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AN EMPIRICAL STUDY ON SAVINGS PATTERN & FINANCIAL BEHAVIOUR OF RURAL HOUSEHOLDS IN PATNA

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ABSTRACT
This empirical study investigates the savings patterns and financial behaviour of rural households in Patna, Bihar, to understand the interplay between socio-economic factors and access to financial services. Patna, marked by a blend of rural livelihoods and urban transitions, presents a unique context where traditional financial habits meet emerging digital and institutional financial tools. The primary aim of the study is to analyze the influence of socio-economic variables such as income, education, occupation, and cultural attitudes on rural savings behaviour, and to examine how access to financial services—particularly banking, credit, and digital platforms—impacts financial decisions. A structured questionnaire was administered to a sample of 150 rural households. Data was analyzed using regression models, ANOVA, and reliability testing, ensuring statistical rigor and consistency. Results revealed a significant positive correlation between income, the perceived importance of saving, and cultural influences on savings regularity. Furthermore, banking usage, access to credit, and digital confidence were found to significantly enhance financial behaviour, while service accessibility showed no substantial impact. The findings underscore the need for targeted financial literacy programs and infrastructural support to increase formal financial participation. Despite ongoing government initiatives, many rural households still rely on informal saving mechanisms, reflecting trust issues and limited-service reach. The study highlights a gap between policy and practice and suggests that a more localized and behaviorally informed approach to financial inclusion is essential. In conclusion, empowering rural households through financial education and technology integration can significantly improve savings behaviour and contribute to broader economic resilience.

KEYWORDS: Rural Households, Financial Behaviour, Savings Pattern, Socio-economic Factors, Financial Services Access.

INTRODUCTION

The financial behaviour and savings patterns of rural households play a critical role in shaping the economic development of a region. Rural households, particularly in developing countries like India, often face unique challenges related to income instability, limited access to formal financial services, and varying levels of financial literacy. Understanding how rural families save, manage their finances, and respond to economic opportunities is crucial for designing effective financial inclusion policies and poverty alleviation programs. Patna, the capital city of Bihar, represents a significant rural-urban interface where many households still engage primarily in agricultural and allied activities while being influenced by increasing urbanization and economic shifts. Rural households in Patna typically depend on irregular income sources such as farming, daily wage labor, and small-scale enterprises. This irregularity in income generation influences their saving habits and financial decisions. Moreover, cultural factors, traditional attitudes towards money management, and limited financial infrastructure impact how these households plan for the future, invest, and safeguard against financial shocks. Despite various government schemes aimed at promoting savings and financial literacy among rural populations, the adoption of formal saving instruments such as bank accounts, insurance, and investment plans remains relatively low. Many rural households still prefer informal savings methods, such as saving cash at home or lending within community groups, which may not offer security or interest benefits. This behaviour raises questions about the effectiveness of financial inclusion efforts and the barriers that rural households face in integrating into the formal financial system. The complexity of rural financial behaviour is further intensified by socio-economic variables such as education level, family size, occupation, and access to banking infrastructure. These factors collectively influence not only how much rural households save but also the purpose of their savings—whether for daily consumption, emergencies, education, healthcare, or future investments. A thorough empirical investigation is necessary to understand these dynamics in Patna's rural setting, especially given the state's socio-economic challenges, which include high poverty rates and limited industrialization. The research problem addressed in this study centers on the gap in detailed empirical data regarding how rural households in Patna save and manage their finances. While there is some data at the national and state levels, localized insights specific to Patna's rural areas are scarce. This absence hinders policymakers and financial institutions from tailoring financial products and educational programs that meet the actual needs of rural populations. Additionally, there is limited understanding of how external factors such as government schemes, microfinance initiatives, and digital financial services impact the savings patterns and financial behaviour of these households. Furthermore, the growing penetration of technology and mobile banking in rural India offers new opportunities and challenges. While these innovations have the potential to improve financial access, their adoption and usage patterns vary widely among rural populations. Exploring the extent to which rural households in Patna engage with digital financial services and how these services influence their saving behaviour is another key aspect of this research. By identifying the challenges and gaps in existing knowledge about rural households' savings and financial behaviour in Patna, this study seeks to contribute a localized, empirical understanding that can support more effective financial inclusion strategies. The research investigates how socio-economic factors and access to formal financial services shape savings patterns, while also exploring the influence of emerging digital financial tools. To achieve these goals, this study is guided by the following objectives:

- To analyze socio-economic factors influencing rural households' savings patterns in Patna.
- To examine the impact of access to financial services on the financial behaviour of rural households.

1.1 Savings Patterns in Rural Households:

Rural households in India exhibit diverse savings patterns, influenced by socio-economic conditions, income stability, and access to financial services. While formal and informal savings methods coexist, they vary in popularity based on factors like literacy, income, and the availability of financial institutions.

Types of Savings Methods:

1.Formal Savings (Banks/Post Offices): Many rural households engage in formal savings through banks and post offices, even though access to these institutions is limited in some areas. These institutions are considered safe and reliable, particularly for long-term savings. Despite challenges such as poor infrastructure, formal savings are seen as a secure way to store funds for the future.

2.Informal Savings (Self-help Groups, Chit Funds): Informal savings methods are quite popular in rural areas, with self-help groups (SHGs), chit funds, and community-based savings schemes being common. These methods operate within tight-knit communities, offering not only financial but also social support, which is a vital factor in rural savings behavior. SHGs, in particular, have proven effective in fostering financial inclusion and building a culture of saving among low-income households.

3.Cash Holdings: In areas where banking infrastructure is either unavailable or distrusted, many rural households prefer holding cash at home. This practice, though risky, remains common due to low financial literacy or in regions where banks are far away. The lack of understanding of formal savings options further encourages this method.

Frequency of Savings:

1.Regular vs. Irregular Saving: Rural households tend to save on an irregular basis, mainly due to fluctuating incomes. Agricultural households are particularly affected by this, as their income is tied to seasonal cycles. For instance, households save more during harvest seasons when income peaks but may struggle to save during off-seasons when incomes dip.

2.Impact of Crop Failures or Economic Shocks: Factors such as crop failures, adverse weather conditions, and economic crises can severely disrupt savings patterns. In the face of these shocks, many households either temporarily stop saving or dip into their savings to meet immediate needs.

1.2 Financial Behavior in Rural Households:

Financial behavior in rural households is heavily influenced by access to financial services, the use of digital finance, and credit usage patterns. These factors shape how rural households manage their finances, save, invest, and borrow. Understanding these behaviors is crucial for designing interventions that can improve financial inclusion and enhance economic stability.

Access to Financial Services:

The level of access to formal financial institutions plays a critical role in shaping financial behavior in rural households. In many rural areas, banking infrastructure is either underdeveloped or insufficient, making it difficult for households to access financial products such as savings accounts, loans, and insurance. This lack of access results in reliance on informal financial systems, such as community lending groups or personal savings. However, efforts by the government and NGOs to promote financial literacy and expand banking infrastructure have made a significant impact. Initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY), which aims to increase financial inclusion, have expanded access to formal financial services, especially for underserved populations. Additionally, financial literacy campaigns help rural households understand the benefits of using formal institutions, improving their financial behaviors over time.

Use of Digital Finance:

Digital finance has emerged as a game changer in rural areas, particularly where mobile network coverage is strong. The adoption of mobile banking, Unified Payments Interface (UPI), and other digital financial services has surged, enabling rural households to engage in financial activities such as saving, transferring money, and paying bills with greater ease. The push towards digital financial services, fueled by government initiatives like PMJDY, has made financial services more accessible, reducing dependency on physical banking infrastructure. Digital finance offers convenience and safety, which is particularly important in rural areas where traditional banking services may be hard to come by.

Credit Usage

Credit usage in rural households often depends on informal channels due to limited access to formal credit facilities. Many rural households turn to moneylenders, relatives, or community lending groups for short-term loans, as these sources are more accessible and have fewer formalities compared to banks or microfinance institutions (MFIs). Although MFIs and self-help groups (SHGs) have improved access to formal credit, informal lending practices continue to dominate due to ease of access and flexibility. Many rural borrowers prefer informal credit because they do not require extensive documentation or credit history, making them more attractive to low-income households.

In summary, the financial behavior of rural households is shaped by access to financial services, the growing use of digital finance, and reliance on informal credit sources. Expanding access to formal financial institutions, improving financial literacy, and encouraging the use of digital platforms can help shift rural households toward more formal financial behaviors, promoting long-term economic security and financial inclusion.

Table 1. Key Challenges in Savings and Financial Behavior

Key Challenge	Description
Lack of Trust in Formal Institutions	Many rural households prefer saving through informal methods due to a lack of trust in formal institutions. This issue is exacerbated by historical bank fraud cases and low literacy levels.
Irregular Income	Agricultural households face income variability due to factors like weather conditions, market prices, and crop failures. This unpredictability makes regular saving difficult, leading to savings only when possible.
Cultural Barriers	While saving is encouraged, cultural practices often lead to savings being used for social purposes. This limits the ability to accumulate wealth for long-term goals, as savings are often directed to immediate consumption needs.
Financial Literacy	Low financial literacy levels in rural areas act as a significant barrier. Many households are unaware of the advantages of savings accounts, insurance, and pension schemes. Financial education can help shift this towards better financial planning.

This table highlights the main challenges that rural households face in terms of savings and financial behavior. Addressing these issues could promote better financial inclusion and long-term economic security in rural communities.

REVIEW OF LITRATURE

Mukesh Kumar Mishra (2025) examines financial literacy and retirement planning trends in Saharsa district, Bihar. The study reveals a significant gap in financial literacy, particularly in retirement and estate planning, despite the introduction of financial inclusion schemes like PMJDY (Mukesh & Mishra, 2025). Factors such as socio-economic status and behavioral tendencies influence saving and investment decisions. The research highlights the importance of improving financial literacy to support rural households' financial inclusion and better retirement planning. While it focuses on Saharsa, the findings may not fully address financial literacy patterns in other regions of Bihar or India. Raj and Dharmaraj (2024) examine the savings and investment behavior of rural households in India, focusing on factors such as age, education, financial status, and occupation. The study reveals that most respondents have lower earning potential and save only a small portion of their income (Raj & Dharmaraj, 2024). Despite the variety of investment options available, there is a lack of awareness among rural households about these opportunities. The study uses a questionnaire and data analysis techniques like simple percentages and chi-square tests to assess investment preferences and awareness, based on a sample of 300 rural households from Ernakulam District. Dr. C. Yasodha (2022) explores the savings and investment patterns of rural households in Erode, focusing on the factors influencing their financial decisions and the relationship between demographic factors and investment awareness (Yasodha, 2022). Based on a sample of 75 respondents, the study reveals that rural investors prioritize bank deposits over institutional investments. The findings indicate that individuals often overlook savings for future needs or unexpected events, with a tendency to place more importance on immediate financial security. The study emphasizes the need for increased awareness of long-term financial planning in rural areas.

Bhatia and Mathur (2022) analyze the relationship between savings, investments, and borrowings in Indian households and their growth relative to Gross Domestic Product (GDP) from 2018-2021 (Bhatia, 2022). The study uses secondary data on financial assets and liabilities from the RBI and applies correlation analysis. The results show a positive correlation between the growth rates of investments, borrowings, total deposits, and GDP. However, none of these correlations were statistically significant, suggesting that while there is a relationship, it does not have a strong or measurable impact on GDP growth. Dr. Balaji Sadavarte (2021) examines the savings and investment patterns of Indian households in Mumbai through a survey of 80 respondents. The study explores various factors including income, savings-to-earnings ratio, investment sources, and preferences for short-term versus long-term investments (Sadavarte, 2021). The analysis, using ANOVA, finds that marital status significantly affects savings behavior, with married individuals saving less than unmarried ones. The research emphasizes the need to consider socio-demographic factors like marital status when assessing savings and investment patterns, although it is limited to Mumbai's population and may not apply universally. Tanmoyee Banerjee-Chatterjee (2021) The paper does not specifically address the savings pattern and financial behavior of rural households in Patna. Instead, it focuses on the integration of rural households in West Bengal, India, into the formal financial sector and examines how financial inclusiveness relates to household savings (Banerjee-Chatterjee et al., 2021). It finds that financial inclusiveness, influenced by financial literacy and mass media access, does not significantly drive higher household savings, particularly among certain demographic groups.

Bijoy Kumar Nath (2021) The paper focuses on the determinants of savings among rural households in Morigaon district, Assam, rather than Patna. It identifies key factors influencing savings, such as the occupation of the household head, number of earners, and years of schooling, which positively affect savings. Conversely, the household size negatively impacts savings (Nath, 2021). While it provides insights into rural savings behavior, it does not specifically address the savings pattern and financial behavior of rural households in Patna. Mallick et al. (2017) examines the determinants of savings behavior in rural Indian households using a field survey of 115 respondents. The study finds that household income is the primary factor influencing savings, with a marginal propensity to save of 0.54. Other significant factors include age, gender, marital status, occupation, and land holdings, while family size, dependencies, liabilities, and location negatively affect savings (Mallick & Debasish, 2017). The research highlights that rural households prioritize long-term savings goals over short-term needs, and there is no significant relationship between savings and family type (nuclear or joint). Kumar and Mukhopadhyay (2013) examine the financial behavior of rural and urban poor in Tamil Nadu, India, revealing significant differences. Rural households rely on agriculture and animal husbandry, while urban poor engage in diverse businesses like vending and tailoring. Urban migrants have better access to credit and savings, whereas rural populations depend on informal financial tools. The study suggests customized microfinance products for each group and highlights the need for financial literacy programs to help both urban and rural poor manage their finances effectively (Kumar & Mukhopadhyay, 2013).

Research Gap

The existing literature on rural households' savings patterns and financial behavior reveals several gaps, particularly concerning the rural areas of Patna. While studies such as those by Dr. C. Yasodha (2022) and Santosha Kumar et al. (2017) examine savings behavior in rural households, they focus on regions like Erode and Morigaon, which may not fully reflect the unique socio-economic conditions of Patna. Dr. Yasodha's study emphasizes the preference for bank deposits in rural areas, yet it does not delve into the regional specificities of rural Bihar or address the growing role of digital finance in rural savings behavior. Similarly, Santosha Kumar et al. focus on household income as a determinant of savings, but their findings are based on a sample from different regions, which may not apply to the rural households in Patna where income variability and access to financial institutions can be different. Moreover, while the role of financial literacy in rural areas is discussed in some studies, such as by Bhatia and Mathur (2022), the impact of specific financial inclusion schemes like PMJDY in rural Bihar is yet to be explored in depth. This research gap is critical as financial literacy and the integration of rural households into the formal financial sector are key to improving savings behavior and financial inclusion in regions like Patna. Furthermore, the influence of digital financial tools on savings and investments has gained prominence but remains under-researched in rural Bihar, where mobile banking and UPI adoption have grown. This study aims to bridge these gaps by focusing on Patna, providing insights into how socio-demographic factors, access to financial services, and financial literacy shape the financial behavior of rural households.

METHODOLOGY

This study employs a quantitative research approach to examine the savings patterns and financial behavior of rural households in Patna. Primary data was collected through a structured questionnaire, which was administered to a random sample of 150 rural households in Patna. The questionnaire covered various aspects of financial behavior, including savings habits, income sources, expenditure patterns, investment preferences, and access to financial services. The collected data was analyzed using regression analysis to determine the influence of socio-economic factors such as income, education, and occupation on savings behavior. Additionally, the study explored the impact of financial services, such as banking usage and access to credit, on rural households' financial decision-making. Statistical software was employed to perform the analysis, including model summaries, ANOVA, and coefficient tests to evaluate the significance of the variables. This approach provided insights into the factors that shape the financial behavior and savings patterns of rural households in Patna.

3.1 Hypothesis

1.H_0: Socio-economic factors do not significantly influence rural households' savings patterns.
H_1: Socio-economic factors significantly influence rural households' savings patterns.
2.H_0: Access to financial services does not significantly impact rural households' financial behavior.
H2: Access to financial services significantly impacts rural households' financial behavior.

RESULT AND DISCUSSION

4.1 Reliability Analysis

Table 2: Reliability Analysis	
Cronbach's Alpha	**N of Items**
0.837	15

The reliability analysis shows a Cronbach's Alpha of 0.837 for the 15 items, indicating a high level of internal consistency. A Cronbach's Alpha value above 0.7 is generally considered acceptable, suggesting that the items in the survey are reliable and measure the intended constructs consistently. This level of reliability is adequate for ensuring that the data collected is trustworthy and can be used confidently in further statistical analyses.

4.2Demographic Analysis

Table 3: Demographic Analysis of Respondents

	Frequency	Percent

Age	Below 20	7	4.70%
	21-30	34	22.70%
	31-40	47	31.30%
	41-50	47	31.30%
	51 and above	15	10.00%
Gender	Male	81	54.00%
	Female	69	46.00%
Education Level	No formal education	14	9.30%
	Primary school	35	23.30%
	Secondary school	40	26.70%
	Graduate	42	28.00%
	Post Graduate	19	12.70%
Occupation	Farmer	26	17.30%
	Laborer	30	20.00%
	Government employee	16	10.70%
	Private sector employee	30	20.00%
	Self-employed	32	21.30%
	Unemployed	16	10.70%
Income Level	Below 10,000	34	22.70%
	10,000-20,000	43	28.70%
	20,001-30,000	46	30.70%
	30,001-40,000	17	11.30%
	Above 40,000	10	6.70%

The demographic analysis shows that most respondents are aged between 31-50 years, with 31.30% in both the 31-40 and 41-50 age groups. Younger respondents below 20 years make up 4.70%, while 22.70% are aged 21-30, and 10.00% are 51 and above. Gender distribution reveals a majority of males (54.00%) compared to females (46.00%). In terms of education, 28.00% have a graduate degree, 26.70% completed secondary school, and 23.30% have primary school education. Only 12.70% hold post-graduate degrees, and 9.30% have no formal education. Occupationally, laborers and self-employed individuals each represent 20.00%, while 17.30% are farmers. Regarding income, most respondents (30.70%) earn ₹20,001-30,000, followed by 28.70% earning ₹10,000-20,000. A small percentage earn above ₹40,000 (6.70%), indicating a predominantly middle-income group.

4.3Hypothesis Testing

H_1: Socio-economic factors significantly influence rural households' savings patterns.

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.757a	0.574	0.562	0.687
a Predictors: (Constant)				

ANOVAa					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	92.174	4	23.043	48.778	.000b
Residual	68.500	145	0.472		
Total	160.673	149			
a Dependent Variable: Savings Regularity					

Coefficientsa					
	Unstandardized Coefficients		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
(Constant)	0.740	0.254		2.913	0.004
Income Influence	0.212	0.070	0.220	3.045	0.003

Saving Importance	0.305	0.069	0.351	4.439	0.000
Cultural Influence	0.190	0.072	0.199	2.647	0.009
Informal Savings	0.128	0.068	0.141	1.883	0.062
a Dependent Variable: Savings Regularity					

The regression analysis results provide strong evidence that socio-economic factors significantly impact rural households' savings patterns. The Model Summary shows an R-squared value of 0.574, meaning that 57% of the variation in savings regularity is explained by the socio-economic factors included in the model. This indicates a moderate to strong fit for the model, suggesting that the socio-economic variables are substantial predictors of savings behavior. The Adjusted R-squared value of 0.562 indicates that, even after accounting for model complexity, the explanatory power remains robust. The Standard Error of the Estimate is 0.687, which reflects a reasonable level of accuracy in the predicted savings regularity.

The ANOVA table confirms that the regression model is statistically significant (F = 48.778, p = 0.000), meaning that the socio-economic factors collectively contribute to explaining the variation in savings regularity among rural households. This suggests that the independent variables in the model—income, saving importance, cultural influence, and informal savings—are significantly related to savings behavior.

The Coefficients table reveals that Income Influence (p = 0.003), Saving Importance (p = 0.000), and Cultural Influence (p = 0.009) have significant positive effects on savings regularity, with Beta coefficients of 0.220, 0.351, and 0.199, respectively. These results indicate that higher income, placing more importance on saving, and cultural factors significantly enhance savings behavior. However, Informal Savings (p = 0.062) is marginally significant, indicating a weaker but still positive influence on savings regularity. In conclusion, the hypothesis H_1 is supported, as socio-economic factors, particularly income, saving importance, and cultural influences, play a significant role in shaping rural households' savings patterns.

H2: Access to financial services significantly impacts rural households' financial behavior.

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.700a	0.491	0.476	0.843
a Predictors: (Constant)				

ANOVAa					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	99.156	4	24.789	34.902	.000b
Residual	102.984	145	0.71		
Total	202.14	149			
a Dependent Variable: Saving Improvement					

Coefficientsa					
	Unstandardized Coefficients		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
(Constant)	0.66	0.278		2.375	0.019
Banking Usage	0.21	0.085	0.209	2.467	0.015
Credit Impact	0.267	0.089	0.264	3.013	0.003
Service Accessibility	0.129	0.1	0.125	1.289	0.2
Digital Confidence	0.215	0.079	0.232	2.716	0.007
a Dependent Variable: Saving Improvement					

The regression analysis results provide strong support for H_2, indicating that access to financial services significantly impacts rural households' financial behavior. The Model Summary shows an R-squared value of 0.491, meaning that nearly 49% of the variation in saving improvement can be explained by the financial services factors included in the model. This suggests a moderate fit, with the socio-economic variables providing a reasonable explanation of financial behavior. The Adjusted R-squared value of 0.476 further confirms that the model is robust, even after accounting for the complexity of the data, and the Standard Error of the Estimate is 0.843, reflecting a reasonable level of prediction accuracy.

The ANOVA table indicates that the regression model is statistically significant (F = 34.902, p = 0.000), confirming that the predictors, such as banking usage, credit impact, service accessibility, and digital confidence, collectively influence savings behavior. This significance reinforces the hypothesis that access to financial services impacts financial behavior.

In the Coefficients table, several predictors show significant relationships with saving improvement. Banking Usage (p = 0.015), Credit Impact (p = 0.003), and Digital Confidence (p = 0.007) all have significant positive effects on financial behavior, with Beta coefficients of 0.209, 0.264, and 0.232, respectively. These results highlight the importance of formal banking, access to credit, and digital tools in shaping financial habits. However, Service Accessibility ($p = 0.2$) did not have a significant effect on saving improvement. In conclusion, H_2 is supported, with banking usage, credit impact, and digital confidence significantly influencing rural households' financial behavior, particularly in improving saving habits.

DISCUSSION

The findings of this study provide significant insights into the financial behavior and savings patterns of rural households, particularly focusing on socio-economic factors and access to financial services. The reliability analysis, with a Cronbach's Alpha value of 0.837, indicates that the survey data is highly reliable, ensuring the validity of the constructs being measured. This is in line with the standards for reliability in social science research, where values above 0.7 are generally accepted as reliable indicators of internal consistency.

The regression analysis results for the first hypothesis (H_1), which posited that socio-economic factors significantly influence savings patterns, reveal a substantial relationship between income, saving importance, and cultural influence, with all these factors showing significant positive effects on savings regularity. This is consistent with findings from similar studies, such as those by Kumari (2020) and Mahesh & Jegadeeshwaran (2019), who found that socio-economic status, including income, education, and cultural practices, directly influences financial behavior in rural populations. The results of this study suggest that rural households with higher incomes and stronger cultural inclinations toward saving exhibit more consistent savings habits. The marginal significance of informal savings aligns with research by Kumar & Mukhopadhyay (2013), who indicated that informal savings methods, while prevalent, often play a secondary role in rural financial behavior (Kumar & Mukhopadhyay, 2013).

In testing the second hypothesis (H_2), which examined the role of access to financial services in improving financial behavior, the findings support the significant impact of banking usage, credit access, and digital confidence. These factors were found to positively influence saving improvement, a result corroborated by studies such as that of Mishra (2025), which emphasized the critical role of access to formal financial services in enhancing saving behavior in rural areas (Mukesh & Mishra, 2025). Notably, service accessibility did not show a significant impact, potentially reflecting the limited availability of financial services in some rural areas, as discussed in research by Kumar & Mukhopadhyay (2013). This study thus contributes to the broader understanding of how socio-economic and service-related factors shape the financial behavior of rural households (Kumar & Mukhopadhyay, 2013).

CONCLUSION

In conclusion, this study emphasizes the crucial influence of socio-economic factors and access to financial services in shaping the financial behavior and savings patterns of rural households. The reliability analysis, with a Cronbach's Alpha value of 0.837, confirms the robustness of the data, ensuring the accuracy and consistency of the constructs measured. Regression analysis indicates that socio-economic factors, particularly income, the importance of saving, and cultural influences, positively impact the regularity of savings. This suggests that rural households with higher income levels and cultural attitudes that prioritize saving are more likely to maintain consistent saving habits. Informal savings methods, although common in rural areas, show marginal significance, suggesting that while they play an important role, they are secondary compared to formal savings avenues. The study also highlights the importance of access to formal financial services in shaping rural financial behavior. The use of banking services, access to credit, and growing confidence in digital finance are all factors that contribute to better saving practices among rural households. However, the lack of a significant impact from service accessibility underlines the challenges posed by the limited presence of financial institutions in rural areas, which continue to restrict broader financial inclusion. Overall, the findings underscore the necessity of targeted financial literacy programs and improved access to formal financial services. These measures would not only empower rural households with better financial tools but also enhance their financial stability, contributing to broader economic growth and development in rural India.

Limitation and future scope

While this study provides valuable insights into the financial behavior and savings patterns of rural households in Patna, it does have certain limitations. First, the research focuses on a specific geographic region, which means the findings may not be fully applicable to other rural areas with differing socio-economic contexts, such as those in different states or regions of India. The diversity in income levels, educational background, and access to financial services across rural India may influence savings behavior differently. Additionally, the study relies on self-reported data, which can introduce biases, as respondents may inadvertently misrepresent their financial habits due to social desirability or lack of financial awareness. Moreover, the study does not account for external variables such as macroeconomic factors, regional economic fluctuations, or government policies that may significantly influence rural savings behavior. Changes in government schemes, subsidies, or regional agricultural policies could alter the financial behavior of rural households, but these factors were not explored in depth.

For future research, it would be beneficial to expand the scope by including multiple rural regions to identify regional variations in financial behavior and to provide a broader understanding of rural financial habits. Longitudinal studies would also offer a deeper perspective on how savings patterns evolve over time, particularly in response to changing economic conditions, government initiatives, or financial services accessibility. Furthermore, investigating the impact of specific financial literacy programs, as well as examining the role of digital financial services in improving financial inclusion, could prove valuable. Lastly, integrating qualitative methods, such as interviews or focus groups, would allow for a more holistic understanding of the social, cultural, and psychological factors influencing savings behavior in rural communities.

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