

**ROLE OF FINTECH APPS IN SHAPING SAVING HABITS OF COLLEGE STUDENTS****Mr. Kunal Raghunath Baikar**

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**ABSTRACT**

*FinTech apps strongly influence youths' saving habits by making financial management easier, more interactive, and tailored to individual needs. By using technology, these apps reduce traditional barriers to financial literacy and motivate young people to save regularly and manage their money more actively.*

*In India, financial literacy is still developing; therefore, teaching children about money management from a young age is very important. Earlier, children learned to save mainly by using physical piggy banks. Today, this concept has changed due to the growth of FinTech startups that use technology to promote saving in a modern and engaging way.*

*These digital FinTech platforms do more than just help students save money. They also teach important financial concepts such as budgeting, setting savings goals, and understanding the basics of investing. The learning process is made fun and interactive through apps, games, and reward-based features, which keep students interested and motivated.*

*By using digital tools that match today's technology-driven lifestyle, FinTech companies are helping students develop good financial habits early in life. These skills—such as responsible spending, regular saving, and smart financial planning—can benefit them throughout their lives and help create a financially aware generation in India.*

*This study aims to examine how financial technology affects the saving behaviour of college students. Advances in financial technology have changed the way college students manage and control their finances. In this study, a survey was conducted among college students in the age group of 18–23 years. The study shows that most college students have knowledge of FinTech apps; however, they use them only occasionally.*

**INTRODUCTION**

Financial technology (FinTech) combines finance and technology to make financial services like payments, budgeting, and savings easier to use. In recent years, FinTech apps have become especially popular among college students because they are easy to access, simple to use, and user-friendly. With rising concerns about student debt and low financial awareness, it is important to understand how these apps influence students' saving habits.

Earlier, managing personal finances involved visiting banks, depending on financial advisors, or keeping records manually. FinTech applications have now digitalized and automated these tasks, making them faster and easier to use. Tools such as mobile banking apps, peer-to-peer (P2P) lending platforms, and digital wallets have made financial services more accessible and reduced reliance on traditional banks. For example, apps like Google Pay, Paytm and PhonePe help users track expenses, transfer money instantly, and invest easily with just a few clicks.

This study explores whether FinTech apps only help with transactions or also play a significant role in improving how students save and manage their money.

**Objectives of the study**

1. To analyse the usage patterns of FinTech apps among college students.
2. To assess the relationship between FinTech app usage and saving habits.
3. To understand student perceptions of the benefits and challenges of these apps.

**REVIEW OF LITERATURE****FinTech and Youth Financial Behaviour**

The literature indicates that digital financial tools significantly influence financial conduct among young adults. According to Arora (2020), FinTech apps enhance financial visibility and encourage regular tracking of

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expenditures and savings. Another study by Banerjee and Gupta (2021) suggests that gamification elements within FinTech applications motivate users to save more consistently.

### Financial Literacy and Technology

Financial literacy has been linked to healthier saving behaviours. However, Lusardi & Mitchell (2014) found that traditional financial education programs alone often fall short in sustaining long-term behaviour change. In contrast, FinTech apps that combine real-time insights with behavioural nudges (e.g., reminders, automated savings) have shown greater efficacy.

### Challenges and Risks

Despite benefits, several studies, including one by Chen et al. (2022), point to risks such as over-reliance on apps, privacy concerns, and potential complacency toward core financial principles when apps oversimplify complex financial decisions.

## METHODOLOGY

### Research Design:

**Quantitative:** Online survey conducted amongst 150 college students aged 18–24 in Mumbai.

### Sampling Technique:

Random stratified sampling ensured participation from various disciplines (science, commerce).

### Data Collection Tools:

Online Questionnaire was made including demographic information, frequency of FinTech app usage, types of apps used (wallets, savings apps, investment apps), and self-reported saving behaviours.

### Data Analysis:

Data were entered and coded in the excel sheet. Statistical analysis was carried out with the help of SPSS.

## RESULTS AND DISCUSSIONS

### 1. Demographic Profile

The study included 150 respondents between 18-24 years age group from which 58% were Boys and 42% were Girls.

### 2. Allowance Level

Most respondents received monthly allowances below ₹5000, indicating that income level does not restrict FinTech adoption amongst students.

**Table no. 1:** Demographic data and Allowance level of the study group

Variable	Category	Frequency	Percentage
Age (years)	18-20	78	52%
	21-24	72	48%
Gender	Male	87	58%
	Female	63	42%
Monthly allowance	Below ₹5000	125	83%
	Above ₹5000	25	17%

### 3 Awareness and Usage

92% of the total participants were aware of FinTech application. This reflects high awareness of growing digital penetration and marketing amongst college students. Chi-square test was conducted to examine the association between awareness of FinTech apps and their actual usage. The association was statistically significant ( $\chi^2=40.30$ ,  $df=1$ ,  $p<0.0001$ ). This awareness is strongly converted into major actual usage (83%), showing high acceptance of FinTech platforms amongst students.

**Table no. 2:** Awareness and Usage of FinTech apps among study group

Variable	Response	Frequency	Percentage
Awareness of FinTech apps	Yes	138	92%

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	No	12	8%
Use of FinTech apps	Yes	114	83%
	No	24	17%

#### 4. Type and Frequency of FinTech app usage

It was found that the 81% students rely on Google Pay indicating it to be most commonly used compared to PhonePe, Paytm and others as it is easy to use and have wide acceptance for UPI based services.

62% students use FinTech apps for daily financial activities, 28% students use them weekly & 10% use them on occasional basis. Students who use FinTech apps more frequently reported a higher positive influence on their saving habits. Correlation analysis shown positive correlation ( $r \approx 0.50$ ) between frequency of FinTech apps usage and positive saving behaviours scores. This suggest that FinTech apps have become an integral part for students to handle their finances.

#### 5. Saving Behaviour

59% students have habit of saving a part of their allowance, which shows positive attitude towards financial consciousness.

Before FinTech apps, 66% students used to save in piggy banks or cash and 34% students used bank accounts showing traditional approach. After digitalisation, 53% students started saving in bank accounts, 41% using digital wallets and bank-linked apps. This has caused clear shift from traditional to digital saving methods, making saving more convenient and systematic.

#### 6. Impact of FinTech app on saving habits

73% students agreed that FinTech apps have increased their habit of saving money and tracking expenses. Students found that automated features in FinTech apps encourage regular saving, improve financial awareness and saving money has become easier. The high level of agreement confirms that FinTech apps play a significant role in improving saving discipline and money management amongst students. Students get encourage due to motivating features of FinTech apps such as rewards, cashback, easy accessibility and automated savings.

#### 7. Challenges in using FinTech apps

46% students lack complete trust in digital platforms, 32% feel insecure about their private data and 9% find it difficult due to technical errors. Although, adoption is high, security concerns remain a barrier, highlighting the need for better awareness and trust building measures.

### CONCLUSION

The study clearly indicates that FinTech applications have a positive and significant impact on the saving behaviour of college students by promoting regular savings, improving financial awareness, and making money management easier and more engaging.

FinTech apps have emerged as powerful tools in shaping the financial behaviour of youths, especially college students. Despite challenges related to security and trust, their benefits in encouraging saving habits and financial discipline are substantial.

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