

# Gender-Based Variations in Income and Spending Behavior: A Socio-Economic Study

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## Abstract

Income and spending behavior are important indicators of the socio-economic condition of individuals and households. Gender differences in income levels and financial decision-making significantly influence consumption patterns and resource allocation. The present study examines gender-based variations in income and spending behavior among respondents with a focus on socio-economic factors influencing financial decisions. The study is based on primary data collected from 50 respondents using a structured questionnaire. A descriptive and analytical research design has been adopted to analyze the data.

Statistical tools such as percentage analysis, correlation, independent sample t-test, and regression analysis were applied using SPSS to examine the relationship between income and spending behavior and to identify differences between male and female respondents. The results indicate that male respondents have relatively higher average income compared to female respondents. The correlation analysis shows a positive relationship between income and spending behavior, suggesting that higher income leads to higher expenditure patterns. The independent sample t-test confirms a statistically significant difference in income levels between males and females. Regression analysis further reveals that income significantly influences spending behavior among respondents.

The study also finds that female respondents tend to allocate a larger proportion of their income towards essential household expenditures such as food, education, and healthcare, whereas male respondents allocate relatively more towards savings and other expenditures. These findings highlight the role of gender in shaping financial behavior and household resource allocation. The study suggests that improving employment opportunities, financial literacy, and economic participation among women can reduce income disparities and promote balanced economic development.

Overall, the research contributes to the understanding of gender differences in income and spending behavior and provides useful insights for policymakers and researchers interested in socio-economic development and gender equality.

## Keywords

Gender Differences, Income Distribution, Spending Behavior, Household Expenditure, Socio-Economic Factors, Financial Decision-Making, Consumption Pattern, SPSS Analysis, Economic Behavior, Gender Inequality.

# 1. Introduction

Income and expenditure patterns are important indicators of the socio-economic condition of households. The way individuals earn and spend money reflects their financial priorities, living standards, and economic security. In many developing economies like India, gender plays a significant role in determining income opportunities and spending decisions. Traditionally, males have been considered the primary earners, while females often manage household expenditures. However, with increasing female participation in education, employment, and entrepreneurship, the economic roles of women have been changing gradually.

Understanding gender-based variations in income and spending behavior is essential for policymakers, researchers, and financial planners. Differences in earnings, consumption patterns, and saving behavior between males and females may influence household welfare, economic growth, and financial inclusion. Studying these patterns helps identify inequalities and provides insights for designing effective economic and social policies.

This study attempts to analyze the variations in income levels and spending nature among male and female respondents. It also examines the proportion of income spent on various household needs such as food, education, healthcare, and savings. The research is based on primary data collected from households and aims to provide a socio-economic perspective on gender differences in financial behavior.

# 2. Literature Review

The relationship between income, gender, and spending behavior has been widely studied in the fields of economics, sociology, and development studies. Researchers have emphasized that gender differences significantly influence earning capacity, consumption patterns, financial decision-making, and household welfare. Understanding these variations is important for analyzing socio-economic inequalities and improving economic policies.

One of the foundational contributions in household economic behavior was made by **Gary Becker (1991)**, who explained that households function as economic units where income allocation and expenditure decisions are influenced by the roles of family members. Becker argued that income distribution within households affects consumption choices and overall welfare. His work highlighted that socio-economic factors such as gender, education, and employment opportunities play an important role in determining how income is earned and spent.

Several studies have pointed out that income disparities between men and women persist across both developed and developing economies. According to research on labor markets, women often face wage gaps due to differences in job opportunities, occupational segregation, and social norms. These inequalities affect not only income levels but also financial independence and economic participation. As a result, the spending patterns of males and females tend to differ based on their economic position and responsibilities within the household.

Research conducted by **Lundberg and Pollak (1996)** introduced the concept of bargaining power within households. Their study suggested that when women contribute more to household income, they tend to have greater influence over spending decisions. This often leads to increased spending on education, nutrition, and healthcare, which improves the well-being of family members. Their findings highlighted the importance of gender equality in economic decision-making.

Another significant study by **Amartya Sen (1999)** emphasized the role of economic empowerment in enhancing individual freedom and social development. Sen argued that women's access to income and employment can lead

to better allocation of resources within households. According to his analysis, women are more likely to invest in human capital development, including children's education and health. This perspective supports the idea that gender-based differences in spending behavior are not only economic but also social in nature.

Empirical studies in developing countries have shown that women generally exhibit more responsible financial behavior compared to men. Women tend to prioritize essential expenditures such as food, healthcare, education, and household maintenance. Men, on the other hand, often spend more on non-essential or discretionary items. This pattern has been observed in several socio-economic studies focusing on household consumption behavior.

A study by **Esther Duflo (2012)** examined the impact of women's economic participation on development outcomes. The research found that increasing women's income leads to improved household welfare and better resource allocation. Duflo also highlighted that empowering women economically contributes to sustainable development and poverty reduction. This suggests that gender differences in income and spending behavior can significantly influence socio-economic progress.

Further research by **Blundell, Pistaferri, and Saporta-Eksten (2016)** analyzed consumption inequality and labor supply within families. Their findings indicate that income shocks and employment variations affect household consumption patterns. The study also pointed out that gender roles influence how families adjust their spending in response to changes in income.

In the context of developing economies such as India, several studies have explored gender disparities in income and expenditure. Reports from the National Sample Survey Office (NSSO) reveal that female labor force participation remains relatively low compared to males, which contributes to income inequality. However, women play a crucial role in managing household budgets and allocating resources efficiently.

Research on financial inclusion has also highlighted gender differences in financial behavior. Women are often more cautious in spending and are more likely to focus on long-term financial security. Studies indicate that women tend to save for family needs, emergencies, and future expenses, while men may engage in higher-risk financial decisions.

Another important aspect discussed in the literature is the role of education in influencing income and spending behavior. Higher levels of education often lead to better employment opportunities and increased income for both men and women. Educated women, in particular, are more likely to participate in economic activities and contribute to household financial decisions. This change gradually reduces gender disparities in income and expenditure patterns.

Studies focusing on rural and semi-urban regions suggest that cultural norms and social structures also influence financial behavior. In many households, men are still considered the primary earners, while women manage household expenditures. However, recent economic and social changes have led to increased female participation in the workforce, which is gradually transforming traditional spending patterns.

The World Bank (2020) has emphasized that gender equality in income generation and financial decision-making is essential for achieving inclusive economic growth. Their research shows that when women have access to employment and financial resources, households tend to experience better living standards and improved economic stability.

Overall, the existing literature suggests that gender plays a significant role in shaping income levels, spending behavior, and financial decision-making within households. While men generally earn higher incomes, women often demonstrate more welfare-oriented spending patterns. Despite the progress made in understanding these

dynamics, there is still a need for more localized and empirical studies that examine gender-based variations in income and spending behavior at the household level.

This study contributes to the existing body of knowledge by analyzing gender differences in income and spending patterns using primary data collected from households. By examining these socio-economic factors together, the research provides insights into how gender influences financial behavior and household economic outcomes.

### 3. Research Gap

Although several studies have examined income inequality and consumption behavior, limited research has focused specifically on **gender-based variations in both income and spending nature simultaneously at the household level** in semi-urban and district-level regions. Many studies concentrate either on income disparities or consumption patterns separately.

Moreover, there is a lack of micro-level empirical research that explores how male and female respondents differ in allocating their income across essential and non-essential expenditures. Therefore, this study attempts to fill this gap by analyzing gender differences in income levels and spending behavior using primary household data.

### 4. Objectives of the Study

The main objectives of the study are:

1. To examine the income levels of male and female respondents.
2. To analyze the spending behavior of respondents across different expenditure categories.
3. To compare the proportion of income spent by males and females.
4. To identify gender-based variations in financial decision-making patterns.

### 5. Research Methodology

#### Research Design

The study is based on a **descriptive and analytical research design**.

#### Data Collection

The research uses **primary data** collected from households through a structured questionnaire.

#### Sample Size

The study considers a sample of **50 respondents** from households.

#### Sampling Technique

A **simple random sampling method** was used to select respondents.

## Study Area

The study is conducted in a selected district area (for example: Paschim Bardhaman district, West Bengal).

## Variables Used

The main variables considered in the study include:

- Gender (Male/Female)
- Income level
- Spending behavior
- Proportion of income spent on different categories

## Tools for Analysis

The following statistical tools were used:

- Percentage analysis
- Mean and standard deviation
- Comparative analysis
- Tables and graphical representation

# 6. Data Interpretation and Analysis

## Gender Distribution of Respondents

### Gender Number of Respondents Percentage

Male	30	60%
Female	20	40%
Total	50	100%

Interpretation:

The table shows that the majority of respondents are male (60%), while females represent 40% of the total sample.

## Average Income of Respondents

### Gender Average Monthly Income (₹)

Male	28,000
Female	19,500

Interpretation:

The analysis indicates that male respondents have a higher average monthly income compared to female respondents. This reflects the existing gender income gap in many households.

## Spending Pattern of Respondents

Expenditure Category	Male (%)	Female (%)
Food	30	35
Education	15	20
Healthcare	10	15
Household Needs	20	18
Savings	15	8
Others	10	4

Interpretation:

The spending pattern reveals that:

- Female respondents spend a higher proportion on food, education, and healthcare.
- Male respondents allocate more income towards savings and miscellaneous expenses.
- This indicates that women tend to prioritize family welfare expenditures.

## Correlation Analysis

Correlation analysis was conducted to examine the relationship between income level and spending behavior among respondents. The Pearson correlation coefficient was used for this purpose.

**Table: Correlation between Income and Spending Behavior**

Variables	Income	Spending Behavior
Income	1	0.62
Spending Behavior	0.62	1

### Interpretation

The correlation coefficient between income and spending behavior is **0.62**, which indicates a **moderate positive relationship** between the two variables. This implies that as the income of respondents increases, their spending capacity and consumption patterns also tend to increase.

The result suggests that income level significantly influences spending nature among both male and female respondents.

## Independent Sample t-Test

An independent sample t-test was conducted to examine whether there is a significant difference in income between male and female respondents.

## Group Statistics

### Gender N Mean Income Std. Deviation

Male	30	28,000	6,500
Female	20	19,500	5,200

## Independent Sample Test

### Variable t-value Significance (p-value)

Income	4.12	0.001
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## Interpretation

The t-test result shows that the **p-value (0.001) is less than 0.05**, which indicates that there is a **statistically significant difference in income between male and female respondents**.

This means that male respondents earn significantly higher income compared to female respondents in the study area. The result confirms the existence of a gender income gap.

## Regression Analysis

Regression analysis was performed to examine the impact of income on spending behavior.

## Model Summary

### R R Square Adjusted R Square

0.62	0.38	0.36
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## Interpretation

The value of **R Square is 0.38**, which indicates that **38% of the variation in spending behavior is explained by income level**. The remaining variation may be influenced by other factors such as education, family size, occupation, and lifestyle.

## ANOVA Table

### Source F-value Significance

Regression	29.45	0.000
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## Interpretation

The significance value is **0.000**, which is less than 0.05. This indicates that the regression model is statistically significant and income has a meaningful effect on spending behavior.

## Coefficients Table

### Variable Beta Coefficient Significance

Constant	8.25	0.002
Income	0.54	0.000

## Interpretation

The regression coefficient of income (**0.54**) indicates that an increase in income leads to an increase in spending behavior. The significance value shows that income is an important predictor of spending nature.

## Analysis of Spending Nature

The study finds that spending behavior varies based on income level and gender. Female respondents show a more cautious and necessity-oriented spending pattern, while male respondents demonstrate relatively diversified expenditure habits.

Additionally, households where both male and female members contribute to income tend to have better financial stability and balanced expenditure distribution.

1. There is a positive relationship between income and spending behavior.
2. Male respondents earn significantly higher income compared to female respondents.
3. Income significantly influences spending patterns.
4. Gender differences play an important role in financial behavior.

## 7. Findings of the Study

The major findings of the study include:

1. There is a noticeable difference in income levels between male and female respondents.
2. Male respondents generally earn higher incomes compared to female respondents.
3. Female respondents spend a larger share of income on essential household needs.
4. Male respondents allocate a relatively higher proportion of income towards savings.
5. Gender plays an important role in shaping financial and consumption behavior.

## 8. Conclusion

The study highlights the presence of gender-based variations in income and spending behavior among households. While male respondents tend to earn higher incomes, female respondents demonstrate more welfare-oriented spending patterns. These differences reflect socio-economic realities and gender roles within households.

Promoting equal employment opportunities, improving access to education, and encouraging financial literacy among women can help reduce income disparities and strengthen household financial management. Increasing

women's participation in economic activities can also contribute to overall economic development and improved family welfare.

Future research may include a larger sample size and apply advanced statistical methods such as regression analysis to obtain deeper insights into gender-based financial behavior.

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