



Impact of Inflation on Daily Household Expenses: A Study of Middle-Class Families Residing in Shivane, Pune

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Abstract – This study focuses on understanding how inflation affects the every day family costs of middleclass families living in Shivane, Pune. Inflation has led to a continuous increase in prices of essential products such as food, fuel, rent, and utilities, which directly impacts family budgets. The study is based on essential data collected through a structured survey from 100 respondents. The findings appear that most families have experienced a critical rise in costs, particularly in basic supplies and transportation. Due to this, many families have decreased non-essential spending, changed their buying habits, and faced trouble in maintaining savings. The study concludes that inflation has made budgetary pressure on middle-class families and has affected their overall monetary stability.

Keywords – Inflation, Household Expenses, Middle-Class Families, Savings, Financial Pressure.

I. INTRODUCTION

Inflation is a common economic issue that affects everyone in daily life. It refers to the continuous rise in prices of goods and services over time. When prices increase, the value of money decreases, and people have to spend more to buy the same things.

In recent years, the cost of essential items like groceries, fuel, rent, electricity, education, and healthcare has increased a lot. This has made it difficult for many families to manage their monthly expenses. Middle-class families are the most affected because their income is usually fixed or grows slowly compared to rising prices.

To manage this situation, families often decrease unnecessary expenses, shift to cheaper choices, or even decrease their savings. Some households also face stress while planning their monthly budget. This study focuses on middle-class families living in Shivane, Pune, with an annual income between ₹3 lakh and ₹10 lakh. The aim is to understand how inflation is affecting their daily expenses, savings, and overall financial condition.

II. REVIEW OF LITERATURE

1. Amit Saha (2022)

This study explains that inflation affects household consumption patterns. Families reduce unnecessary expenses and focus more on essential items due to rising prices.

2. Jayaramanavar & Malagi (2025)

The study shows that inflation has a direct impact on consumer spending. It forces people to adjust their monthly budget and spending habits.

3. Aarav Jain (2025)

This research highlights that inflation reduces savings and affects financial stability of households, especially in middle-income groups.

These studies clearly show that inflation has a strong impact on spending behavior and savings of families.

Objectives of the Study

1. To study the concept and causes of inflation
2. To identify which household expenses have increased the most
3. To understand changes in spending patterns
4. To examine the effect of inflation on savings
5. To analyze financial challenges faced by middle-class families

Research Methodology

III. RESEARCH DESIGN

Research Design

The study is descriptive in nature, as it focuses on understanding the current situation of families affected by inflation.

Sampling Technique

Convenience sampling method

Target Population

Middle-class families in Shivane, Pune

Sample Size

100 respondents

Data Collection Tool

Structured questionnaire (based on Likert scale and simple questions)



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Data Analysis Plan

The data collected from respondents is organized and analyzed in a simple way. Percentage analysis is used to understand the responses and identify common trends. The data is presented using tables for easy comparison.

Graphs like bar charts and pie charts are used to make the results clear and easy to understand. Comparative analysis is also done to identify which expense categories are most affected by inflation.

Overall, simple statistical tools are used to explain the impact of inflation on household expenses.

Data analysis and Interpretation

1. Have you noticed an increase in your daily household expenses in recent years?

Options	No. of Response	Percentage
Yes	80	74.1%
No	28	25.9%

Interpretation

The above chart shows that a majority of respondents, around 74.1%, have noticed an increase in their daily household expenses in recent years, while only 25.9% of respondents have not experienced such an increase.

This clearly indicates that most households are affected by rising prices and inflation. The high percentage of “Yes” responses reflects that increasing costs of essential items like food, fuel, and utilities are creating financial pressure on families.

Overall, the result shows that inflation has had a significant impact on the daily expenses of middleclass households.

2. Which expense has increased the most?

Options	No. of Response	Percentage
Food and Groceries	34	31.2%
Rent	43	39.4%
Electricity and Utilities	30	27.5%
Travelling Expenses	1	0.9%

Interpretation

The information shows a clear trend: essential living costs—housing, food, and utilities—account for 98.1% of the responses. Rent is the single most common answer, beating the next closest category (Food & Basic supplies) by 8.2 percentage points.

3. Due to inflation, I have reduced spending on non-essential items.

Options	No. of Response	Percentage
Strongly Agree	44	40.4%
Agree	52	47.7%
Disagree	9	8.3%
Strongly Disagree	4	3.7%

Interpretation

88% of the 109 respondents have decreased non-essential spending due to inflation. This shows inflation is directly hitting customer demand, which affects revenue forecasting and budgeting.

4. In your opinion, how serious is the impact of inflation on your family?

Options	No. of Response	Percentage
Very Serious	31	28.4%
Serious	47	43.1%
Moderate	23	21.1%
Not Serious	8	7.3%

Interpretation

71.5% of respondents feel inflations impact on their family is serious or very serious, showing that inflation is a major household stress and directly influences customer confidence and spending power.

IV. FINDINGS OF THE STUDY

- Inflation has increased daily household expenses significantly
- Groceries and fuel are the most affected categories
- Savings of middle-class families have reduced
- People are changing their spending habits
- Financial stress has increased among families
- Managing monthly budget has become difficult

V. CONCLUSION

The study concludes that inflation has a strong impact on the daily life of middle-class families in Shivane, Pune. Rising prices of essential goods have increased financial pressure and made it difficult to manage household expenses.



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Most families are adjusting by reducing non-essential spending and shifting to cheaper choices. However, this has also affected their savings and long-term financial planning.

Overall, inflation has adversely affected financial stability, and proper budgeting has become very important for middle-class families.

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