

Can goal setting help women in India use digital saving services more?

A lot of research goes into digital credit, not enough touches on saving. Our research explored the factors affecting whether women save on digital platforms, and how to encourage this.

Background: Is financial participation within households an indicator of women's economic empowerment?

Financial participation within households serves as an important indicator of women's economic empowerment. While previous studies have explored household finances and savings, digital savings via online or mobile channels have been overlooked. This study looks to shed light here, particularly around goal setting as a process towards saving in women.

Conducting the research

We used semi-structured in-depth interviews (IDIs) and focus group discussions (FGDs) to explore topics like savings patterns, digital finance adoption, mental accounting, money allocation, expenses, and agency. Each FGD had 3-5 participants, encouraging dialogue about savings behaviors, approaches, barriers, strategies, and financial decision-making dynamics within their households. We also performed mindmapping where we asked participants to write out the distribution of their household income in size bubbles and flowcharts around which we developed our follow up conversations to gain insight on our target group.

project facts

Key words

Mental accounting, Digital savings, financial inclusion, financial participation

Behavioral themes

Women's agency, digital savings

Research design

Qualitative phenomenology
Qualitative Study - with in-depth interviews, focus group discussions and mindmapping

Scope

Start date: 21st March 2023
End date: 23rd July 2023

Location

Delhi National Capital Region

Funder

BRAC USA

Ethics approval

Morsel India

- » While gender roles push women to resource sharing, most women may not even share with their husbands that they are earning/saving money due to a lack of trust. As they often have divergent priorities for spending on children than men these hidden funds give them agency in their spending.
- » Digital access is low. Women still go to banks and stand in line because:
 - There is limited awareness and lack of trust in trust digital solutions
 - It is what they have always done
 - Few women own smartphone and, if they do, they are often sharing it with their children, husbands, or relatives making privacy difficult
- » Married women in India have low comfort levels with digital models. They are afraid of fraud/scams and have low self efficacy around their ability to make these decisions – future efforts should take this into consideration.
- » While savings has its own issues in the digital ecosystem, digital payments have seen a lot of inroads in India, especially among women who own small shops.

Implications

One part of our findings was that women with a use case e.g owning a business like a salon, were comfortable with digital tools for payments. It would be a good idea to replicate this for promoting uptake of digital financial services.

Recommendations for future research

Further insight is needed to understand to what effect these barriers affecting women's behavior and which barriers are most prominent.

The effects of mental accounting or whether it can be a positive mechanism also still remain unexplored.

Further reading

Gupta, S., Yagnaraman, D., & Jagati, A. (2022). An Endless Bargain: A Participatory Approach to Understanding Intra-household Finance. *Journal of Emerging Market Finance*, 21(3), 291-316. <https://doi.org/10.1177/09726527221080681>

Anwasha Bhattacharya, Erik Jorgensen, Urvi Naik, Aruj Shukla, and Charity Troyer Moore (2023) Digital financial inclusion and SHGs in rural India. <https://bigd.bracu.ac.bd/the-veil-as-armor-observations-from-the-clarissa-project-2/>

Kaavya Arakoni, Ritika Divekar, and Jaspreet Singh (2023) Understanding Women's Financial Decision-Making: Insights From a Photovoice Study in India <https://bigd.bracu.ac.bd/understanding-womens-financial-decision-making-insights-from-a-photovoice-study-in-india/>

Study team

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