

# A Study on Savings and Investment Patterns amongst Teenagers in the Coastal Region of Maharashtra

**Kalavati Upadhyay and Dr. Aarti Sukheja**

Research Scholar, Pillai College of Arts, Commerce & Science, Panvel, Maharashtra

Professor, Pillai College of Arts, Commerce & Science, Panvel, Maharashtra

kalavati@mes.ac.in and aartis@mes.ac.in

**Abstract:** *Saving and investment habits developed during adolescence play a crucial role in shaping future financial security and economic well-being. In today's rapidly changing financial environment, teenagers are exposed to various saving and investment opportunities through banks, digital payment platforms, social media, and financial literacy programs. The present study examines the savings and investment patterns among teenagers residing in the coastal region of Maharashtra. The study focuses on understanding their awareness, saving behavior, preferred investment avenues, influencing factors, and challenges faced in managing finances. The research adopts a descriptive approach and relies on primary and secondary data sources. The findings indicate that while a majority of teenagers recognize the importance of saving, their investment knowledge remains limited. Savings are primarily directed towards bank accounts, piggy banks, and digital wallets, whereas awareness of formal investment instruments is comparatively low. Family influence, educational background, and digital exposure significantly affect financial behavior. The study highlights the need for structured financial education to encourage responsible saving and investment practices among young individuals.*

**Keywords:** Savings, Investment, Teenagers, Financial Literacy, Coastal Maharashtra, Financial Behaviour

## I. INTRODUCTION

Financial planning is often considered an activity for adults; however, the foundation of financial discipline is laid during adolescence. Teenagers today are increasingly exposed to financial decisions through pocket money, digital transactions, online shopping, and educational expenses. Developing healthy saving habits during these formative years can significantly influence future financial stability.

The coastal region of Maharashtra, comprising districts such as Raigad, Ratnagiri, Sindhudurg, Thane, and Palghar, presents a unique socio-economic environment. The region is characterized by a mix of rural and urban settlements, traditional occupations such as fishing and agriculture, tourism-related activities, and increasing digital connectivity. Teenagers in these areas experience varying levels of financial exposure depending on family income, educational opportunities, and access to financial institutions.

Savings represent the portion of income that is not spent immediately and is reserved for future use. Investment involves allocating saved funds into assets or financial instruments with the expectation of earning returns. Understanding how teenagers save and invest is essential because early financial habits often continue into adulthood.

This study seeks to examine the saving and investment patterns among teenagers in the coastal region of Maharashtra and identify factors influencing their financial decisions.



## **II. REVIEW OF LITERATURE**

Several researchers have examined saving behavior and financial literacy among young individuals.

Lusardi and Mitchell (2014) emphasized that financial literacy plays a significant role in promoting effective saving and investment decisions. Individuals with higher financial knowledge tend to make better financial choices and demonstrate greater financial responsibility.

Mandell (2008) found that many teenagers possess limited understanding of financial concepts such as interest rates, inflation, and investment risk. The study highlighted the need for financial education at the school level.

Bhushan and Medury (2013) examined financial literacy among young people in India and concluded that education, family background, and income significantly influence financial awareness. The researchers observed that individuals with higher financial literacy are more likely to save and invest regularly.

Agarwal and Mazumder (2018) reported that parental guidance plays a critical role in shaping the financial habits of adolescents. Children who observe responsible financial practices at home tend to adopt similar behaviors.

Kumar and Gupta (2020) studied saving behavior among college students and found that bank deposits remain the most preferred saving option due to their safety and accessibility. The study also revealed growing interest in digital financial platforms among younger generations.

The existing literature suggests that while awareness regarding saving is increasing among youth, knowledge about investment instruments remains relatively limited. There is a need for region-specific studies focusing on teenagers, particularly in coastal areas where socio-economic conditions differ significantly from metropolitan regions.

## **III. STATEMENT OF THE PROBLEM**

Teenagers are becoming active participants in financial activities due to increasing access to digital technology, banking services, and financial information. Despite this exposure, little is known about their saving and investment behavior in the coastal region of Maharashtra. Understanding their financial practices is important for designing effective financial literacy programs and encouraging responsible financial management from an early age.

## **IV. OBJECTIVES OF THE STUDY**

- To examine the saving habits of teenagers in the coastal region of Maharashtra.
- To identify preferred saving and investment avenues among teenagers.
- To assess the level of awareness regarding investment opportunities.
- To analyze factors influencing saving and investment decisions.
- To suggest measures for improving financial literacy among teenagers.

## **V. RESEARCH METHODOLOGY**

### **5.1 Research Design**

The study adopts a descriptive research design to understand and analyze the saving and investment patterns of teenagers.

### **5.2 Sources of Data**

The study is based on both primary and secondary data.

#### **Primary Data:**

Data were collected through a structured questionnaire administered to teenagers aged between 13 and 19 years.

#### **Secondary Data:**

Information was gathered from journals, books, research articles, government reports, websites, and financial literacy publications.

### **5.3 Sampling Technique**

Convenience sampling was used for selecting respondents from different educational institutions in the coastal districts of Maharashtra.



#### 5.4 Sample Size

A sample of 150 teenagers was considered for the study.

#### 5.5 Tools for Analysis

The collected data were analyzed using percentages, averages, tables, and graphical interpretation.

### VI. DATA ANALYSIS AND INTERPRETATION

#### 6.1 Gender Distribution

| Gender | Respondents | Percentage |
|--------|-------------|------------|
| Male   | 82          | 54.67      |
| Female | 68          | 45.33      |
| Total  | 150         | 100        |

The sample consisted of both male and female respondents, ensuring balanced representation.

#### 6.2 Habit of Saving Money

| <u>Response</u> | <u>Respondents</u> | <u>Percentage</u> |
|-----------------|--------------------|-------------------|
| Yes             | 118                | 78.67             |
| No              | 32                 | 21.33             |
| Total           | 150                | 100               |

A majority of teenagers reported that they regularly save money. This indicates a growing awareness of the importance of financial planning.

#### 6.3 Source of Savings

| <u>Source</u>      | <u>Percentage</u> |
|--------------------|-------------------|
| Pocket Money       | 46                |
| Gifts and Rewards  | 29                |
| Part-time Earnings | 15                |
| Scholarships       | 10                |

Pocket money emerged as the primary source of savings among teenagers.

#### 6.4 Preferred Saving Avenues

| <u>Saving Avenue</u> | <u>Percentage</u> |
|----------------------|-------------------|
| Savings Bank Account | 42                |
| Piggy Bank           | 26                |
| Digital Wallets      | 18                |
| Cash at Home         | 14                |

Savings accounts were the most preferred option due to safety and convenience.



### 6.5 Awareness of Investment Options

| <u>Awareness Level</u> | <u>Percentage</u> |
|------------------------|-------------------|
| High                   | 18                |
| Moderate               | 47                |
| Low                    | 35                |

The findings indicate moderate awareness among respondents regarding investment opportunities.

### 6.6 Preferred Investment Options

| <u>Investment Avenue</u> | <u>Percentage</u> |
|--------------------------|-------------------|
| Fixed Deposits           | 34                |
| Gold                     | 28                |
| Mutual Funds             | 16                |
| Stocks                   | 10                |
| Others                   | 12                |

Fixed deposits and gold remain the preferred investment options due to perceived safety and familiarity.

### 6.7 Factors Influencing Financial Decisions

| <u>Factor</u>          | <u>Percentage</u> |
|------------------------|-------------------|
| Parents and Family     | 41                |
| Teachers               | 12                |
| Friends                | 17                |
| Social Media           | 20                |
| Financial Institutions | 10                |

Parents and family members were found to be the strongest influence on teenagers' financial decisions.

### 6.8 Purpose of Saving

| <u>Purpose</u>                 | <u>Percentage</u> |
|--------------------------------|-------------------|
| Higher Education               | 39                |
| Emergency Needs                | 23                |
| Gadgets and Personal Purchases | 21                |
| Travel and Recreation          | 17                |

Most teenagers save money with future educational expenses in mind.

## VII. FINDINGS OF THE STUDY

- Most teenagers in the coastal region of Maharashtra have developed regular saving habits.
- Pocket money is the primary source of savings.
- Savings bank accounts are the most preferred saving avenue.
- Investment awareness among teenagers is moderate but not comprehensive.
- Fixed deposits and gold are the most trusted investment options.
- Parents and family members significantly influence financial behavior.



- Social media is emerging as an important source of financial information.
- Higher education is the major motivation behind saving money.
- Many teenagers lack practical knowledge regarding modern investment instruments such as mutual funds and stock markets.
- Financial literacy programs are still insufficient in reaching a large section of teenagers.

### **VIII. SUGGESTIONS**

- Financial literacy should be introduced as part of the school curriculum.
- Workshops on budgeting, saving, and investing should be organized regularly.
- Parents should actively discuss financial planning with their children.
- Banks and financial institutions should design youth-oriented financial awareness programs.
- Digital financial education platforms should provide simplified learning materials for teenagers.
- Educational institutions should encourage students to participate in investment simulations and financial management activities.
- Government agencies should expand financial literacy campaigns in rural and coastal areas.

### **IX. CONCLUSION**

Savings and investment habits formed during adolescence contribute significantly to future financial security and economic independence. The study reveals that teenagers in the coastal region of Maharashtra generally understand the importance of saving money and actively engage in basic saving practices. However, their knowledge of investment opportunities remains limited. Traditional options such as bank deposits and gold continue to dominate their preferences, while awareness of modern financial instruments is comparatively low.

Family influence plays a major role in shaping financial behavior, highlighting the importance of parental guidance in financial education. With increasing digital exposure and access to financial services, teenagers have the potential to become financially responsible individuals if provided with appropriate knowledge and guidance.

The study concludes that strengthening financial literacy among teenagers can contribute to better financial decision-making, higher savings, and improved investment participation in the future. Developing sound financial habits at an early age will not only benefit individuals but also contribute to the broader economic development of society.

### **REFERENCES**

- [1]. Agarwal, P., & Mazumder, S. (2018). Financial Behaviour among Youth in India. *Journal of Financial Studies*, 12(3), 45–58.
- [2]. Bhushan, P., & Medury, Y. (2013). Financial Literacy and Its Determinants. *International Journal of Engineering, Business and Enterprise Applications*, 4(2), 155–160.
- [3]. Kumar, R., & Gupta, S. (2020). Saving Behaviour of Young Adults in India. *Indian Journal of Economics and Development*, 16(2), 214–223.
- [4]. Lusardi, A., & Mitchell, O. S. (2014). The Economic Importance of Financial Literacy. *Journal of Economic Literature*, 52(1), 5–44.
- [5]. Mandell, L. (2008). Financial Literacy of High School Students. *Journal of Consumer Affairs*, 42(2), 261–278.

