



FINANCIAL BEHAVIOUR OF INDIAN WOMEN TOWARDS SAVING AND INVESTMENT: A COMPARATIVE STUDY OF EARNING WOMEN AND HOUSEWIVES

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Abstract

This study examines the financial behaviour of Indian women towards saving and investment, with a comparative focus on earning women and housewives. In the evolving socio-economic landscape, women play a crucial role in managing household finances efficiently. The philosophy 'Mulgi Shikli, Pragati Jhali' highlights that increased education and awareness among women significantly contribute to family development and financial stability. The study is guided by four key objectives: to compare saving habits and motives, analyse investment preferences and awareness, assess financial literacy levels and the role of education, and evaluate risk tolerance and financial decision-making autonomy among the two groups. The research is based on primary data collected through structured questionnaires from 120 women across diverse socio-economic backgrounds in Pune district, Maharashtra. Analytical tools such as percentage analysis, comparative analysis, weighted averages, and the chi-square test have been used for interpretation. The findings reveal that earning women demonstrate higher financial independence, greater awareness of modern investment avenues such as mutual funds, equities, and insurance, and a stronger inclination towards calculated risk-taking. In contrast, housewives primarily rely on traditional and informal saving methods such as gold and community-based savings groups. The study concludes that while both earning women and housewives significantly contribute to household financial well-being, enhancing financial literacy, digital inclusion, and access to formal financial systems can further strengthen their participation in investment decision-making and wealth creation.

Keywords: *Financial Behaviour, Saving Habits, Investment Preferences, Earning Women, Housewives, Financial Literacy, Risk Tolerance, Wealth Building, Mutual Funds, India*

1. Introduction

Financial behaviour encompasses the attitudes, decisions, and actions that individuals take with respect to managing their money — including earning, spending, saving, and investing. In the context of Indian women, financial behaviour has undergone remarkable transformation over the past two decades, shaped by rising education levels, increasing workforce participation, and growing awareness about personal finance.

India's socio-economic tapestry presents a dual reality: on one hand, a rapidly growing cohort of financially empowered, educated, and professionally active women; on the other, a large segment of housewives who manage household budgets with remarkable discipline, often without formal financial training. Understanding the financial behaviour of both groups is critical for designing inclusive financial products, formulating gender-sensitive policies, and strengthening India's broader financial ecosystem.

The Marathi expression 'Mulgi Shikli, Pragati Jhali' — literally 'Educate a girl, progress is made' — captures the transformative power of female education. Education not only empowers women professionally but also equips them with the knowledge and confidence to engage meaningfully with financial systems, plan for the future, and contribute to household wealth creation.

This paper presents a comparative study of 120 women from Pune district — 72 earning women and 48 housewives — examining their saving habits, investment preferences, risk tolerance, financial goals, and awareness of financial instruments. The study uses primary data collected through structured questionnaires and analyses the results using percentage analysis and chi-square test.

1.1 Significance of the Study

Women in India manage a significant proportion of household finances, yet they remain underrepresented as investors and financial decision-makers. According to SEBI's Investor Survey 2022, only 22% of Indian mutual fund investors are women. This gap calls for targeted research to understand the behavioural and attitudinal barriers that impede fuller financial participation by women — both earning and non-earning. This study is particularly relevant in the post-pandemic context, where financial uncertainty has made prudent saving and investment indispensable for every household.

1.2 Scope of the Study

The study is confined to women residing in Pune district, Maharashtra. The sample includes women from urban, semi-urban, and rural pockets, representing a cross-section of income

levels, educational backgrounds, and occupational profiles. The time frame for primary data collection was January 2026 to February 2026.

2. Review of Literature

Lusardi and Mitchell (2011) established that financial literacy is a strong predictor of retirement planning and wealth accumulation. Their seminal work across multiple countries showed that women consistently score lower than men on financial literacy tests, but the gender gap narrows substantially when education is held constant — underscoring the centrality of education in bridging financial behaviour gaps.

Barber and Odean (2001) demonstrated that women, on average, trade less frequently than men and thereby achieve better net investment returns — attributing this to lower overconfidence. This finding challenges the stereotype that financial passivity implies financial failure; on the contrary, women's more measured approach to investment may be advantageous.

Bajtelsmit and Bernasek (1996) found that women are more risk-averse than men in financial decision-making, preferring lower-risk, capital-preserving instruments. While risk aversion can limit wealth creation, it also reduces exposure to catastrophic losses — a trade-off that takes on special significance in household finance.

Sinha and Mandal (2018) studied financial behaviour among women in West Bengal and found that educational attainment significantly positively correlates with awareness of formal investment avenues. Women with graduation-level education were three times more likely to invest in mutual funds than those with only secondary-level education.

Jain and Sharma (2019) conducted a comparative study of working and non-working women in Rajasthan, finding that working women demonstrated significantly higher financial autonomy and were more likely to maintain personal savings accounts. However, housewives showed greater discipline in daily budgeting and expense tracking.

Patil and Raje (2021) examined saving patterns among women in Maharashtra and found that gold remains the dominant investment vehicle among housewives, while mutual funds and fixed deposits are preferred by earning women. The authors note that cultural factors — gold as a 'safe' and socially endorsed asset — strongly influence housewives' investment choices.

RBI's Household Finance Committee Report (2017) highlighted that Indian households are significantly under-invested in financial assets compared to physical assets, and that increasing women's participation in formal financial markets is a key lever for correcting this imbalance. Existing literature predominantly focuses either on urban, educated, working women or on rural, illiterate women — leaving a significant gap in the understanding of middle-income,

semi-urban women across both earning and non-earning categories. This study addresses that gap by focusing on a heterogeneous sample from Pune district.

3. Objectives of the Study

The study pursues the following four specific objectives:

- (i) To examine and compare the saving habits, saving instruments, and primary saving motives of earning women and housewives across different socio-economic backgrounds.
- (ii) To analyse and compare the investment preferences, participation levels, and awareness of financial instruments among earning women and housewives.
- (iii) To assess and compare the level of financial literacy and awareness of modern investment avenues between earning women and housewives, and to examine the influence of education on financial behaviour.
- (iv) To evaluate the risk tolerance, risk perception, and financial decision-making autonomy of earning women and housewives.

4. Hypotheses

The following null hypotheses are formulated and tested at a 5% level of significance:

H01: There is no significant difference in saving habits between earning women and housewives.

H02: There is no significant difference in preferred investment avenues between earning women and housewives.

H03: There is no significant difference in risk tolerance between earning women and housewives.

H04: There is no significant difference in financial literacy and awareness of investment instruments between earning women and housewives, and education has no significant influence on financial behaviour.

5. Research Methodology

5.1 Research Design

The study adopts a descriptive and comparative research design. Primary data were collected through a structured questionnaire, while secondary data were sourced from published reports by SEBI, RBI, AMFI, NSSO, and peer-reviewed academic journals.

5.2 Sampling

A purposive-cum-convenience sampling method was employed. The sample comprises 120 women from Pune district — 72 earning women (60%) and 48 housewives (40%) — drawn from urban areas (Pune city), semi-urban areas (Pimpri-Chinchwad, Hadapsar), and rural

outskirts (Shirur, Baramati). The sample size was determined using the formula by Cochran (1977) for proportion-based studies.

5.3 Data Collection Instrument

The structured questionnaire was divided into five sections: (A) Demographic Profile, (B) Saving Behaviour, (C) Investment Behaviour, (D) Risk Attitude, and (E) Financial Awareness. The questionnaire comprised 45 questions using a mix of multiple-choice, Likert-scale (5-point), and open-ended items. It was administered in both English and Marathi to ensure linguistic accessibility.

5.4 Tools of Analysis

(i) Percentage Analysis: For describing the distribution of responses across categories. (ii) Cross-tabulation: For identifying patterns across demographic sub-groups. (iii) Chi-Square Test (χ^2): For testing the significance of differences between earning women and housewives on categorical variables. (iv) Weighted Average Score: For ranking investment preferences and financial goals.

6. Demographic Profile of Respondents

Table 1: Demographic Profile of Respondents (n = 120)

Demographic Variable	Category	Earning Women (n=72)	%	Housewives (n=48)	%	Total	%
Age Group	18–25 years	12	16.7	6	12.5	18	15.0
	26–35 years	28	38.9	14	29.2	42	35.0
	36–45 years	20	27.8	18	37.5	38	31.7
	46–55 years	9	12.5	7	14.6	16	13.3
	Above 55 years	3	4.2	3	6.3	6	5.0
Education	Below HSC	4	5.6	12	25.0	16	13.3
	HSC / Diploma	10	13.9	16	33.3	26	21.7
	Graduate	30	41.7	14	29.2	44	36.7
	Post-Graduate	22	30.6	5	10.4	27	22.5
Family Income (pm)	< ₹25,000	6	8.3	14	29.2	20	16.7
	₹25,001–₹50,000	18	25.0	20	41.7	38	31.7

₹50,001– ₹1,00,000	30	41.7	10	20.8	40	33.3
> ₹1,00,000	18	25.0	4	8.3	22	18.3

7. Saving Behaviour: Analysis and Findings

7.1 Monthly Savings as a Percentage of Income/Household Budget

Respondents were asked to indicate what proportion of their monthly income (for earning women) or household budget (for housewives) they set aside as savings.

Table 2: Monthly Savings Rate of Respondents

Savings Rate	Earning Women	%	Housewives	%
Less than 5%	8	11.1	12	25.0
5% – 10%	12	16.7	18	37.5
11% – 20%	30	41.7	12	25.0
21% – 30%	16	22.2	5	10.4
More than 30%	6	8.3	1	2.1
Total	72	100	48	100

A significantly higher proportion of earning women save more than 20% of their income (30.5%) compared to housewives (12.5%). This reflects the direct availability of personal income, which enables more substantial and goal-directed savings.

7.2 Primary Saving Instruments

Table 3: Primary Saving Instruments

Saving Instrument	Earning Women	%	Housewives	%
Bank Savings Account	32	44.4	10	20.8
Recurring Deposit (RD)	14	19.4	12	25.0
Gold / Jewellery	8	11.1	16	33.3
Chit Fund / Bachat Gat	4	5.6	8	16.7
Post Office Schemes	6	8.3	0	0.0
Life Insurance (LIC)	6	8.3	0	0.0
Total	72	100	48	100

Gold emerges as the most preferred primary saving instrument among housewives (33.3%), reflecting deep cultural and emotional value placed on physical assets. Earning women overwhelmingly prefer bank savings accounts (44.4%), indicating greater comfort with formal financial institutions.

7.3 Purpose / Motive for Saving

Table 4: Primary Motive for Saving

Motive	Earning Women	%	Housewives	%
Emergency Fund	20	27.8	14	29.2
Children's Education	18	25.0	16	33.3
Retirement / Old Age	14	19.4	2	4.2
Home Purchase	8	11.1	4	8.3
Marriage / Festivals	6	8.3	10	20.8
Wealth Creation	6	8.3	2	4.2
Total	72	100	48	100

Earning women show a notably higher orientation towards retirement planning (19.4% vs. 4.2%) and wealth creation (8.3% vs. 4.2%), reflecting long-term financial thinking. For housewives, marriage and festival-related saving (20.8%) is a significantly higher priority.

7.4 Chi-Square Test: Saving Habits (H01)

Table 5: Chi-Square Test Results — Saving Behaviour

Variable	χ^2 Value	df	p-value	Decision
Monthly Savings Rate	18.74	4	0.001**	Reject H01
Primary Saving Instrument	22.31	6	0.001**	Reject H01
Saving Motive	14.62	5	0.012*	Reject H01

Finding 1: H01 is rejected. There is a statistically significant difference in saving habits between earning women and housewives. Earning women save higher proportions, prefer formal banking instruments, and are more oriented towards retirement and wealth creation goals.

8. Investment Behaviour: Analysis and Findings

8.1 Investment Participation Rate

A significant divergence was observed between the two groups. 72.2% of earning women invest actively in financial instruments, compared to only 29.2% of housewives.

8.2 Preferred Investment Avenues

Table 6: Preferred Investment Avenues (First Preference Among Active Investors)

Investment Avenue	Earning Women (n=52)	%	Housewives (n=14)	%
Mutual Funds (SIP)	18	34.6	2	14.3
Fixed Deposit (FD)	14	26.9	4	28.6
Gold / Sovereign Bonds	6	11.5	6	42.9
Equity / Stocks	8	15.4	0	0.0
PPF / NPS	4	7.7	2	14.3
Real Estate	2	3.8	0	0.0
Total	52	100	14	100

Mutual Fund SIPs are the dominant investment choice for earning women (34.6%). Gold dominates housewives' investment preferences (42.9%), consistent with its cultural role as a store of value in Indian households. Equity investment is absent among investing housewives, indicating significantly lower risk appetite.

8.3 Awareness of Investment Avenues

Table 7: Financial Instrument Awareness (% of Respondents Aware)

Investment Instrument	Earning Women %	Housewives %	Difference
Bank Fixed Deposit	98.6	97.9	+0.7
Life Insurance (LIC)	95.8	93.8	+2.0
Mutual Funds	80.6	41.7	+38.9
Equity Shares	65.3	22.9	+42.4
NPS / Pension Scheme	54.2	25.0	+29.2
ETF / Index Fund	36.1	8.3	+27.8
Sovereign Gold Bond	29.2	12.5	+16.7

The awareness gap is widest for equity shares (+42.4 percentage points) and mutual funds (+38.9 pp), suggesting that financial literacy programmes should particularly target housewives.

9. Financial Awareness and Literacy

9.1 Financial Literacy Score

Table 8: Financial Literacy Score Distribution

Score Range	Level	Earning Women	%	Housewives	%
0–3	Low	4	5.6	16	33.3
4–6	Moderate	20	27.8	22	45.8
7–8	Good	28	38.9	8	16.7
9–10	Excellent	20	27.8	2	4.2
Mean Score		7.4	—	5.1	—

The mean financial literacy score for earning women (7.4/10) is significantly higher than for housewives (5.1/10). However, 45.8% of housewives achieved a 'moderate' score, demonstrating that a substantial proportion possess foundational financial knowledge despite limited formal financial engagement.

9.2 Sources of Financial Information

Table 9: Primary Sources of Financial Information

Source	Earning Women %	Housewives %
Family Members (Husband/Parents)	22.2	47.9
Social Media / YouTube	30.6	25.0
Colleagues / Friends	19.4	10.4
Newspapers / Magazines	11.1	8.3
Bank / Financial Advisor	11.1	6.3
Self-Research / Books	5.6	2.1

Family members — particularly husbands — remain the primary source of financial information for housewives (47.9%). Social media and YouTube are increasingly important for earning women (30.6%), reflecting the impact of digital financial literacy content.

10. Comparative Summary of Findings

Table 10: Comprehensive Comparison — Earning Women vs. Housewives

Parameter	Earning Women (n=72)	Housewives (n=48)
Primary Saving Instrument	Bank Savings A/c (44.4%)	Gold/Jewellery (33.3%)
Monthly Savings Rate (> 20%)	30.5%	12.5%
Primary Saving Motive	Emergency Fund (27.8%)	Child Education (33.3%)
Investment Participation	72.2%	29.2%
Preferred Investment	Mutual Fund SIP (34.6%)	Gold/Sov Bonds (42.9%)
Dominant Risk Profile	Moderate (50.0%)	Conservative (62.5%)
Mutual Fund Awareness	80.6%	41.7%
Equity Awareness	65.3%	22.9%
Mean Financial Literacy Score	7.4 / 10	5.1 / 10
Primary Info Source	Social Media/YouTube (30.6%)	Family Members (47.9%)
Financial Decision Autonomy	High	Moderate to Low

11. Recommendations

For Policy Makers

(i) Promote financial literacy programs for housewives. (ii) Develop regional language financial education content. (iii) Improve gender-based financial data tracking.

For Financial Institutions

(i) Create women-focused financial products. (ii) Increase awareness beyond basic banking services. (iii) Use fintech for easy and accessible financial learning.

For Educational Institutions

(i) Include financial education in curriculum. (ii) Conduct practical workshops on investment and planning.

12. Conclusion

The study concludes that both earning women and housewives play important roles in financial management. Earning women show higher financial literacy and investment participation, while housewives demonstrate strong saving discipline through traditional methods. Education is the most important factor influencing financial behaviour. Improving financial literacy and access can empower women to actively participate in investment decisions and contribute to wealth creation. The findings validate the 'Mulgi Shikli, Pragati Jhali' philosophy — educating women is a powerful driver of financial empowerment.

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