An Analysis of Financial Services Accessibility and Utilization among College Students in Rajkot District

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Abstract

This study looks on how easily college students in the Rajkot district may obtain and use financial services. The study looks at important aspects like student preferences, service accessibility, and financial literacy in order to find patterns, obstacles, and chances to increase financial inclusion in this group. Surveys and interviews with 200 college students from different institutions in the district were used to gather data. The results draw attention to knowledge gaps, the function of online banking, and the significance of focused financial education initiatives.

1. **Introduction**

Financial inclusion has emerged as a key topic of concern for financial institutions and governments in recent years. A sizable portion of the youth population, college students, are using financial services including digital payment platforms, credit facilities, and banking more frequently. Even though these services are widely available, there are still gaps in access and use, particularly in urban and semi-urban areas like Rajkot district.

This study aims to investigate the financial practices of Rajkot college students, highlighting the obstacles they encounter and potential solutions to improve their financial inclusion. The study focuses on important topics like the effects of digitalization, service accessibility, and financial literacy.

1. **Objectives of the Study**
* To determine how financially literate Rajkot district college students are.
* To examine how easily accessible and available financial services are to this group.
* To determine the elements affecting college students' use of financial services.

**3. Literature Review**

**According to Lusardi and Mitchell (2014),** young individuals often lack the knowledge necessary to make informed financial decisions, impacting their ability to manage personal finances.

**Agarwal and Sinha (2021)** highlighted that financial literacy initiatives targeting youth are essential to bridge this knowledge gap.

**Demirgüç-Kunt et al. (2018)** emphasized the importance of accessible banking infrastructure in promoting financial inclusion. However, gaps persist, especially in semi-urban and rural areas, where infrastructure is often inadequate (Sharma, 2020).

**Gupta and Arora (2020)** found that digital platforms significantly enhance convenience for users but require increased awareness and trust-building efforts to maximize adoption among youth. Similarly,

**World Bank (2022)** reported that trust in digital financial services is a critical determinant of their adoption.

**The Reserve Bank of India (2023)** determined that specific policy initiatives, like education campaigns and subsidized banking services, were successful ways to address these issues. Only 25% of respondents knew about more sophisticated services including insurance and investment choices, while almost 60% of respondents showed a basic awareness of banking services.

1. **Research Methodology**
* Sample Size: 100 college students from various institutions in Rajkot district.
* Data Collection Tools: Structured questionnaires and semi-structured interviews.
* Data Analysis: Quantitative data were analysed using statistical tools, while qualitative insights were derived from interview responses.
1. **Findings**

Financial Literacy:

* Only 25% of respondents knew about more complex services including insurance and investment possibilities, whereas almost 60% of respondents showed a basic awareness of banking services.
* Students who had previously been exposed to commerce or finance-related coursework had greater levels of financial literacy.

Accessibility:

* While more than 70% of students said they had access to a bank account, fewer made use of digital wallets or credit facilities.
* Compared to their urban peers, semi-urban students had more difficulty accessing banking institutions and ATMs.

Digitalization:

* Digital wallets and mobile banking apps were popular, but their uptake was constrained by a lack of technological expertise and trust difficulties.
* Students said that they preferred services with less expensive transaction costs and user-friendly interfaces.

Barriers to Utilization:

* The main obstacles mentioned were a lack of awareness campaigns, excessive service fees, and limited financial knowledge.
* Parental influence and cultural elements also influenced how people behaved financially.
1. **Recommendations**

Enhancing Financial Literacy:

* Include financial literacy in college curricula.
* Hold seminars and workshops that emphasize useful money management techniques.

Improving Accessibility:

* In semi-urban regions, increase the financial infrastructure.
* Encourage the use of low-cost digital banking options with negligible transaction costs.

Leveraging Technology:

* Encourage the use of low-cost digital banking options with negligible transaction costs.
* Create youth-oriented mobile applications with a focus on usability and security.
* Use focused marketing to raise awareness of the advantages of digital financial services.

Policy Interventions

* Work together with academic institutions to provide financial products that are focused on students.
* Provide incentives like savings plans and student loans with low interest rates.
1. **Conclusion**

This study emphasizes how urgent it is to bridge the accessibility and financial literacy disparities among Rajkot district college students. Stakeholders can greatly improve financial inclusion and provide young people the tools they need to make wise financial decisions by creating a supportive environment through education, technology advancement, and focused legislative actions. Future studies might examine long-term patterns and how cutting-edge technology like block chain can promote financial inclusivity.

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