savings, Habits.

Introduction

With the revolution in the retail sector in India and advent of mall culture, the spending and saving habit of youth have changed over the years. An over exposure to marketing communication activities of the companies, the youth has turned to be more brand conscious and also spend a considerable amount of their income on entertainment and gadgets. With the increase in spending power of adults. Even the young have become free-hand spenders and spendthrifts in some cases. This study addresses the question of why, where and how the youth spend their income between the age group of 15-25 years in that part of the society which is immortalized in advertisements. The west depicts this youth as financially and emotionally free, but in India the case is not same. Despite being financially dependent on the parents till about an age of 15-25 years, there is a radical difference observed in the spending behavior of the youth of our country. In this paper we are inspecting on the saving habits of the population especially the youth and creating a small portion of saving is only a matter of intent.

The study has been undertaken to analyses the spending & saving habit of college students especially in Bharat college. The main reason behind the study is the youth spend more than their income & saving habit is declining. This study shows the various spending & saving avenues for youth & how they maintain their financial requirements with limited income & high expenses.

Literature review

Saving is defined as that part of disposable income which is not spent on consumption (Bima & mbanasor, 2011) according to virani (2012) saving is scarifying the current consumption in order to increase the living standard and fulfilling the daily requirement in future.

Habit is a regularly repeated behavior pattern: an action or pattern of behavior that is repeated so often that it becomes typical of somebody, although he or she may be unaware of it (Encarta, 2010).

Adam et al. 2003 surveyed college students in hungry to hungry to find out the financial knowledge of the students and how they manage their family wealth. It was found that students lack financial knowledge and are not familiar with the various incentive plans through which they can make saving they are aware that financial security is very important but they do not know how to make savings. Thus, the research throws light on the importance of financial literacy among adults

Objectives

- To know how you manage daily expenses of saving habit.
- To study spending habit of the youth
- To Study the gender wise spending & saving habit of the youth.
- To analyze the attitude toward saving
- To study the avenues of saving practiced by the youth today.

Hypothesis

- Students don't get pocket money from their parents.
- Youths save for a small time for some particular reasons.
- Youths' expenses are more than savings.
- Youths don't earn so they don't have an attitude of saving money.
- Youths don't plan for future expenses.
- Youths don't earn so they are not concerned about their expenses.

Limitation

- Research is based on the information provided by the respondents.
- Research is limited to the students in Badlapur city.
- Besides, the study has the limitation of time, place, and resources.

Scope of the study

- The scope of the study is restricted to the youth in Badlapur.

- Both east and west area is considered for the survey.

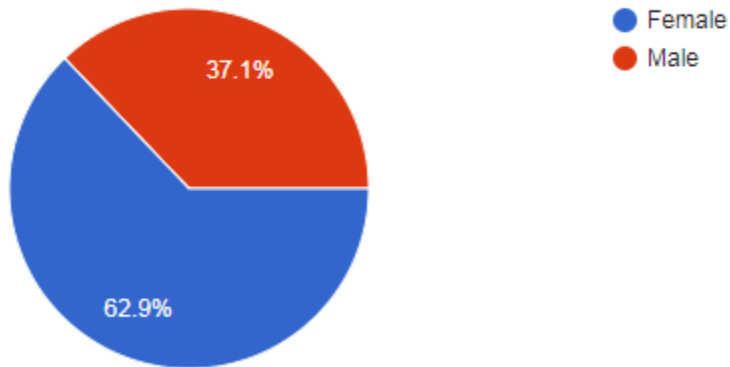
Methodology

This study is based on primary as well as secondary data, however primary data collection has given more importance since it is overheard is the earing factor is students attitude, the population studied here is the under graduation students in bearcat college the research is anwydical and tool used for data collection is structured questionnaire .

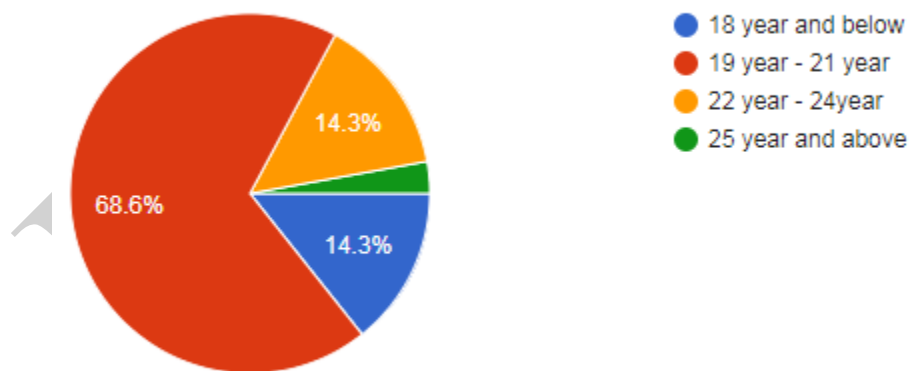
- Primary data – A questionnaire was prepared and the primary data was collected through survey method.
- Secondary data -Books, Websites, Journals, Newspapers
- Sample Size –The population being large the survey was carried among 30 respondents . They win be considered adequate to represent the characteristics of the entire population.
- Sampling procedure –Convenient sampling.
- Sampling technique – convenient sampling .
- Sample design- Data has been presented with the help of bar diagram, pie charts etc.

Finding and analysis

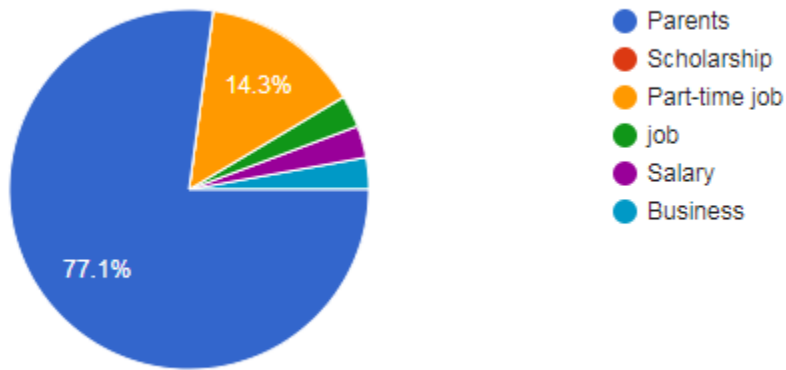
The gender wise distribution of sample unit reveals that the number of female respondents exceeds male sample respondents.



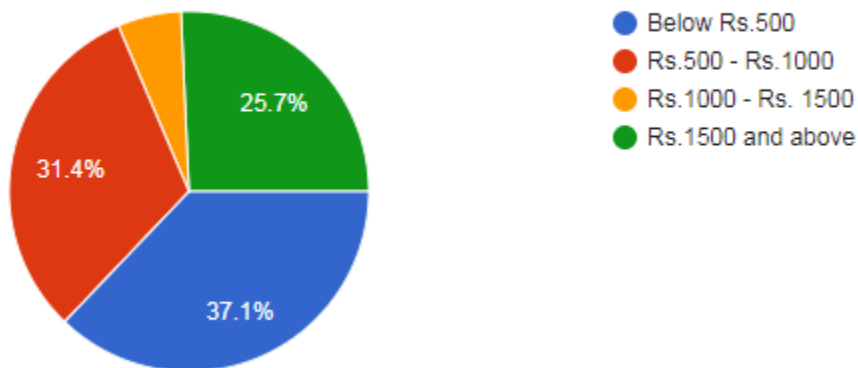
68.6% (majority) of respondents belongs to the age group of 19 to 21 and 14.3% belongs to 22 to 24.



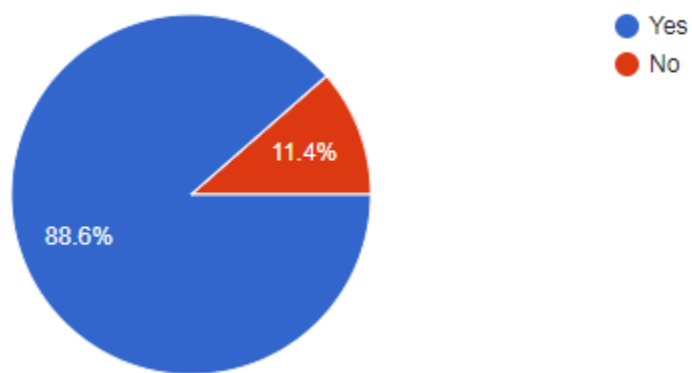
77.1% of respondents get expenses from parents.



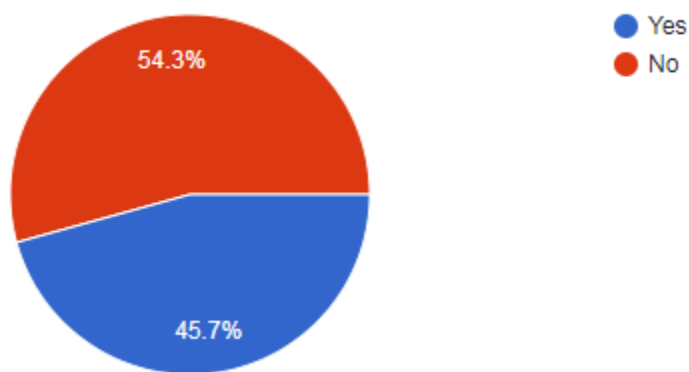
The study indicated that 37.1% of the respondents have the income between below Rs. 500 and 31.4% the respondents have the income between Rs. 500 – Rs. 1000.



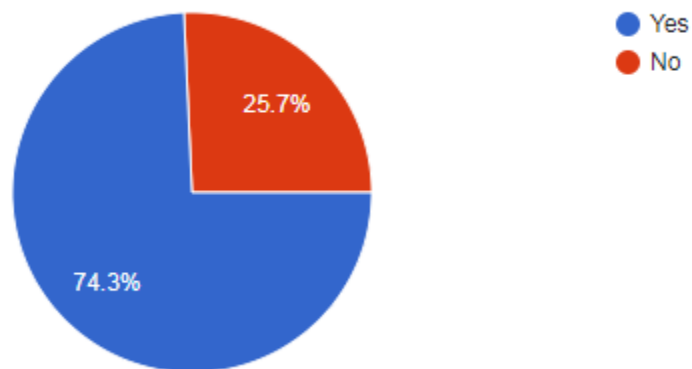
It is observed that 88.6% of the respondents prepare plan to save.



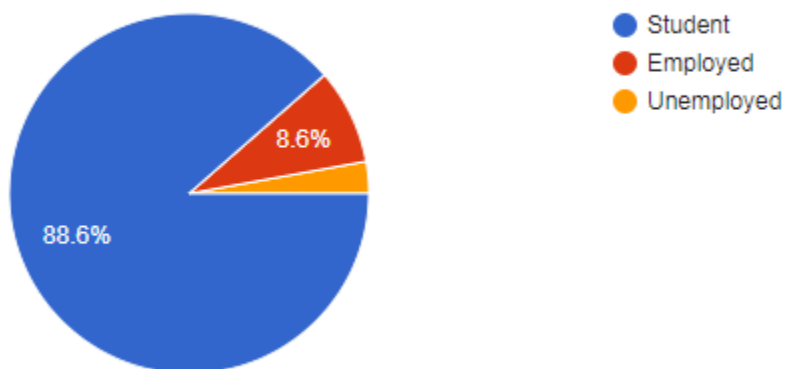
54.3% of the respondents are got more money they not spend it all.



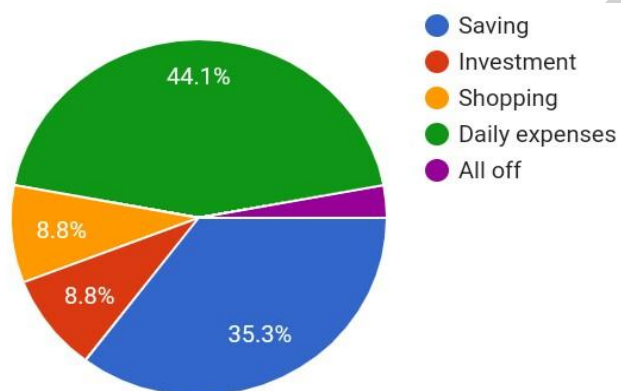
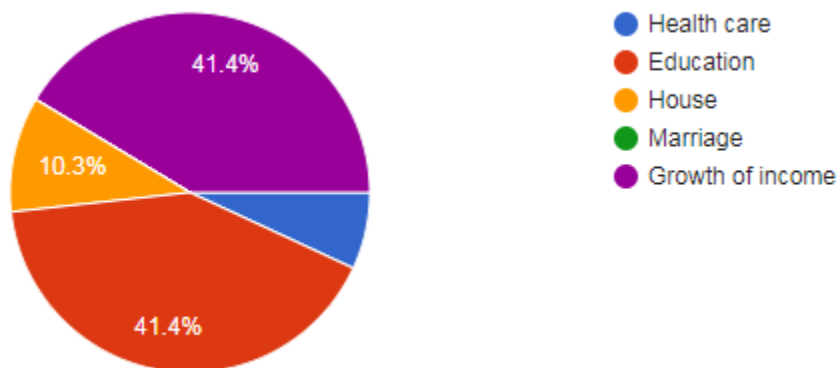
74.3% of the respondents have a bank account.



The occupation of sample unit is largely distributed between students (88.6%) and employed (8.6%).

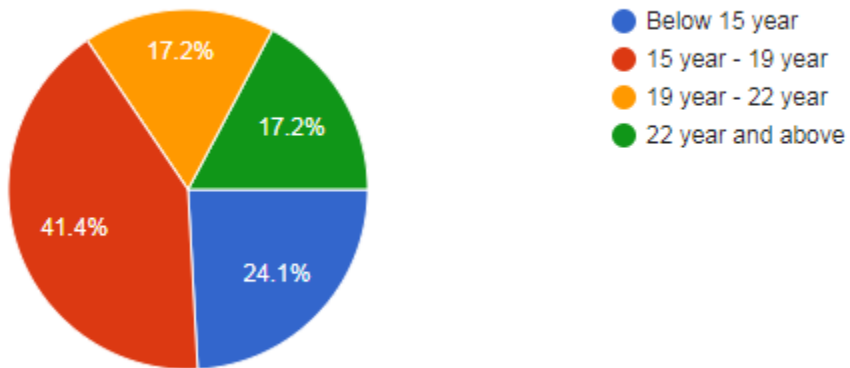


40.4% of the respondents saving object is education and 40.4% of growth of income.

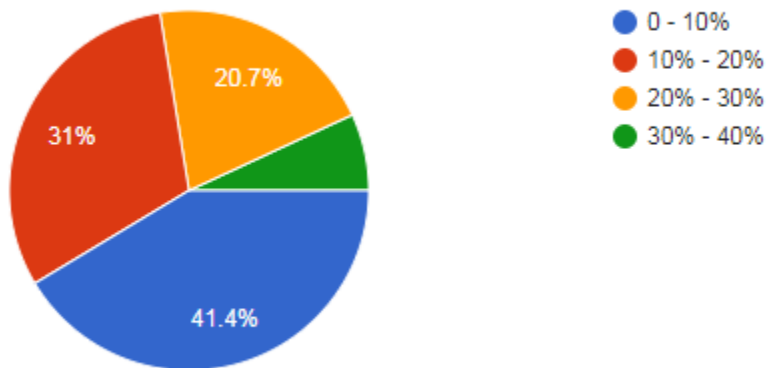


The study indicated youth spend their income in daily expenses more than saving.

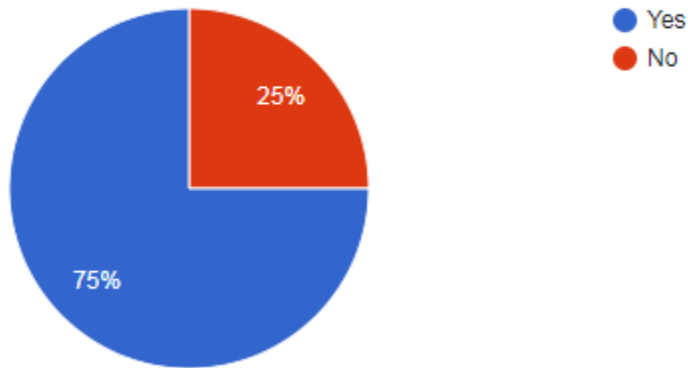
41.4% of the respondents started saving after 15 year to 19 years.



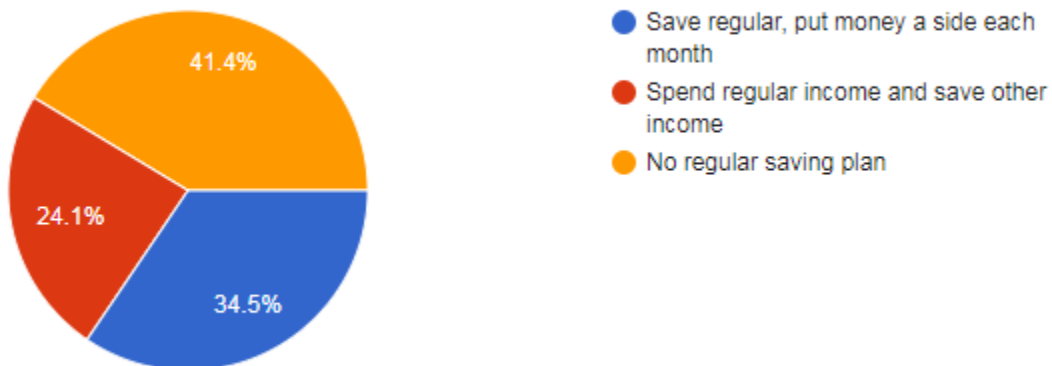
41.4% of respondents save less than 10% of their income.



It is observed that 75% of the respondents save money



41.4% of respondents are not save regular only 34.5% of respondents save regular.



Suggestions & recommendations

- The study was done to know the saving habit so that policies can be framed to increase saving habit among students at a very young age.
- The respondents held parents responsible for developing saving habit among children.

- Studies have shown that savings can be increased through financial literacy.
- Further detailed investigations are required to develop policies and introduce financial programmes to improve financial literacy.

Conclusion

This research clearly depicts the change in the spending and saving habits of the youth of today. Most of youth have savings and they know about the importance of savings. Youth commonly prefer saving bank account as their saving avenue. A difference was also observed on the gender wise purchase behavior and their saving habits. The youth also does not believe much in saving and believes in spending more on entertainment, gadgets, eating out and personal grooming.

From the study on spending pattern of youth, they are spending higher amount in daily expenses, shopping, etc. From this, we conclude that the youth have savings but they spend more than they save and most of youth are not aware about the importance of savings.

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