

Financial Literacy of Women and Their Use of Banking Services: A Study of Women Bank Customers in Ghaziabad District

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Abstract

Financial inclusion has increased the number of women holding bank accounts in India, but holding an account does not guarantee that a woman understands or actively uses banking services. This study examines the level of financial literacy among women bank customers in Ghaziabad district and its relationship with their use of banking products and services such as savings and fixed deposits, loans, insurance, ATM and debit cards, mobile banking and UPI.

A structured questionnaire is used to measure financial knowledge, financial attitude, financial behaviour, banking awareness and actual use of services, and to compare women customers of public sector and private sector banks. The analysis plan uses descriptive statistics, reliability testing, independent-samples t-tests, one-way ANOVA, chi-square tests, correlation and multiple regression. The findings are expected to help banks, regulators and educators design targeted financial education for women.

Keywords : Financial literacy, women, banking services, financial inclusion, digital banking, Ghaziabad.

Introduction

Banks are the main gateway to the formal financial system. Through schemes such as the Pradhan Mantri Jan Dhan Yojana, direct benefit transfers and the spread of digital payments, a large number of women now hold bank accounts, many for the first time. Yet studies of financial inclusion repeatedly note a gap between having an account and using it effectively for saving, credit, insurance and payments.

Financial literacy, the knowledge, skill and confidence to make informed financial decisions, is a key factor in closing this gap. A woman who understands interest rates, charges, loan terms and digital security is more likely to use banking services with confidence and less likely to fall victim to fraud or informal high-cost credit.

Ghaziabad, part of the National Capital Region, has a mix of urban, industrial and semi-urban households, with women of varied education and employment backgrounds. This makes it a useful setting to study how financial literacy shapes women's engagement with bank services.

Research Problem:

Despite wide bank account ownership, many women use only basic services such as cash deposit and withdrawal, and depend on family members or bank staff for other transactions. There is limited district-level evidence on how women's financial literacy relates to the range and frequency of banking services they use.

Objectives of the Study:

- To assess the level of financial literacy among women bank customers in Ghaziabad district.
- To study the awareness and usage of banking products and services among women.
- To examine the relationship between financial literacy and use of banking services.
- To compare financial literacy and banking behaviour of women customers of public and private sector banks.
- To identify the problems women face in using banking services.
- To suggest measures for improving women's financial literacy and banking engagement.

Review of Literature

Financial literacy: Lusardi and Mitchell (2014) define financial literacy through knowledge of interest compounding, inflation and risk diversification, and show that low literacy is associated with weaker saving, borrowing and investment decisions. Their questions are widely used to measure literacy.

Financial inclusion: Financial inclusion is commonly described in terms of access, usage and quality of formal financial services. Demirciguc-Kunt and colleagues, in the World Bank Global Findex reports, document that account ownership among women has grown but that a gap in usage remains in many economies.

Behaviour and confidence: Ajzen (1991) proposes that attitudes, social norms and perceived control shape behaviour. For banking, family influence and confidence in one's own knowledge are therefore expected to affect which services women use.

Digital banking: Davis (1989) shows that perceived usefulness and ease of use influence technology adoption, which is relevant to women's use of mobile banking and UPI. [Author to add recent Indian studies on women, financial literacy and banking after verifying each citation.]

Research Gap: Studies often treat financial literacy and financial inclusion separately or use national samples. District-level evidence from Ghaziabad that links women's literacy to actual use of bank services, and compares public and private banks, is limited.

Conceptual Framework and Hypotheses

Financial Knowledge (FK), Financial Attitude (FA) and Financial Behaviour (FB) together form Financial Literacy (FL), which is expected to influence Banking Awareness (BA) and Use of Banking Services (UB). Age, education, employment, income and bank type are treated as grouping or control variables.

- H1: Financial literacy has a significant positive effect on the use of banking services.
- H2: Financial literacy has a significant positive effect on banking awareness.
- H3: There is a significant difference in financial literacy among women with different education levels.
- H4: There is a significant difference in financial literacy between working and non-working women.
- H5: There is a significant difference in use of banking services between customers of public and private sector banks.
- H6: Age and income have a significant association with the use of digital banking services.

Research Methodology

Research Design: The study is descriptive and analytical, based on a cross-sectional survey.

Population and Sample: The population comprises women holding a bank account and residing in Ghaziabad district. A sample of 300 respondents is targeted using stratified convenience sampling across urban and semi-urban areas, covering customers of selected public and private sector banks. [Update with actual banks and final sample.]

Data Collection: Primary data are collected through a structured questionnaire in three parts: Section A (demographic profile), Section B (financial literacy items, with knowledge questions scored correct or incorrect and attitude and behaviour statements on a five-point Likert scale) and Section C (banking awareness, services used, frequency of use and problems faced). Secondary data are drawn from RBI reports, NCFE publications, journals and bank websites.

Tools of Analysis: Frequency and percentage analysis, Cronbach's alpha (threshold 0.70), independent-samples t-test, one-way ANOVA, chi-square test of association, Pearson correlation and multiple regression.

Table 1: Study variables and measurement

Variable	Illustrative measure	Basis
Financial Knowledge	Questions on interest, inflation and diversification	Lusardi and Mitchell (2014)
Financial Attitude	I prefer to plan for the long term	Adapted
Financial Behaviour	I keep track of my bank transactions	Adapted
Banking Awareness	Awareness of deposit, loan, insurance and digital products	Adapted
Use of Banking Services	Services used and frequency of use	Adapted

Data Analysis and Results

Note to the author: the tables below are intentionally blank. They must be filled only with output from your own survey data. Reporting numbers that were not collected from real respondents would be data fabrication.

Table 2: Demographic profile of respondents (to be completed)

Variable	Category	Public (n)	Private (n)	Total (%)
Age	Below 25 / 25-35 / 36-50 / Above 50	—	—	—
Education	Up to 12th / Graduate / Postgraduate+	—	—	—
Occupation	Homemaker / Salaried / Business / Student	—	—	—
Monthly household income	Below 30k / 30-60k / Above 60k	—	—	—

Table 3: Reliability analysis (to be completed)

Construct	No. of items	Cronbach's alpha
FK	—	—
FA	—	—
FB	—	—
BA	—	—
UB	—	—

Table 4: Level of financial literacy (to be completed)

Level	Score range	No. of respondents	Percentage
Low	—	—	—
Medium	—	—	—
High	—	—	—

Table 5: Banking services used by women (to be completed)

Service	Public (%)	Private (%)	Total (%)
Savings account	—	—	—
Fixed / recurring deposit	—	—	—
Loans	—	—	—
Insurance	—	—	—
ATM / debit card	—	—	—
Mobile banking	—	—	—
UPI	—	—	—
Internet banking	—	—	—

Table 6: Regression of use of banking services on financial literacy ($R^2 = _$) (to be completed)

Predictor	Beta	t	p-value	Supported?
FK	—	—	—	—
FA	—	—	—	—
FB	—	—	—	—
BA	—	—	—	—

Table 7: Problems faced by women in using banking services (to be completed)

Problem	Rank	Percentage
Lack of knowledge of products	—	—
Fear of fraud and cyber crime	—	—
Complex forms and procedures	—	—
Language barrier	—	—
Dependence on family members	—	—
Poor staff support	—	—

Discussion

[To be written after the analysis is complete. Relate the findings to earlier studies, explain differences between public and private sector bank customers and between groups by education and employment, and discuss the main barriers women report.]

Suggestions

- Banks can hold regular financial literacy camps for women in Hindi and local languages, covering account use, loans, insurance and fraud awareness.
- Dedicated women help desks and trained staff can improve comfort and service quality at branches.
- Simple, step-by-step guides and demonstrations can help women start using mobile banking and UPI safely.

- Self-help groups, colleges and community centres can be used as outreach channels.
- Banks should strengthen fraud alerts and grievance redressal to build trust among women customers.

Limitations and Scope for Future Research

The study covers one district, uses a convenience-based sample and relies on self-reported data. Future studies can include rural areas and other districts, examine the effect of a financial education programme, and study the role of fintech and self-help groups.

Conclusion

Financial literacy is central to turning account ownership into meaningful use of banking services. Understanding how it relates to women's banking behaviour in Ghaziabad can help banks and policymakers design targeted education and services. [Revise once results are available.]

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