



A STUDY ON SAVING AND BANKING HABITS AMONG YOUTHS IN COIMBATORE CITY

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-----ABSTRACT-----

Over of saving habit is to enhance and reduce the financial burden of times . The goal of the study is to study the saving habit among the students, So I decided to do the project as "A Study on saving and banking Habits among youths in Coimbatore city". To figure out the spending pattern among college student, to evaluate the experience of students in spending and to identify the variables and their relationship which are influencing spending and saving behaviour. To guide youth in the right direction ,it is important to understand their financial status and saving, banking and investment habits. The objective of the study is to study the saving and spending habits of youth and the variables which have an impact on it. Data has been collected through questionnaire method. From the study the researcher came to know the importance of the behaviour analysis and the importance of the youth spending and saving pattern. This study concluded that only few students are interested in earning while learning to meet their own expenses and are expecting from parents for their personal expenses.

KEYWORDS: Savings, Banking ,Behaviour. -----

1. INTRODUCTION

Savings account is one tool with the potential to encourage both development and financial inclusion, possibly even in a financially sustainable way. The spending habits vary from person to person .Research has shown that making formal sector saving accounts available can boost this financial cushion among students .The study has been undertaken to analyse the savings and spending habits of college students.

2. STATEMENT OF THE PROBLEM

Most of the students get the money from the parents to meet day to day expenses in college life. So, we should find out whether the youth are travelling on the right path or not especially on their savings and spending habits. With more money and have got more spending power .This study is conducted to understand the savings and spending habits of youth

3. OBJECTIVE OF THE STUDY

- To study the saving habit among the students
- To figure out the spending pattern among college students
- To evaluate the experience of students in spending
- To identify the variables and their relationships which are influencing spending and saving behavior.



4. RESEARCH METHODOLOGY

Source of Data	Primary and Secondary data
Sampling technique	Convenient sampling
Sample size	180 respondents
Tools and Technique	Simple percentage analysis, Likert scale analysis, Ranking scale analysis

5. STATISTICAL TOOLS

- Simple Percentage Analysis
- Likert Scale Analysis
- Ranking Scale Analysis

6. REVIEW OF LITERATURE

KAVITA CHAVALI (2020) The main objective of the study was to determine the factors affecting the saving and spending habits of youth to investigate with this issue the researcher the following variables. The analysis in this research revealed that there is a significant correlation between saving and spending habits and influence of financial literacy.

P. JEEVITHA AND R. KANYA PRIYA (2019) In this study the saving and spending habits of college students. It was found that most of our respondents saved less than they spend but their spending avenues are different. Most of the students have savings and they know about the importance of savings. Students commonly prefer saving bank account as their saving avenues.

AJEESH.P P (2019) In their study spending and saving of youth changed significantly while conducting the study we can understand that youth spending is highly influenced by income. Youths saving decision influenced more by family. Most of the youth in this area is not highly aware of the capital market most of them are satisfied with their current saving habit

7. TABLE

FINDINGS FROM PERCENTAGE ANALYSIS

TABLE: RESPONDENTS TO THEIR TYPE OF BANK ACCOUNT

Type of Bank Account	No of respondents	Percentage
Savings	69	38 %
Fixed	24	13 %
Current	39	24 %
Recurring deposit	25	13 %
Term loan deposit	23	12 %
Total	100	100 %

INTERPRETATION

From the above information, 38% of the respondents are using savings Account, 13% of the respondents use Fixed deposit Account, 24% of the respondents are using Current Account, 13% of the respondents are using Recurring deposit Account, 12% of the respondents are using Term loan deposit Account.

- Majority (38%) of the respondents use the savings Account.



FINDINGS FROM LIKERT SCALE ANALYSIS

TABLE : SATISFACTION LEVEL OF RESPONDENTS TOWARDS SAVINGS

FACTORS	No of respondents	Likert scale value	Total score
Highly satisfied	73	5	365
Satisfied	40	4	160
Neutral	59	3	177
Dissatisfied	5	2	10
Highly Dissatisfied	2	1	2
Total	180		714

INTERPRETATION

The Likert scale value is 3.96 which is greater than the mid value (3) which shows the saving can give freedom

Likert Scale = $\sum (fx) / \text{Total number of respondents}$

$$= 714 / 180$$

$$= 3.96$$

FINDINGS FROM RANK ANALYSIS

Factor	1	2	3	4	5	Total	Rank
Entertainment	39 (5)	39 (4)	43 (3)	15 (2)	27 (1)	537	4
Studies	39 (5)	24 (4)	51 (3)	36 (2)	22 (1)	538	3
Shopping	35 (5)	33 (4)	41 (3)	35 (2)	28 (1)	528	5
Transportation	35 (5)	36 (4)	41 (3)	44 (2)	19 (1)	549	2
Food and drinks	32 (5)	38 (4)	50 (3)	38 (2)	17 (1)	555	1

According to the satisfaction of the food and drinks is ranked as first in saving and banking habits.

8. SUGGESTION

- Provide the awareness for youths regarding the equation between spending and savings through self-awareness for learning, a youth should know where to cut down, reduce and postpone the unnecessary expenses.
- 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
- The financial institutions must arrange special training programs to explain the importance of savings and develop the saving habits among the young generation.

9. CONCLUSION

From this study it is concluded that only few students are interested in earning while learning to meet their own expenses and are expecting from parents for their personal expenses. Majority of the students are not having saving habits. If the students are aware about it, they will definitely save their part of earnings. If they invest their savings into the productive channel, it will be used to develop individual earnings and others can avail the loan from the loan from that particular channel. From this research study the research came to know the importance of the behavior analysis and the importance of the youth spending and saving pattern

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