



# A Study On The Spending Behaviour Of Plantation Workers In Munnar

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**Abstract:** Spending behaviour plays a crucial role in understanding how individuals manage their income and meet their needs. This study focuses on the spending patterns of plantation workers in Munnar and the socio-economic factors influencing their expenditures. Data was collected from 200 workers using a structured questionnaire, covering demographic details, spending priorities, and economic influences. Analysis was performed using descriptive statistics, mean and standard deviation, Garrett Ranking, and chi-square tests. The results indicate that plantation workers prioritize essential needs such as food, healthcare, and housing, while savings and leisure activities receive lower attention due to limited income and rising living costs. Economic factors such as cost of living, income level, debt, and healthcare expenses significantly influence spending behaviour. The study emphasizes the need for financial awareness, income support and welfare initiatives to improve the financial well-being of plantation workers.

**Keywords:** Spending behaviour, plantation workers, socio-economic factors, financial awareness, social obligations, etc.

## INTRODUCTION

Spending behaviour reflects how individuals and households allocate their income to meet their daily needs, social obligations, and future security. It is closely influenced by income level, employment stability, family size, education, and socio-economic conditions. Understanding spending behaviour is essential for assessing the standard of living and financial well-being of workers, especially those belonging to economically vulnerable sectors. Plantation workers constitute a significant segment of the rural workforce in India, particularly in tea, coffee, and rubber plantations. Their livelihood largely depends on daily wages, which are often fixed, seasonal, and limited in nature. As a result, plantation workers generally prioritize essential expenditures such as food, housing, healthcare, education, and transportation, leaving little scope for savings or discretionary spending. Rising prices, medical expenses, and educational costs further influence their spending decisions. The spending behaviour of plantation workers is also shaped by social and cultural factors, including family responsibilities, festivals, indebtedness, and access to financial services. Limited financial literacy and restricted access to formal banking and credit facilities may lead to dependence on informal borrowing, which in turn affects their expenditure pattern. Studying these aspects provides insights into how income constraints and socio-economic challenges influence consumption decisions among plantation workers.

## REVIEW OF LITERATURE

**Joseph (2021)** carried out a study on the spending and saving behaviour of tea plantation workers in Wayanad and Idukki districts of Kerala, covering a sample of 400 respondents. The study found that food expenditure constituted the largest share of monthly income, followed by healthcare and education. It was observed that unexpected medical expenses significantly disturbed household budgets, and most workers lacked formal financial planning, leading to irregular and need-based spending patterns.

**Selvaraj and Devi (2021)** examined the household expenditure pattern of plantation workers in Coimbatore and Nilgiris districts using a sample of 250 plantation workers. The study found that income instability and seasonal employment strongly influenced spending behaviour. Food expenditure accounted for the highest share, followed by medical expenses and transportation. The authors concluded that limited financial literacy and low access to formal banking facilities negatively affected budgeting and saving habits among plantation workers.

**Anitha (2022)** examined the socio-economic conditions and financial behaviour of plantation workers in the Nilgiris district of Tamil Nadu using a sample of 114 workers. The study highlighted that low wages, large family size, and lack of financial literacy played a crucial role in shaping spending behaviour. The majority of respondents spent their income primarily on food, housing, and transportation, while savings and investment expenditure were minimal.

**Suresh and Meena (2023)** analyzed household expenditure patterns of plantation workers in South India with a sample size of 300 respondents drawn from selected tea estates. The study revealed a noticeable increase in spending on education and healthcare due to rising costs of living. The authors noted that although workers attempted to manage expenses carefully, limited income and inflation reduced their ability to allocate funds for savings and future security.

**Satheesh Kumar (2024)** conducted a comprehensive study on employment and income dynamics among plantation workers in Kerala, surveying 442 workers across various plantations. The findings indicated that irregular employment and fluctuating income levels directly influenced workers' spending behaviour. The study concluded that plantation workers prioritized immediate consumption needs, while long-term financial planning and savings remained low due to economic insecurity.

## STATEMENT OF THE PROBLEM

Plantation workers in Munnar play a vital role in the region's tea, spice, and coffee industries, yet they often face low wages, seasonal employment, and limited access to financial services, which significantly influence their income stability and spending behaviour. Most workers prioritize essential needs such as food, housing, healthcare, and education, leaving little scope for savings or discretionary expenditure. Rising costs of living, unexpected medical or educational expenses, and dependence on informal credit further strain their limited income and affect household financial management. Despite some studies on plantation workers' socio-economic conditions in Kerala, there is a lack of focused research on the detailed spending patterns and consumption behaviour of plantation workers in Munnar. Therefore, this study aims to analyze how plantation workers in Munnar allocate their income, identify expenditure priorities, assess savings patterns, and understand the socio-economic factors that shape their spending decisions.

## NEED FOR THE STUDY

Understanding the spending behaviour of plantation workers in Munnar is essential due to their significant contribution to the region's economy and the challenges they face in managing limited income. Most plantation workers earn low and irregular wages, which are primarily used to meet basic necessities such as food, housing, healthcare, and education, leaving little room for savings or discretionary expenditure. Rising costs of living, unexpected medical or educational expenses, and reliance on informal credit further affect their financial stability. Studying their spending patterns will provide valuable insights into how income, family size, education, and socio-economic conditions influence consumption decisions. The findings can help policymakers, plantation management, and financial institutions design targeted welfare schemes, financial literacy programs, and support mechanisms to improve the economic well-being and quality of life of plantation workers. Moreover, there is limited research specifically focusing on Munnar, making this study crucial for generating localized, actionable data to inform interventions that address the unique needs of this workforce.

## OBJECTIVE OF THE STUDY:

- To study the spending patterns of plantation workers in Munnar.
- To analyze the socio-economic factors influencing their spending behaviour

## LIMITATIONS OF THE STUDY

- The study is limited to plantation workers in Munnar and may not represent workers in other regions or states.
- The findings are based on the responses of selected respondents, so personal biases or inaccuracies in reporting income and expenditure may affect the results.
- Seasonal variations in work and income may influence spending patterns, which the study may not fully capture.
- The study focuses mainly on income, expenditure, and socio-economic factors, and does not cover other aspects like investment behaviour or long-term financial planning in detail.

## Research Methodology

- **Research Design:** The study follows a descriptive research design, aiming to understand and analyze the spending behaviour of plantation workers in Munnar. This design helps in systematically collecting and presenting information about spending patterns and the influence of socio-economic factors.
- **Population and Sample:** The population of the study includes plantation workers in Munnar. A total of 200 respondents were selected as the sample using a convenience sampling method, ensuring representation from different age groups, genders, educational levels, and income categories.
- **Data Collection Method:** Primary data was collected through a structured questionnaire comprising both close-ended and Likert-scale questions. The questionnaire included sections on demographic details, spending patterns, and socio-economic factors influencing expenditure. Secondary data was collected from journals, research articles, and government reports related to plantation workers' income and expenditure.
- **Tools for Data Analysis:** The collected data was analyzed using both descriptive and inferential statistical tools. Descriptive statistics such as frequency, percentage, mean, and standard deviation were used to summarize demographic characteristics and spending patterns. Garrett Ranking Method was employed to identify the most influential socio-economic factors affecting spending behaviour. Chi-square test with p-values was applied to examine the association between socio-economic factors and spending behaviour.

## ANALYSIS AND INTERPRETATION

**Table No.1**  
**Demographic Profile of Respondents**

| Demographic Variable | Category                 | Number of Workers | Percentage (%) |
|----------------------|--------------------------|-------------------|----------------|
| Gender               | Male                     | 120               | 60%            |
|                      | Female                   | 80                | 40%            |
| Age (in years)       | 18–30                    | 50                | 25%            |
|                      | 31–40                    | 70                | 35%            |
|                      | 41–50                    | 60                | 30%            |
|                      | Above 50                 | 20                | 10%            |
| Education            | Illiterate               | 40                | 20%            |
|                      | Primary                  | 60                | 30%            |
|                      | Secondary                | 70                | 35%            |
|                      | Higher Secondary & Above | 30                | 15%            |
| Marital Status       | Married                  | 140               | 70%            |
|                      | Unmarried                | 60                | 30%            |
| Family Type          | Nuclear                  | 80                | 40%            |
|                      | Joint                    | 120               | 60%            |
| Monthly Income (INR) | Below 10,000             | 50                | 25%            |
|                      | 10,001–15,000            | 90                | 45%            |
|                      | 15,001–20,000            | 40                | 20%            |
|                      | Above 20,000             | 20                | 10%            |

The study was conducted among 200 plantation workers in Munnar. In terms of gender, the majority were male (60%), while female respondents accounted for 40%, indicating a higher male participation in plantation work. Regarding age, most workers belonged to the 31–40 years (35%) category, followed by 41–50 years (30%), 18–30 years (25%), and a small proportion above 50 years (10%), showing that the workforce is primarily middle-aged. For education, the largest group had secondary education (35%), followed by primary education (30%), illiterate (20%), and higher secondary and above (15%), suggesting moderate literacy levels among workers. In terms of marital status, a majority (70%) were married, reflecting family responsibilities that may influence spending behavior. For family type, 60% of respondents lived in joint families, while 40% lived in nuclear families, indicating that extended family structures are common and may impact household expenditure. Regarding monthly income, most workers earned between ₹10,001–15,000 (45%), followed by below ₹10,000 (25%), ₹15,001–20,000 (20%), and above ₹20,000 (10%), showing that the majority have moderate incomes which affect their spending and saving patterns.

**Table No. 2****Spending Pattern of Plantation Workers**

| <b>Factors</b>                      | <b>SA</b> | <b>A</b> | <b>N</b> | <b>D</b> | <b>SD</b> | <b>Total</b> | <b>Mean</b> | <b>Std. Deviation</b> |
|-------------------------------------|-----------|----------|----------|----------|-----------|--------------|-------------|-----------------------|
| Spending on food and groceries      | 70        | 85       | 25       | 12       | 8         | 200          | 4.00        | 0.96                  |
| Spending on housing and utilities   | 65        | 80       | 30       | 15       | 10        | 200          | 3.88        | 1.02                  |
| Spending on education of children   | 60        | 75       | 35       | 20       | 10        | 200          | 3.78        | 1.06                  |
| Spending on healthcare              | 68        | 82       | 28       | 12       | 10        | 200          | 3.93        | 0.99                  |
| Spending on savings                 | 30        | 55       | 45       | 40       | 30        | 200          | 3.08        | 1.29                  |
| Spending on entertainment           | 25        | 50       | 60       | 40       | 25        | 200          | 2.95        | 1.25                  |
| Spending on loan repayment          | 55        | 70       | 35       | 25       | 15        | 200          | 3.63        | 1.12                  |
| Spending on festivals and functions | 45        | 65       | 50       | 25       | 15        | 200          | 3.50        | 1.13                  |

The mean score is highest for spending on food and groceries (Mean = 4.00), indicating that essential consumption is the top priority among plantation workers. Spending on healthcare (Mean = 3.93) and housing and utilities (Mean = 3.88) also show high mean values, reflecting the importance of basic needs. Education of children records a moderately high mean score (3.78), showing its significance in household expenditure.

Spending on loan repayment shows a moderate mean value (3.63), indicating the presence of financial obligations among workers. Festivals and functions record a mean of 3.50, reflecting occasional discretionary spending. Lower mean scores are observed for spending on savings (3.08) and entertainment (2.95), suggesting limited saving capacity and lower priority for leisure activities. Higher standard deviation values for savings and entertainment indicate varied opinions among respondents, while lower deviations for essentials show consistency in spending behaviour.

**Table No. 3****Socio-Economic Factors Influencing the Spending Behaviour of Plantation Workers****-Garrett Ranking**

| <b>Socio-Economic Factor</b>     | <b>Average Garrett Score</b> | <b>Rank</b> |
|----------------------------------|------------------------------|-------------|
| Rising cost of living            | 82.0                         | 1           |
| Size of the family               | 76.0                         | 2           |
| Level of income                  | 71.0                         | 3           |
| Loan and debt commitments        | 69.0                         | 4           |
| Educational expenses of children | 66.0                         | 5           |
| Medical and healthcare expenses  | 64.0                         | 6           |
| Social and cultural obligations  | 60.0                         | 7           |
| Saving and investment habits     | 57.0                         | 8           |

The Garrett ranking results show that the rising cost of living is the most influential factor affecting the spending behaviour of plantation workers, securing the first rank with the highest average score of 82.0. Family size ranks second, indicating that household responsibilities play a major role in determining expenditure patterns. Income level occupies the third position, highlighting its importance in shaping spending capacity. Loan and debt commitments are ranked fourth, showing that financial liabilities significantly influence spending decisions. Educational expenses of children and medical and healthcare

expenses are ranked fifth and sixth respectively, reflecting the priority given to education and health-related needs. Social and cultural obligations stand at the seventh rank, indicating moderate influence on spending behaviour. Saving and investment habits rank last, suggesting limited emphasis on savings due to income constraints and rising living costs among plantation workers.

Table No. 4

### Chi-square Analysis between Socio-Economic Factors and Spending Behaviour of Plantation Workers

| Socio-Economic Factor            | $\chi^2$ Value | p-value | Level of Significance | Result          |
|----------------------------------|----------------|---------|-----------------------|-----------------|
| Rising cost of living            | 18.42          | 0.018   | 0.05                  | Significant     |
| Size of the family               | 15.36          | 0.052   | 0.05                  | Not Significant |
| Level of income                  | 21.74          | 0.005   | 0.05                  | Significant     |
| Loan and debt commitments        | 16.89          | 0.031   | 0.05                  | Significant     |
| Educational expenses of children | 14.22          | 0.076   | 0.05                  | Not Significant |
| Medical and healthcare expenses  | 17.65          | 0.024   | 0.05                  | Significant     |
| Social and cultural obligations  | 12.48          | 0.131   | 0.05                  | Not Significant |
| Saving and investment habits     | 22.31          | 0.004   | 0.05                  | Significant     |

The chi-square analysis reveals that several socio-economic factors have a significant association with the spending behaviour of plantation workers. Rising cost of living shows a significant relationship with spending behaviour, as the p-value (0.018) is less than 0.05, indicating that increasing prices strongly influence expenditure patterns. Level of income is also significantly associated with spending behaviour ( $p = 0.005$ ), suggesting that income variations play an important role in determining expenditure priorities.

Loan and debt commitments exhibit a significant association with spending behaviour ( $p = 0.031$ ), indicating that financial liabilities directly affect household expenditure decisions. Medical and healthcare expenses also show a significant relationship ( $p = 0.024$ ), reflecting the importance of health-related spending in shaping overall expenditure. Saving and investment habits are significantly related to spending behaviour ( $p = 0.004$ ), indicating that workers' ability to save is closely linked to their spending patterns.

On the other hand, size of the family, educational expenses of children, and social and cultural obligations do not show a statistically significant association with spending behaviour, as their p-values exceed the 0.05 significance level. This suggests that these factors, although important, do not independently influence spending behaviour in a statistically measurable way.

The result confirms that economic pressure factors such as cost of living, income level, debt burden, healthcare expenses, and saving habits significantly influence the spending behaviour of plantation workers.

### SUGGESTIONS FOR THE STUDY

- Provide financial literacy programs to help workers manage income and savings.
- Improve income through fair wages, timely payments, and incentives.
- Promote affordable healthcare and education schemes to reduce financial burden.
- Create awareness about savings and investment options for regular saving.
- Organize workshops on budget planning and debt management.
- Introduce welfare initiatives like subsidized food, healthcare, and housing.
- Conduct further studies on social and cultural influences on spending behaviour.

## CONCLUSION

Better understanding of the spending behaviour of plantation workers shows that most of their income is directed towards basic needs such as food, healthcare, and housing. Limited income and rising living costs leave little room for savings and leisure activities. Economic factors, including income level, cost of living, and debt, strongly influence their expenditure patterns. Overall, the findings emphasize the need for improved income support, financial literacy, and welfare measures to enhance the living conditions and financial stability of plantation workers.

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