



## An analysis of saving and spending habit of college teachers with special reference to thrissur district

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### Abstract

Saving and spending are two sides of a particular coin. Both savings and spending are closely interrelated. Human wants are unlimited. When one want is fulfilled then another want will arise. In early years people spend more on unnecessary items than the necessary items. The study is conducted in Thrissur town area. The aim of the study is to analyse the saving and spending habit among college teachers in Thrissur District. Savings by means sacrificing of present consumption for future benefit, these savings are the investment in the market, but today when we look into the market the percentage of savings is very low. Decreased savings by means increased spending, people are spending more than they save.

**Keywords:** saving, spending, college teachers, consumption, investment

### 1. Introduction

Thrissur is a cultural capital of Kerala with the cultural shift the habit of the individual has been changed significantly. As the cultural deviation from one place to another place influence individual spending behaviour. In older days the peoples in Thrissur, they save their income for future uncertainty. They have more saving opportunity like bank deposit, post office deposit, insurance, chitties, and kuries etc. In olden days the people mainly concentrate on saving habit. But today, as apart of modernization a lot of changes occur in Thrissur. Spending and saving opportunities are also changed. The advent of mall culture the spending and saving habit of college professors have changed over the year. Now in Thrissur many saving opportunities also increased like share market, mutual fund, etc.

Through the rapid technological development, the spending habit of Kerala is also increased. They give more importance to spending rather than savings they prefer consuming that product by other states. Therefor Kerala is called consumer state. Malayalies invest their savings more on gold and the NBFSSs. They do not want to involve in the capital market. But we can see a change in the young Malayalees by investing their money in the stock market. The development in Kerala in the last decade has increased the newly rich and the middle class and left them with more to spend. Majority of young Malayalees are financially dependent on their parents, there is a huge difference in their spending habit. It is observed that this class spend huge money on clothes and self-accessories, self-grooming and gifts but surprisingly save money too.

### Review of Literature

Hanset all (2012) It is noted that both male and female college professors have different spending pattern with a slight similarity. Thus this study is healthy insight for the marketing professionals focusing their brand inventions for the college professors as their target market. Chaturvedi and Khare (2012) in this "Study of Saving Pattern and

Investment Preferences of Individual Household in India" they find that two key aspects of investment are preferences and pattern. A benefit is expected in the future and tends to be uncertain. In some investments (like stock options) risk element is the dominant attribute while in some investment (like govt. bonds) time is the dominant attribute. There are various factors which affect investors' portfolio such as annual income, government policy, natural calamities, economical changes, etc. The Hindu(2013) A survey conducted by assocham on the buying trend among the college professors in Delhi, Mumbai, Kolkata, Bangalore, Chennai, Hyderabad, Lucknow, Ahmedabad, Jaipur and Chandigarh revealed that the consumptions of branded cosmetics have gone up by about 65 % in the past 10 years to over 58% of college professors said their expenses on cosmetics are 75%. Assocham secretary general d.srawat said a major reason for the increased spending on cosmetics now was, the increased participation of women in employment basket. Secondly, he said, massive Advertising in both electronic and print media has influenced the customers and their allocation of monthly expenses towards this article. Hindustan Times-Mars college professors survey( 2016) According to Hindustan times- mars college professors survey 2016, there is a significant increase in the number of youngsters who are spending more than what they earn. Chennai college professors spends the most on looking goods more than 22.8% of urban college professors spent more than their monthly income. This spendthrift figure is up from 14.5% from the previous year. Mumbai, however, scored well above the rest when it came to most other categories. 69.5% Mumbaikars said they sometimes purchased unaffordable items (Bangalorean new Delhi came a close second with about 66% in both cases)

### Objectives

1. To know the saving and spending status of college professors.
2. To know the relation between gender and spending habit among college professors.

**Research Methodology**

Descriptive type of research is followed by this study. Convenient sampling method is adopted. Sample size is 100 College professors from different colleges in Thrissur District. Percentage analysis and Chai-square test is used for this study.

**Data Analysis and Interpretation**

**Objective 1:** To know the saving and spending status of college teachers.

**Table 1:** Saving and Spending Status Of College Teachers.

Particulars	No. of respondents	Percentage
Spending > saving	52	52%
Spending = saving	28	28%
Spending < saving	20	20%
Total	100	100%

Source: primary data

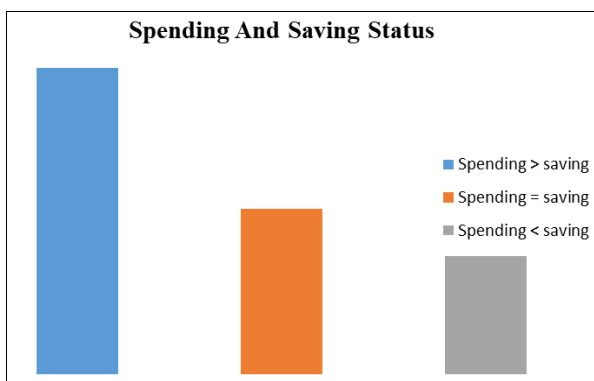


Fig 1

Majority of the respondents spending is greater than savings. 28 percent of the respondents spending equal to saving. 20 percent of the respondents spending is less than saving.

**Objective 2:** To know the relation between gender and spending habit among college professors.

**H0:** There is an association between gender and spending habit

**H1:** There is no association between gender and spending habit

**Table 2:** Association between Gender and Spending Habit

Gender	Spending				Total
	Up to 25%	25%-50%	50%-75%	Above 75%	
Male	7	20	33	9	69
Female	10	12	6	3	31
Total	17	32	39	12	100

(Source: primary data) Calculation:

**Table 3:** Computation of Association between Gender and Spending Habit

Observed frequency	Expected frequency	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
7	12	-5	25	2.08
20	22	-2	4	.18
33	27	6	36	1.33
9	8	1	1	.125
10	5	5	25	5
12	10	2	4	.4
9	16	-7	49	3.06
Calculated value				12.175

Degree of freedom = (r-1) (c-1), α = (2-1) (4-1), 0.05 = 7.815

**Calculated value= 0.94**

Calculated value > Table value

Reject the H<sub>0</sub> that means there is an association between gender and spending habit

**Findings**

Respondents spending is greater than saving most of the respondents spend 50-75% of their income. 52% of college professors spending habit is greater than saving habit. The chi-square test proved that there is no significant difference between gender and spending habit among college professors. Objectives of saving are future safety, maintain emergency fund, aims to be debt free, investing any surplus fund, set concrete goal and to refine spending habit.

**Conclusion**

With the revolution in technological development, the spending and saving of college professors changed significantly while conducting the study in Thrissur we can understand that college professor's spending is highly influenced by income. They spend a large portion of their income on entertainment, cloth, electronics and food. College professor's saving decision influenced more by family, relatives. Increased cost of living and low income has minimized the savings of them. Here the college professors consider spending rather than saving. More of them save their income for future safety. Expecting a regular return, they put their savings into investment. Bank has topmost importance. College professors do not interest in the unorganized money market. Most of the college professors in this area is not highly aware of the capital market most of them are satisfied with their current saving habit.

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