



# International Journal of Multidisciplinary Research in Science, Engineering and Technology

*(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)*



**Impact Factor: 8.206**

**Volume 9, Issue 3, March 2026**



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

# Financial Knowledge and Banking Application Usage among College Students: Evidences from Coimbatore, Tamil Nadu

Mr. J. Arun Samuel<sup>1</sup>, Ms. Shreya.S<sup>2</sup>

Assistant Professor, Department of B.com A&F/ M.com (IB), Sri Krishna Arts and Science College, Coimbatore,  
Tamil Nadu, India<sup>1</sup>

UG Student, Department of B.com A&F/ M.com (IB), Sri Krishna Arts and Science College, Coimbatore,  
Tamil Nadu, India<sup>2</sup>

**ABSTRACT:** In the fast-changing digital economy, financial knowledge has become an essential life skill, especially for young adults who rely on digital banking apps. College students are a major group of digital banking users, but their financial understanding often doesn't match their use of financial technology. This study looks at the level of financial knowledge and banking app usage among college students in Coimbatore, Tamil Nadu. Using a descriptive research design, primary data were collected from 101 college students through a structured questionnaire. For data analysis, we used statistical tools like percentage analysis, the chi-square test, and one-way ANOVA with SPSS software. The findings show that while students regularly use banking apps for daily transactions, their financial knowledge about budgeting, interest calculation, saving, and investment is only moderate. The study points out the gaps between digital banking use and financial awareness and stresses the need for focused financial literacy programs for college students. These findings offer valuable insights for schools, financial institutions, and policymakers to encourage responsible financial performance among young adults.

**KEYWORDS:** Financial knowledge, Banking applications, College students, Digital banking, Coimbatore

### I. INTRODUCTION

In the world we live in today it is really important for people to know how to manage their money for young people who are using digital banking services more and more. Knowing about money is crucial for making decisions about what we spend, save and invest. For students in college this is the time when they start taking care of their money whether it is from their parents, scholarships, loans or part-time jobs. Knowing about money means understanding things like making a budget, saving, interest rates and how to use banking services. Students who know about money can manage their expenses better save money and avoid getting into trouble. On the hand not knowing much about money can lead to wasting money spending impulsively and being vulnerable to financial problems. Technology has changed the banking system making it easy to use banking services on our phones and computers. Many people use banking applications to send money pay bills, shop online and save money. College students are some of the active users of these applications because they are easy to use. However just because students use banking applications a lot does not mean they know what they are doing when it comes to money. In India the government has been pushing for people to use payments and this has led to more people using digital banking. With this growth many young people do not know much about money. Many students use banking applications without understanding things like how interest works how to keep their transactions safe how to make a budget or how to plan for the future. This is a problem and it shows how important it is to look at how knowing about money affects how students use banking applications. Coimbatore is a city in Tamil Nadu with many colleges and universities and it has a large population of students from different backgrounds. While students are actively using banking services not much research has been done on how knowing about money influences their use of banking applications. This study wants to look at how much students, in Coimbatore know about money and how they use banking applications.



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### II. PROBLEM STATEMENT

Students in Coimbatore are active users of money for day-to-day expenses shopping, savings, and sometimes small investment like SIPs, gold, or digital wallets. However, a lot of students still do not have the proper knowledge of how to handle their finances. Most of students dependent on pocket money or part-time income, but they do not know to make a budget, or pick the right investment options. To find out the existing level of knowledge regarding finance among college students, in Coimbatore, their spending habits, whether they are investing anywhere, and what guidance they need to improve better financial habits.

### III. OBJECTIVES OF THE STUDY

1. To identify the level of basic financial knowledge possessed by college students in Coimbatore.
2. To understand how college students use banking applications for expenses such as UPI payments, bill payments, mobile recharges, and money transfers.
3. To examine the awareness and usage of bank and post office tools for investments such as SIPs, fixed deposits, recurring deposits, and small saving schemes.
4. To examine students awareness of various investment options such as SIPs, mutual funds, gold, and the stock market, and to study whether they actively invest in them.
5. To evaluate the factors that influence students' financial decisions, including family members, friends, social media, and advertisements.

### IV. REVIEW OF LITERATURE

**Lusardi and Mitchell (2014)** conducted a comprehensive study on the economic importance of financial literacy and highlighted that financial knowledge plays a significant role in influencing individuals' saving, investment, and retirement planning behaviour. Their study revealed that individuals with higher financial knowledge are more likely to plan their finances effectively and make informed financial decisions.

**Lusardi (2013)** examined the relationship between financial literacy and retirement planning and found that individuals with better financial knowledge are more likely to engage in long-term financial planning and saving activities. The study showed that numeracy and understanding of financial concepts significantly influence financial decision-making. Although the study focused on retirement planning, its findings are highly relevant to college students, as early financial awareness can shape future financial habits.

**The OECD/INFE (2016)** conducted an international survey to assess financial literacy levels across different countries and age groups. The study introduced a framework that measures financial knowledge, financial behaviour, and financial attitudes. The findings revealed that young adults actively use digital financial services but often lack adequate financial understanding. The report emphasized the importance of integrating financial education with digital banking usage to ensure safe and effective financial behaviour.

**Jeyakumar and Senthilkumar (2025)** studied the savings and investment behaviour of college students in Coimbatore and found that most students save small amounts irregularly and prefer low-risk investment options such as bank deposits and gold. The study also revealed that family members play a major role in influencing students' financial decisions. Despite the increasing use of digital banking tools, students lacked awareness of formal investment options and long-term financial planning. This study is highly relevant to the present research as it focuses on the same geographical area and highlights the need to link financial knowledge with banking application usage among college students.

### V. RESEARCH METHODOLOGY

#### 5.1 RESEARCH DESIGN

The study adopts a descriptive research design to examine the existing level of financial knowledge and banking application usage among college students.



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### 5.2 SOURCES OF DATA

Both primary and secondary data were used for the study. Primary data were collected through a structured questionnaire, while secondary data were obtained from journals, books, government reports, and published research articles.

### 5.3 SAMPLE SIZE AND SAMPLING TECHNIQUES

The study was conducted among 101 college students in Coimbatore using the convenience sampling technique due to time and accessibility constraints.

### 5.4 RESEARCH INSTRUMENT

A structured questionnaire was designed covering demographic details, financial knowledge, spending behavior, saving habits, and banking application usage.

### 5.5 TOOLS FOR DATA ANALYSIS

All analyses were conducted using SPSS software. The collected data were analyzed using:

- Percentage analysis
- Chi-square test
- One-way ANOVA..

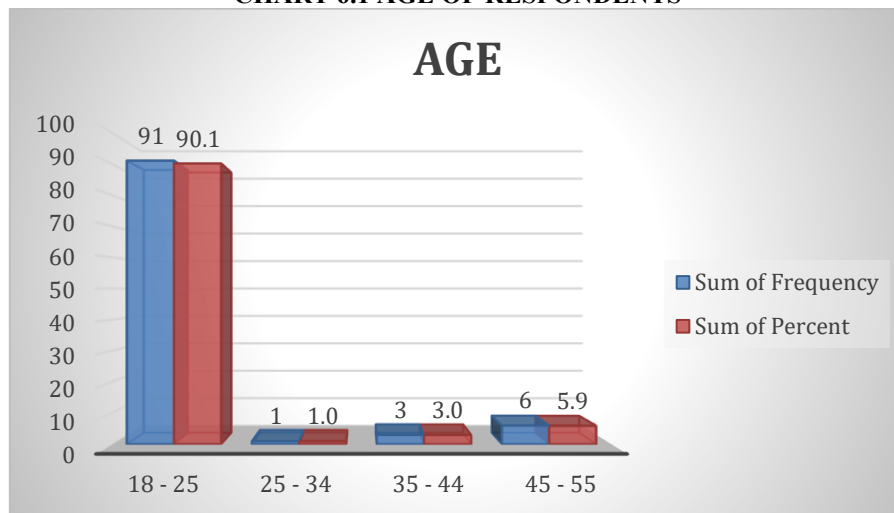
## VI. RESULTS AND DISCUSSIONS

### 6.1 Demographic Profile

Table 6.1.1 Demographic Profile

Variable	Category	Percentage
Age	18 - 25	90.1
Gender	Female	50.5
Employment Status	Self-Employed	49.5
Income	Below 15,000	62.38
Educational Level	Undergraduate	86.1

CHART 6.1 AGE OF RESPONDENTS





## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

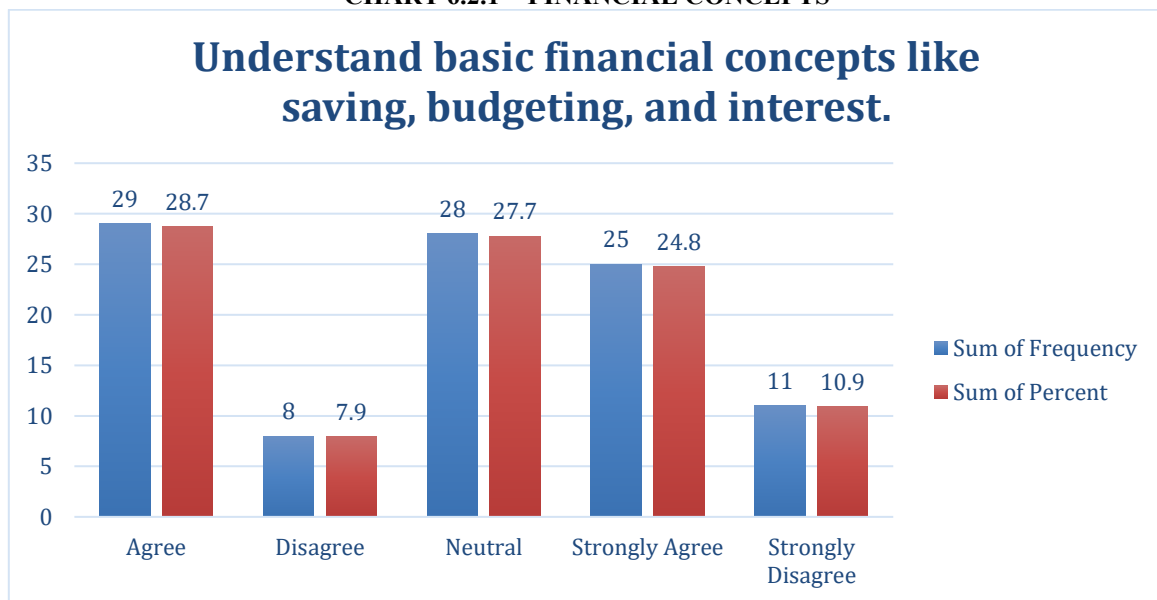
The demographic analysis will indicate that:  
 90% percent of the respondents are in the age category that is 18-25 years.  
 50% are male and 51% female  
 49% are Self-Employed  
 62% earn below ₹15,000.  
 86% are Undergraduate students  
 This means that, the sample is mainly that of the young and low-to-middle income.

### 6.2 BASIC FINANCIAL CONCEPTS

TABLE 6.2.1

I understand basic financial concepts like saving, budgeting, and interest.	Frequency	Percent
Strongly Disagree	11	10.9
Disagree	8	7.9
Neutral	28	27.7
Agree	29	28.7
Strongly Agree	25	24.8
<b>Total</b>	<b>101</b>	<b>100.0</b>

CHART 6.2.1 – FINANCIAL CONCEPTS





## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

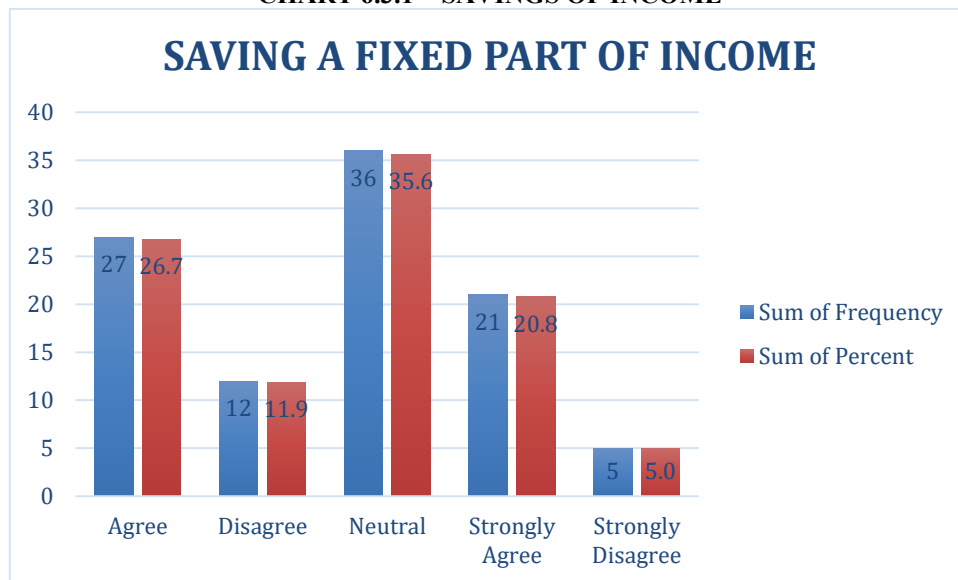
(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### 6.3 SAVING A FIXED PART OF INCOME

TABLE 6.3.1

I save a fixed part of my income every month.	Frequency	Percent
Strongly Disagree	5	5.0
Disagree	12	11.9
Neutral	36	35.6
Agree	27	26.7
Strongly Agree	21	20.8
<b>Total</b>	<b>101</b>	<b>100.0</b>

CHART 6.3.1 – SAVINGS OF INCOME



### 6.4 CHI – SQUARE

S. No	Variables Tested	$\chi^2$ Value	df	p-Value	Decision ( $\alpha = 0.05$ )
1	Gender × Regular Investment Behaviour	1.277	1	0.258	Not Significant
2	Education Level × Understanding of Financial Concepts	8.259	16	0.941	Not Significant
3	Monthly Income × Saving a Fixed Part of Income	5.524	12	0.938	Not Significant
4	Employment Status × Retirement Contribution	0.609	2	0.738	Not Significant



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### INTERPRETATION

The Chi-Square analysis reveals that there is **no significant association** between demographic variables (such as gender, education level, employment status, and monthly income) and key financial behaviours including regular investment, saving habits, and retirement contribution. The results show that financial behaviour among college students is **independent of demographic characteristics**, suggesting that students across different groups exhibit similar financial patterns. This highlights the need for general financial literacy programs that target all students rather than focusing on specific demographic segments.

### 6.5 ONE – WAY ANOVA

S. No	Independent Variable	Dependent Variable	Test Used	F Value	df	p-Value	Decision ( $\alpha = 0.05$ )
1	Monthly Income	Saving a fixed part of income	Welch's ANOVA	1.15	(3, 25)	0.350	Not Significant
2	Demographic Grouping Variable	Impulsive purchasing behaviour	Welch's ANOVA	0.806	(4, 3.22)	0.591	Not Significant
3	Demographic Grouping Variable	Understanding of basic financial concepts	Welch's ANOVA	0.110	(4, 3.33)	0.971	Not Significant

### INTERPRETATION

The One-Way ANOVA (Welch's test) results indicate that there is **no statistically significant difference** in financial behaviour and financial knowledge among college students based on demographic and income-related variables. Monthly income does not significantly influence students' saving behaviour, impulsive purchasing patterns, or understanding of basic financial concepts. This suggests that differences in income or demographic grouping do not play a major role in shaping students' financial practices. Instead, financial behaviour appears to be more uniformly distributed among students, indicating that factors such as financial awareness and attitude may have a greater influence than income level.

## VII. FINDINGS AND DISCUSSION

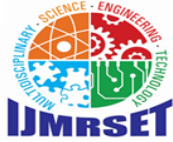
The study reveals that college students in Coimbatore actively use banking applications but lack comprehensive financial knowledge. While students are confident in managing daily transactions, long-term financial planning, investment awareness, and disciplined saving behavior are limited. The findings align with earlier studies that highlight a gap between digital banking adoption and financial literacy among youth.

### SUGGESTIONS

- Educational institutions should introduce financial literacy programs and workshops for students.
- Practical training on budgeting, saving, and investment should be integrated into college curricula.
- Banks should design student-friendly banking applications with financial education features.
- Awareness programs on responsible digital payment usage should be conducted regularly.

### LIMITATION OF THE STUDY

- The study is limited only to **college students in Coimbatore city**, so the results cannot be applied to students from other regions.



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

- The data collected is based on **self-reported responses**, which may include personal bias or inaccurate information.
- The study is conducted within a **short period of time**, so changes in financial behaviour over time are not considered.
- The sample size is limited, which may not fully represent the **entire student population** in Coimbatore.
- The study focuses mainly on **financial knowledge and banking application usage**, and does not deeply analyze other factors such as psychological or economic conditions.

### VIII. CONCLUSION

The study concludes that although banking application usage among college students in Coimbatore is high, their level of financial knowledge remains moderate. Improving financial literacy is essential to ensure responsible usage of digital banking services. Strengthening financial education at the college level can help students develop better money management skills and achieve long-term financial wellbeing.

### REFERENCES

1. Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature*, 52(1), 5–44. <https://doi.org/10.1257/jel.52.1.5>
2. Organisation for Economic Co-operation and Development. (2016). *OECD/INFE international survey of adult financial literacy competencies*. OECD Publishing. <https://www.oecd.org/financial/education/>
3. Organisation for Economic Co-operation and Development. (2022). *OECD/INFE toolkit for measuring financial literacy and financial inclusion*. OECD Publishing. <https://www.oecd.org/financial/education/>
4. National Centre for Financial Education. (2019). *Financial literacy and inclusion in India: Final report*. NCFE. <https://ncfe.org.in/>
5. Dash, P., & Ranjan, R. (2023). Financial literacy across different states of India. *Research and Information System for Developing Countries Discussion Paper*, 286, 1–32.
6. Basu, S. (2024). The level of financial literacy among university students in India. *International Journal of Research in Social Sciences*, 14(2), 193–212.
7. Jeyakumar, M. R., & Senthilkumar, U. S. (2025). Savings and investment behaviour of college students in Coimbatore. *International Journal of Advanced Trends in Engineering and Technology*, 10(1), 45–53.



INTERNATIONAL  
STANDARD  
SERIAL  
NUMBER  
INDIA



# INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | [ijmrset@gmail.com](mailto:ijmrset@gmail.com) |

[www.ijmrset.com](http://www.ijmrset.com)