



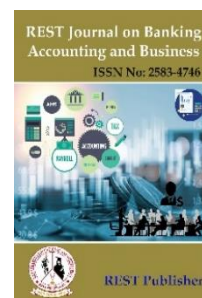
REST Journal on Banking, Accounting and Business

Vol: 3(2), 2024 (Online)

REST Publisher; ISBN: 978-81-956353-0-6

Website: <https://restpublisher.com/journals/jbab/>

DOI: <https://doi.org/10.46632/jbab/3/2/18>



A Study on Middle Class People Habits in Indian Banking with Rrrefffernce to ICICI

* Sidhenti Manusha, S. Malla Reddy

Aristotle PG College, Hyderabad, Telangana, India.

*Corresponding Author Email: manushagoud4@gmail.com

Abstract: In today's competitive world, a lot of investment alternatives in banking are being provided by both public sector and private sector financial institutions. But we have no idea about how much people are aware of these opportunities and able to access those services especially in rural villages. This study also facilitates to analyse various guiding factors for making a good banking decision. The aim of this study is to examine the behaviour of the middle-income class people in ICICI bank and also to identify various factors influencing their banking decisions. So analyzing and evaluating various guiding factors that influences their behaviour of middle class people.

Keywords: investment, financial institutions, banking decisions, middle class people

1. INTRODUCTION

Middle class - it is the stratum that builds our economy and resiliently works towards having a safe and secure future. It has always been considered as the backbone of any economy, and plays a crucial role in India's growth and development. According to a report titled 'The Unprecedented Expansion of the Global Middle Class', India's middleclass market is growing at an impressive pace and will soon overtake US to become the second-largest in the world. But who are these middle-class people? They enjoy the luxuries of life from time to time, but strive to build their family without worrying. Most average middle-class homes in India enjoy the comfort of a private vehicle, live in residential complexes and seldom splurge on things. Investments for these middle-class folks becomes an extremely crucial aspect of earning. Whether it is planning for the short-term goals of buying a better car or saving for their retirement, financial planning plays a critical role in their lives. While the average income of a middle-class household has been consistently increasing, the means of investments are somewhat still the same.

2. REVIEW OF LITERATURE

1) SEBI – NCAER (2000) study found that households' investment in Shares and Debentures and in Mutual Funds ranges from 7% to 9%. Majority of the equity investor's household's portfolio was found to be undiversified and relatively small value of less than Rs. 25,000. It also found that one set of households, in spite of their lower income and lower penetration level income and higher penetration level of consumer durables do not have investments in the securities market.

Objectives of the Study

- To learn investing habits of the middle people in ICICI Bank.
- To study the extent of banking knowledge among the middle-class people in ICICI Bank.
- To know whether there has been any increase in their savings or not in ICICI Bank.

3. RESEARCH METHODOLOGY

The study is both descriptive and analytical in nature. It is a blend of primary data and secondary data. The primary data has been collected personally by approaching the online share traders who are engaged in middle class people habits in Indian Banking. The data are collected with a carefully prepared questionnaire. The secondary data has been collected from the books, journals and websites which deal with middle class people habits in Indian Banking.

Source of data

Primary Sources: The primary data was collected through structured unbiased questionnaire and personal interviews of investors. For this purpose questionnaire included were both open ended & close ended & multiple-choice questions.

Secondary method: The secondary data collection method includes:

- Websites
- Journals
- Text books

Sample Size: 100 respondents

Statistical Tools: MS-excel and SPSS are used to analyze the data.

4. LIMITATIONS OF THE STUDY

- The major limitation faced by us while conducting this research was the reluctant attitude of respondents while disclosing information which they considered as confidential / sensitive.
- The study is also confronted with the limitation of time and sample size.

MIDDLE CLASS PEOPLE HABITS IN INDIAN BANKING SYSTEM DATA ANALYSIS

AGE	NO. OF RESPONDENTS	PERCENTAGE
20-24	40	40%
25-29	25	25%
30-34	22	22%
Above 35	13	13%
TOTAL	100	100%

The profile of the respondents based on age

INTERPRETATION:

From the above table it is clear that 40% of the respondents are aged between 20 and 24, 25% between 25 and 29, 22% between 30 and 34 and only 13% aged above 35 years.

The Annual Income Group Of Respondents

INCOME GROUP	NO. OF RESPONDENTS	PERCENTAGE
Less Than 4,00,000	49	49%
4,00,001 – 6,00,000	17	17%
6,00,001-8,00,000	19	19%
More Than 8,00,000	15	15%
TOTAL	100	100%

INTERPRETATION:

From the above table it is clear that 49% of the respondents had an annual income of lesser than 4,00,000, 19% had income between 6,00,001-8,00,000, 15% earned more than 8,00,000 per annum and 17% had income between 4,00,001-6,00,000.

Faced saving problems?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	80	80%
No	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above table it is clear that out of 100 respondents 80% of the people faces the saving problem and remaining 20% of the people didn't faced problem in saving. **DO YOU HAVE CREDIT CARD?**

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	80	80%
No	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above table it is clear that out of 100 respondents 80% of the people are having the credit card and remaining 20% of the people doesn't have the credit cards

DO YOU HAVE LOANS REQUIREMENT?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	80	80%
No	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above analysis it is clear that out of 100 respondents 80% of the people have the loan requirements and remaining 20% people doesn't have the loan requirements.

From Where Do You Like to Save Money?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Private bank	80	80%
Nationalize banks	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above analysis it is clear that out of 100 respondents 80% of the people like to save in private banks and remaining 20% people doesn't like to save in private banks as they prefer nationalized banks.

Which banks facility you like more?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Private bank	80	80%
Nationalize banks	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above analysis it is clear that out of 100 respondents 80% of the people like facilities in private banks and remaining 20% people doesn't like facilities in private banks as they prefer nationalized banks.

Is central banking system beneficial for you?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	80	80%
No	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above analysis it is clear that out of 100 respondents 80% of the people get beneficial by central banking and remaining 20% people doesn't get beneficial by central banking.

Do you use internet banking?

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	80	80%
No	20	20%
TOTAL	100	100%

INTERPRETATION:

From the above analysis it is clear that out of 100 respondents 80% of the people use the internet banking and remaining 20% people doesn't use internet banking

5. FINDINGS

- From the above analysis it is clear that 40% of the respondents are aged between 20 and 24, 25% between 25 and 29, 22% between 30 and 34 and only 13% aged above 35 years, and 49% of the respondents had an annual income of lesser than 4,00,000, 19% had income between 6,00,001-8,00,000, 15% earned more than 8,00,000 per annum and 17% had income between 4,00,001-6,00,000.
- It is also found that out of 100 respondents 80% of the people faces the saving problem and remaining 20% of the people didn't faced problem in saving and out of 100 respondents 80% of the people are having the credit card and remaining 20% of the people doesn't have the credit cards
- From the above analysis we found that out of 100 respondents 80% of the people have the loan requirements and remaining 20% people doesn't have the loan requirements, and out of 100 respondents 80% of the people like to save in private banks and remaining 20% people doesn't like to save in private banks as they prefer nationalized banks.
- We found that out of 100 respondents 80% of the people like facilities in private banks and remaining 20% people doesn't like facilities in private banks as they prefer nationalized banks. From the analysis it is clear that out of 100 respondents 80% of the people use the internet banking and remaining 20% people doesn't use internet banking.
- From the above analysis it is clear that out of 100 respondents 80% of the people use the internet banking and remaining 20% people doesn't use internet banking

6. SUGGESTIONS

Before investing anywhere, one needs to consider some factors that may help to choose the best and most beneficial savings plan and most suited for their family need. The middle-class people need to get adequate knowledge about the various financial instruments, so the awareness to be brought even in the rural areas too. The middle-class people need to know the investing strategy to become a successful investor

7. CONCLUSION

The savings and investment pattern of the middle-class people households savings account can be found in oldest age categories. Overall, the bank deposits & insurance are the most preferred investment instruments in all the income groups. It was found that majority of the respondents said that they look for high returns while investing in any instrument. There is also a need for increasing the financial literacy of the middle-class income households.

REFERENCES

- [1]. Ali, Azwadi. The Mediating Role of Attitudes in Trading Companies Shares. *Journal of Global Business and Economics*. 3(1); 2011: 57-73.
- [2]. Ajmi Jy. A. Risk Tolerance of Individual Investors in Emerging Markets. *International Study Journal of Finance and Economics*. 17; 2008:15-26.
- [3]. Arangasami, A. A study of small savings schemes in Tamil Nadu with special reference to Madras District during 1981-82 to 1990-91. Unpublished thesis, University of Madras, Tamilnadu, India. 1992.
- [4]. AMFI. Financial Markets Review. Financial Technologies Management Company, India. 2009.