

Investment Awareness and Saving Behaviour Among College Students in India

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Abstract—Financial literacy and investment awareness have gained significant importance in recent years, particularly in developing economies like India. With increasing access to financial markets and digital platforms, individuals are required to make informed financial decisions. College students represent a crucial segment of the population as they are at the initial stage of their financial journey and begin forming long-term financial habits.

This study aims to examine the level of investment awareness and saving behaviour among college students in India. It also explores the influence of financial education, family background, peer influence, and digital platforms on financial decision-making. The research is based on primary data collected through a structured questionnaire from 60 respondents.

The findings indicate that while a majority of students possess basic awareness of investment options and demonstrate saving behaviour, a smaller proportion actively engage in investments. The study highlights the gap between financial awareness and actual financial practices. It suggests the need for improved financial education programs to enhance practical knowledge and promote responsible financial behaviour among students.

Index Terms—Financial Literacy, Investment Awareness, Saving Behaviour, College Students, Financial Education, India

I. INTRODUCTION

Financial management has become an essential life skill in today's dynamic economic environment. Individuals are required to make informed decisions regarding saving, spending, and investing. Saving refers to setting aside a portion of income for future use, while investment involves allocating funds into financial instruments with the expectation of earning returns.

In India, the financial landscape has undergone rapid transformation due to technological advancements such as online banking, mobile payments, and investment platforms. Despite increased accessibility, financial literacy among young individuals remains limited.

College students are at a transitional stage where they begin managing finances independently through allowances, part-time jobs, or scholarships. This phase plays a critical role in shaping long-term financial behaviour. However, lack of practical financial education often leads to poor financial decision-making.

This study focuses on understanding investment awareness and saving behaviour among college students and identifying key factors influencing their financial choices.

II. LITERATURE REVIEW

Several studies have emphasized the importance of financial literacy in shaping financial behaviour.

- Lusardi & Mitchell (2014) highlighted that financial literacy significantly improves saving and investment decisions.
- Chen & Volpe (1998) found that college students lack adequate knowledge of financial concepts.
- Mandell (2008) concluded that financial education leads to better financial behaviour among youth.

In the Indian context, studies indicate that students are familiar with basic saving tools but lack awareness of advanced investment options such as mutual funds and stock markets.

Despite existing research, there is limited focus on the relationship between investment awareness and saving behaviour among college students, especially in the digital era.

III. RESEARCH METHODOLOGY

3.1 Research Design

The study adopts an exploratory research design to understand financial behaviour among students.

3.2 Data Sources

- Primary Data: Collected through structured questionnaires
- Secondary Data: Books, journals, financial reports, and previous studies

3.3 Sampling Technique

Convenience sampling method was used.

3.4 Sample Size

60 college students

3.5 Data Collection Method

Online questionnaire including:

- Demographics
- Saving habits
- Investment awareness
- Influencing factors

3.6 Data Analysis Tools

- Percentage analysis
- Tables and charts
- Comparative analysis

IV. DATA ANALYSIS AND INTERPRETATION

Gender Distribution

- Male: 50%
- Female: 45%
- Others: 5%

Age Distribution

Majority of respondents are aged 18–23 years, representing typical college demographics.

Saving Behaviour

- 73.3% students save money
- 26.7% do not save

Indicates a positive saving trend among students.

Investment Awareness

- 70% aware of investment options
- 30% not aware

Shows moderate awareness but still gaps exist.

Investment Practice

- 43.3% have invested
- 56.7% have not invested

Clear gap between awareness and actual investment.

V. Findings

- Most students have basic saving habits
- Awareness of investment options exists but is not deep
- Fewer students actively invest
- Family and digital platforms strongly influence financial behaviour
- Lack of practical financial education is a major issue

VI. CONCLUSION

The study concludes that while college students in India demonstrate awareness and saving behaviour, there is a significant gap between knowledge and actual investment practices. Financial literacy plays a crucial role in bridging this gap.

Enhancing financial education through structured programs can empower students to make informed financial decisions and ensure long-term financial stability.

VII. SUGGESTIONS

- Introduce financial education in college curriculum
- Conduct workshops and seminars
- Promote digital financial learning platforms
- Encourage parental financial guidance
- Increase awareness campaigns by financial institutions

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