A STUDY ON SPENDING AND SAVING HABITS OF HOUSEWIVES

Arockia Aishwaria Asuroni. S

PG and Research Department of Commerce, St. Mary's College(Autonomous), Thoothukudi, Affiliated to Manonmaniam Sundaranar University, Tirunelveli, Tamil Nadu

ABSTRACT

The study is to identify trends, challenges, and opportunities that housewives face in managing their finances. The findings of this research may serve as a foundation for developing targeted interventions, financial literacy programs, and policy recommendations aimed at empowering housewives to make informed financial decisions, ultimately contributing to the economic well- being of families and society at large. The study was carried out 5 months (from December 2023 to April 2024). The questionnaire was circulated from January 2024. This study includes both Primary and Secondary data .A sample were collected in various parts of Thoothukudi .The samplesize was 121. This study endeavors to unravel the layers of complexity within the spending and saving behaviors of housewives, offering a rich tapestry of insights that can inform not only academic discourse but also practical initiatives aimed at enhancing the financial well-being of households and, by extension, the larger societal framework.

KEYWORDS

Housewives, spending, savings, investment, Financial habits.

INTRODUCTION

Homemakers play a crucial role in managing their households, which frequently involves making financial decisions. Their personal finance knowledge, awareness and behavior play a big role in keeping their home secure and prosperous. In this study, we discover how homemakers acquire financial knowledge, stay informed about economic issues, and make practical financial decisionsthat influence the well-being of their families

Homemakers has various financial responsibilities, such as budgeting, saving, and managing expenses. Their capacity to make well-informed decisions about investment, debt management, and long-term financial planning can be influenced by their level of knowledge and awareness offinancial concept. Understanding homemakers' financial challenges and opportunities is essentialto appreciating the crucial role they play in play in the stability of their household finance.

This study embarks on an insightful exploration of the spending and saving habits of housewives, aiming to uncover the underlying factors that influence their financial decisions. By delving into the intricacies of household finances, we seek to unravel patterns, motivations, and challenges that housewives encounter in managing the economic aspects of their households.

The rationale behind this research lies in the recognition that the financial decisions made by housewives extend far beyond the confines of home, impacting the broader socio-economic fabric.The study employs a mixed-methods approach, blending qualitative and quantitative research methodologies to ensure a comprehensive understanding of the diverse factors that shape spendingand saving behaviors.

As we delve into this study, key areas of exploration include the impact of cultural and societal norms, the role of income disparities, and the accessibility of financial resources on the financial decision-making processes of housewives. By shedding light on these factors, we aim to contribute valuable insights to policymakers, financial institutions, and educators, fostering a more nuancedand inclusive approach to addressing the unique financial challenges faced by housewives.

Furthermore, this research aligns with the broader goal of promoting financial empowerment and resilience among housewives. By identifying areas for intervention, such as targeted financial education programs, policy adjustments, and the development of financial products that cater specifically to the needs of housewives, we aspire to contribute to a more equitable and informed financial landscape.

In essence, this study endeavors to unravel the layers of complexity within the spending and saving behaviors of housewives, offering a rich tapestry of insights that can inform not only academic discourse but also practical initiatives aimed at enhancing the financial well-being ofhouseholds and, by extension, the larger societal framework.

REVIEW OF LITERATURE

1. **Abawag et al., (2022),** “Difficultly in maintaining and spending the

budget maintained by housewives". A very little research has been conducted on this subject as a result of which, the problem is still not identified. It can be concluded that the difference on spending behavior of housewives while socioeconomic status was found insignificant shows what are the daily allowances of housewives from different countries. The paper tells that thewomen are more likely to spend on including transportation, clothing, food, parties, etc….

2. **Bona. (2021), "**Study on purchasing pattern of housewives". Study found that housewives choose to buy the product which will meet their interest relative to product and price. The study concluded that behavior is massively influenced by their family background. Parents also play a critical role in shaping not only the attitudes towards financial management but also life attitudes in general of their children. To improve financial habits, housewives musttake some time to create concrete measures to help them keep track of their expenses. First,they should create their own budget and keep ways on how to improve it. Keeping a record of expenses will help them monitor how much money they spend on clothing, entertainment and gadgets. They should not forget to allocate money for savings because a good budget does have savings. Lastly, they should keep a positive attitude. This study failed to quanlify housewives spending behavior in terms of monetary terms, since it was more qualitative in nature.
3. **Shah et al., (2021),**This research paper is to "Study on various psychological and demographical factors that drive the spending behavior of the Indian housewives". India just eventually moves on from everything. Yes, it did suffer a temporary halt in spending but it is how back to normal. The paper highlights how the spending demographic trend isminorly highlighted by the Indian women under the age of 50. Fueled by health and social image consciousness and the Want it all attitude, Indian women is now spending more than ever. They finally concluded that women's spending patterns differ based on different education levels, gender entertainment and investment.
4. **P. Jeevitha and K. Kanya Priya (2020),** "To examine the saving and spending habits of housewives with reference to Coimbatore city". The

findings of study declared that maximum number of housewives have saved less than spent but spending fields were different. The respondents regularly preferred savings bank account as their saving avenue.

5. **Kanting Sechaba Thobe jane, Olawale Factoki (2019),** In this study, "Budgeting and Spending habits of housewives in South Africa" examined if there is a significant gender difference in the budgeting and spending habits of housewives. The findings of the study show that the majority of housewives do not have a written budget. In addition, the majority of housewives spend on groceries and fast food. Female are more likely that male have a budget. Recommendations to improve the budgeting and spending habits of housewives are suggested.

OBJECTIVES OF THE STUDY

- To know the factors influencing the savings and spending habits of housewives
- To analyze the level of awareness on savings and spending habits among housewives
- To investigate the challenges in spending and savings habit among housewives
- To analyze the level of satisfaction derived through spending and savings of housewives
- To examine the role of financial knowledge in spending and savings behaviours amonghousewives.

METHODOLOGY

This study includes both Primary and Secondary data. Primary data were collected from 121 respondents. Secondary data collected from authorized sources namely Government portals, Journals, books and magazines.

LIMITATIONS OF THE STUDY

- Time is one of the major constraints, which limits the effectiveness of data collection.
- The sample size is restricted to 110. Due to time constraint, the most essential informationhas been taken for the study.
- Some of the respondents could not answer, hence we had to use the interview schedulemethod.

❖ Reliability and accuracy of the analysis depends on the respondent's openness and truenesstowards each question in the questionnaire.

RESULTS AND DISCUSSION

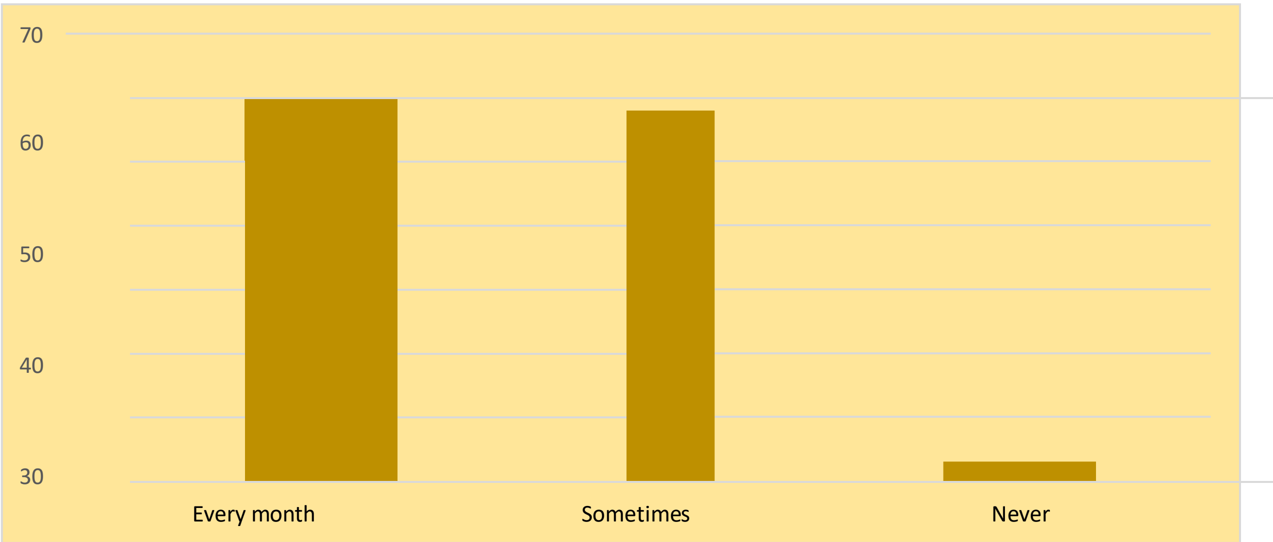
Table 1

BUDGET ON HOME EXPENSES

BUDGET ON HOME EXPENSES	FREQUENCY	PERCENTAGE (%)
Every month	60	50
Rarely	58	48
Never	3	2
Total	**121**	**100**

SOURCE: Primary data

Figure 1



INTERPRETATION:

Table 1 inferred that 50 percentage of the respondents prefer budget every month, 48 percent preferbudget rarely, 2 percent never prefer any budget.

Thus, majority (50%) of respondents prepare budget on their home expenses every month.

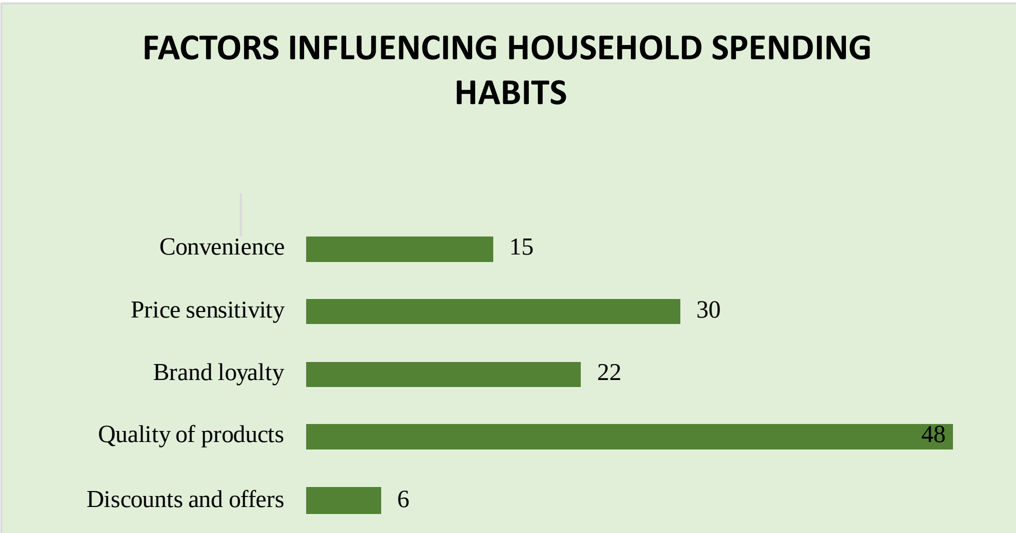
Table 2

FACTORS INFLUENCING HOUSEHOLD SPENDING HABITS

HOUSEHOLD SPENDING HABITS	FREQUENCY	PERCENTAGE (%)
Discounts and offers	6	5
Quality of products	48	40
Brand loyalty	22	18
Price sensitivity	30	25
Convenience	15	12
TOTAL	**121**	**100**

SOURCE: Primary data

Figure 2



INTERPERTATION:

Table 2 shows that 5 percent of respondents are influenced for spending habits due to discounts and offers, 40 percent are influenced by quality of the product, 18 percent are influenced by brand loyalty, 25 percent are influenced by price sensitivity, 12 percent are influenced by convenience.

Thus, majority (40%) of the respondents are influenced by quality of the product.

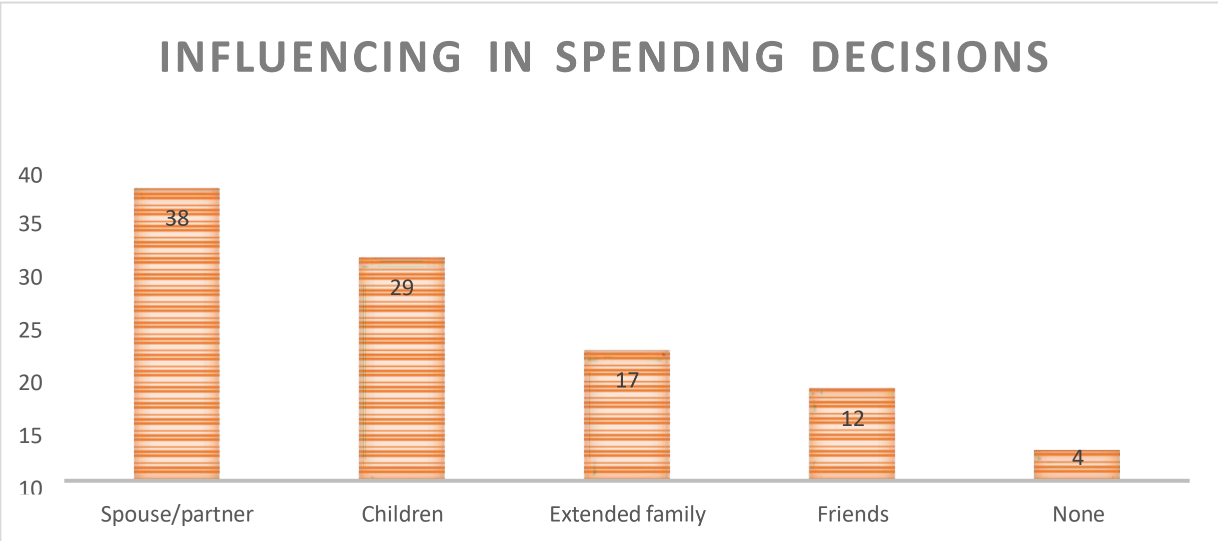
Table 3

INFLUENCING IN SPENDING DECISIONS

INFLUENCING IN SPENDING DECISIONS	FREQUENCY	PERCENTAGE (%)
Spouse/partner	46	38
Children	35	29
Extended family	21	17
Friends	14	12
None	5	4
TOTAL	**121**	**100**

SOURCE: Primary data

Figure 3



INTERPERTATION:

Table 3 inferred that 38 percentage of the respondents are influenced in spending decision by their partner, 29 percent of them are influenced by their children, 17 percent are influenced by extended family, 12 percent are influenced by friends and 4 percent of them are influenced by no one.

Thus, majority (38%) of the respondents are influenced by their partner in spending decision.

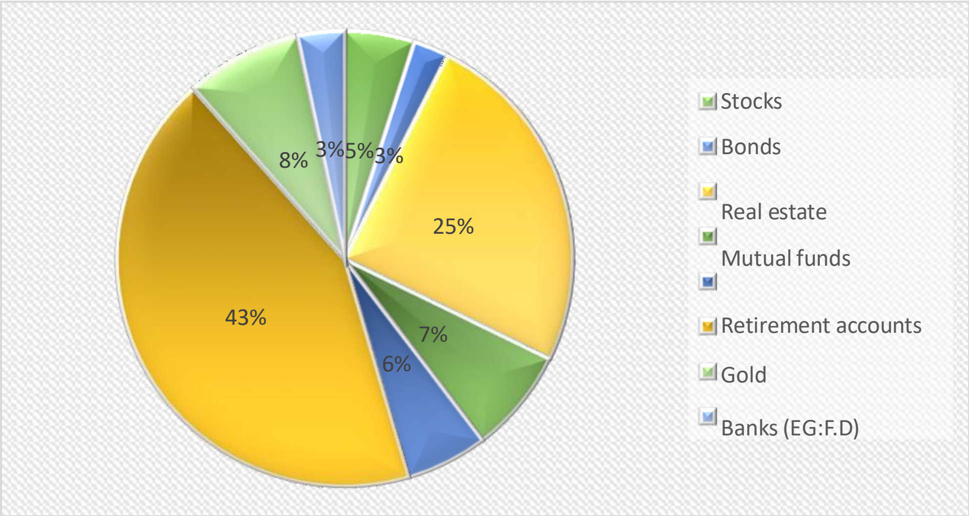
Table 4

COMFORTABLE TYPE OF INVESTMENT

COMFORTABLE TYPE OF INVESTMENT	FREQUENCY	PERCENTAGE (%)
Stocks	6	5
Bonds	3	2
Real estate	30	25
Mutual funds	9	7
Retirement accounts	7	6
Gold	52	44
Banks (EG:F.D)	10	8
Others (please specify)	4	3
Total	**121**	**100**

SOURCE: Primary data

Figure 4



INTERPERTATION:

Table 4 states that 5 percent of the respondents are comfortable in investing in stocks, 2 percentare comfortable investing in bonds, 25 percent are comfortable investing in real estate, 7 Percent are comfortable investing in mutual funds, 6 percent invest in retirement accounts, 44 percent ofthem invest in gold, 8 percent invest in Banks and 3 percent of them invest in others sectors.

Thus, majority (44%) of the respondents are comfortable investing in gold.

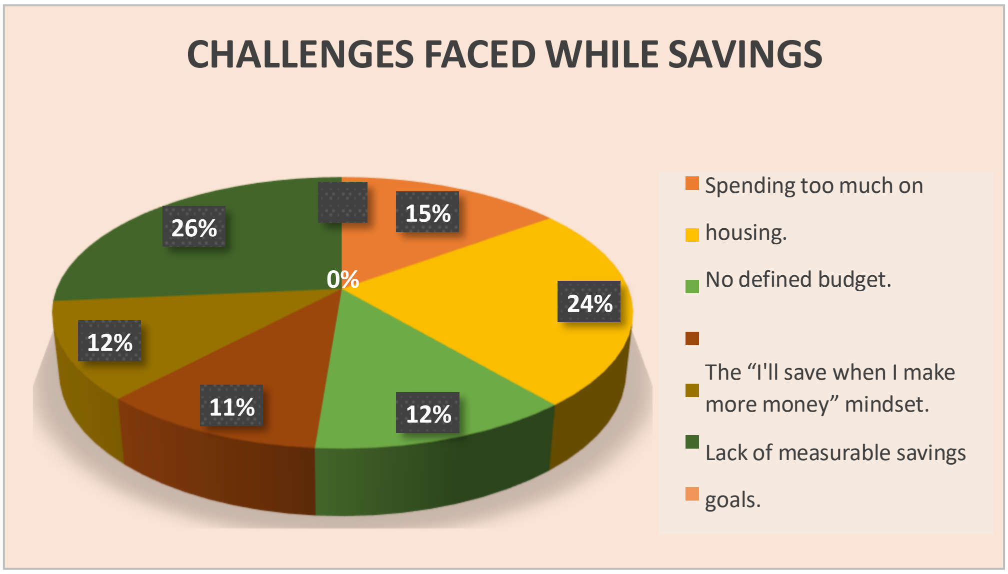
Table 5

CHALLENGES FACED WHILE SAVINGS

CHALLENGES FACED WHILE SAVINGS	FREQUENCY	PERCENTAGE (%)
Spending too much on housing.	18	15
No defined budget.	29	24
The “I'll save when I make more money” mindset.	15	12
Lack of measurable savings goals.	13	11
Loan repayments.	14	12
Unexpected expenses	32	26
Excessive credit card usage	0	0
TOTAL	**121**	**100**

SOURCE: Primary data

Figure 4



INTERPERTATION:

Table 5 inferred that 15 percent of the respondents felt that too much spending on household is a great challenge while saving, 24 percent of them has no defined budget while saving, 12 percent have the mentality" I will save when I make more money" mindset while saving money, 11 percent of them feels lack of measurable saving goals, 12 percentage feels loan repayment as a challenging factor while saving, 26 percentage feels unexpected expenses are challenging and none of them feels over using of credit card as a challenge.

Thus, majority (26%) of the respondents feels Unexpected expenses are challenging while savingmoney.

FINDINGS

- ✓ Majority (50%) of the respondents prepare Budget on household expenses every month
- ✓ Majority (23%) of the respondents are motivated by themselves to save.
- ✓ With regard to the factors considered before investing majority (40%) of the respondentsconsider low risk.
- ✓ The study reveals that majority (38%) of the respondents are influenced by their partner inspending decision.
- ✓ The study reveals that majority (44%) of the respondents feel unexpected Expenses ofchallenging while saving money.

SUGGESTION

- Create a monthly budget outlining income and expenses. Allocate funds for essentials like groceries, bills (electric bill, water bill etc…) and savings, while allowing for some discretionary spending.
- Keep track of daily expenses to identify areas where money can be saved. This can help inmaking informed decisions about spending habits.

- Avoid making impulsive purchases by creating a shopping list before going to the store and sticking to it. Delay non-essential purchases to evaluate whether they are trulynecessary.
- Look for discounts, coupons, and deals when shopping for groceries, household items, or other necessities. This can help stretch the household budget further.
- Maintain open communication with family members about financial goals and priorities. Encourage everyone to contribute ideas for saving money and cutting expenses.
- Stay informed about personal finance topics through books, websites, podcasts, or workshops.

CONCLUSION

The study on spending and saving habits of housewives offers valuable insights into the financial behaviours and preferences within this specific demographic. Through comprehensive data analysis and interpretation, several key conclusions emerge, shedding light on the intricacies of financial management among housewives.

In conclusion, the study has highlighted the importance of effective spending and saving habits among housewives for achieving financial stability and security. Through careful budgeting, tracking expenses, and prioritizing savings, housewives can better manage household finances and work towards their financial goals. Strategies such as limiting impulse purchases, seeking discounts, and involving the family in financial discussions can further contribute to a healthy financial outlook. It is clear that with diligence, communication, and informed decision- making, housewives can play a crucial role in ensuring the financial well-being of their households. Moving forward, continued education, support, and access to resources can empower housewives to navigate the complexities of personal finance with confidence and resilience.

Exploration of the spending and saving habits of housewives underscores the multifaceted strategies employed by these individuals to effectively manage household finances. Through prudent budgeting, judicious expense tracking, and proactive savings initiatives, housewives demonstrate a commitment to financial security and resilience. By embracing a mindset of resourcefulness, adaptability, and strategic planning, they navigate the dynamic landscape of personal finance with poise and pragmatism. Furthermore, the integration of technology and digital tools empowers housewives to streamline financial management processes and optimize resource allocation. However, challenges such as fluctuating economic conditions, unexpected expenses, and societal expectations underscore the importance of ongoing support mechanisms and accessible resources to bolster financial literacy and confidence among housewives. In light of these insights, it is evident that a holistic approach encompassing education, advocacy, and community engagement is essential to empower housewives to achieve their financial goals and aspirations, thereby fostering a brighter future forthemselves and their families.