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Financial Services and Lower- and Middle-Income Groups: A Systematic Literature Review of Awareness, Access and Utilisation

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Abstract- Financial inclusion has become a central component of inclusive economic development, yet the availability of financial services does not necessarily translate into their effective and sustained use by lower- and middle-income groups. This systematic literature review examines the relationship between financial awareness, service accessibility and actual utilisation, with particular attention to the socioeconomic, institutional, behavioural and technological factors that shape financial participation. Drawing on established financial inclusion frameworks, recent systematic reviews, international financial inclusion evidence and research on consumer protection, the paper synthesises the mechanisms through which financial knowledge, affordability, physical and digital infrastructure, institutional trust, product suitability and regulatory safeguards influence financial behaviour. The review distinguishes three interdependent dimensions: awareness of financial products, eligibility and practical access to services, and active, informed and beneficial utilisation. The synthesis indicates that financial inclusion is better understood as a multidimensional process than as a binary measure of account ownership. Digital financial services can reduce geographic and transaction barriers, but their benefits depend on digital capability, service reliability, consumer protection and the suitability of products for irregular and constrained household incomes. Moreover, financial literacy alone cannot overcome structural barriers such as insufficient income, documentation requirements, high costs and inadequate service infrastructure. The paper develops an integrated conceptual framework in which awareness influences access readiness, access enables potential participation, and utilisation depends on affordability, trust, capability and product relevance. It also identifies research priorities concerning inactive accounts, informal financial practices, gendered constraints, digital exclusion, financial resilience and the long-term consequences of financial service use. The review contributes to financial inclusion scholarship by integrating awareness, access and utilisation into a single analytical framework and offers practical implications for financial institutions, regulators and policymakers seeking to promote equitable, responsible and sustainable financial participation.

Keywords- Financial inclusion; financial awareness; financial access; financial utilisation; lower-income households; middle-income groups; financial literacy; digital financial services; consumer protection; emerging economies

I. INTRODUCTION

1. Background of the study

Access to appropriate financial services enables households to receive income, make payments, save securely, manage emergencies, obtain credit and protect themselves against financial shocks. For lower- and middle-income groups, these functions can be particularly important because income may be irregular, savings buffers limited and unexpected expenses difficult to absorb. However, the relationship between access to financial services and improved household welfare is neither automatic nor uniform across socioeconomic settings. Financial inclusion has expanded substantially over the past decade. The world bank's global findex database 2025, based on nationally representative surveys conducted in 141 economies during 2024, provides updated evidence on account ownership, payments, saving, borrowing and financial resilience. Its findings also highlight the importance of mobile connectivity and digital safety in understanding contemporary financial inclusion. Nevertheless, aggregate improvements in account ownership do not establish that households understand available products, can afford them, use them regularly or derive meaningful benefits from them. The world bank's evaluation of financial inclusion similarly identifies the distinction between account access and actual use, noting that inactive accounts and continuing barriers among poorer households and other excluded groups remain important concerns. These developments suggest that financial inclusion should be investigated as a sequence of related but distinct processes. Individuals must first become aware of available financial services and understand their potential relevance. They must then be able to obtain and access those services under acceptable conditions. Finally, they must use the services in ways that are safe, appropriate and consistent with their financial needs. The present study examines this sequence through three dimensions: awareness, access and utilisation. It focuses on lower- and middle-income groups, while recognising that income categories differ across countries and that financial inclusion barriers are shaped by

geography, gender, education, employment, household responsibilities and institutional context.

2. Problem statement

Financial inclusion initiatives frequently emphasise expanding banking infrastructure, opening accounts, promoting digital payments and increasing the number of people registered with formal financial institutions. Although these initiatives are important, they may provide an incomplete picture of financial participation. An individual may know that a savings account exists but lack the minimum balance required to maintain it. A household may possess a bank account but depend on cash because of unreliable connectivity or limited digital skills. A borrower may access formal credit but encounter repayment conditions that are unsuitable for irregular income. Similarly, an individual may use a digital payment application without understanding transaction charges, fraud risks or data-sharing implications. These examples illustrate a fundamental distinction between nominal inclusion and meaningful inclusion.

The former concerns whether a service is available or an account exists; the latter concerns whether individuals can understand, obtain, use and benefit from suitable financial services without disproportionate cost or risk. Previous research has examined financial inclusion outcomes, fintech adoption, financial literacy and consumer protection from different perspectives. Duvendack and mader (2020), in a systematic review found that the impacts of financial inclusion interventions varied across outcomes and contexts, with limited and inconsistent evidence of transformative effects on core economic and social indicators.

More recent reviews have examined the relationship between fintech and financial inclusion, including the experiences of vulnerable groups (lye et al., 2025; Ha et al., 2025). The remaining analytical challenge addressed in this manuscript is to bring awareness, access and utilisation together in a coherent framework that distinguishes the conditions enabling participation from the conditions determining whether participation is sustained and beneficial. This is a proposed synthesis and must be tested against a fully documented database search before being claimed as an exhaustive mapping of all existing reviews.

3. Research objectives

The study has six objectives:

- To examine how awareness and financial literacy influence the financial participation of lower- and middle-income groups.
- To identify the socioeconomic, institutional, geographic and technological factors affecting access to formal financial services.
- To synthesise the factors that influence actual, active and sustained utilisation of financial products.
- To examine how digital financial services alter the relationships among awareness, access and utilisation.
- To identify the principal barriers, inequalities and consumer risks associated with financial inclusion.
- To develop an integrated conceptual framework and propose directions for future research and policy intervention.

4. Research questions

- The review addresses the following questions.
- Rq1: how does financial awareness influence the ability and willingness of lower- and middle-income groups to participate in formal financial services?
- Rq2: which socioeconomic, institutional and technological factors facilitate or constrain access to financial services?
- Rq3: what factors explain the transition from access or account ownership to actual and sustained utilisation?
- Rq4: how do digital financial services influence inclusion, and what risks may limit their effectiveness?
- Rq5: what integrated framework can explain the relationships among awareness, access, utilisation and meaningful financial inclusion?

5. Significance of the study

The study has theoretical, practical and policy significance. Theoretically, it differentiates awareness, access and utilisation rather than treating financial inclusion as a single outcome. Practically, it helps financial institutions identify whether low participation arises from insufficient customer knowledge, service-delivery barriers or inadequate product suitability. From a policy perspective, it suggests that account-opening targets should be complemented by indicators of active use, affordability, safety, consumer understanding and financial resilience .

II. LITERATURE REVIEW AND THEORETICAL FOUNDATIONS

1. Conceptualising financial inclusion

Financial inclusion, according to this definition, means that individuals and businesses have access to and use appropriate formal financial products and services (such as transaction accounts, payments, savings, credit, insurance and other related financial instruments) through functioning institutions or delivery channels, in a manner that is affordable (no unaffordable fees or interest rates), convenient (no undue distance, time or cost to obtain and use services), and under conditions that are transparent, understandable, and sufficiently safe (no deceptive or predatory practices).

This difference is important because service availability does not necessarily translate into access, and access does not necessarily lead to appropriate use. The empirical basis for this distinction is provided by the global findex research conducted by the world bank. The 2025 edition expands the analysis with measures of digital connectivity and digital safety.

2. Financial awareness and literacy

Financial awareness relates to whether people are aware of financial products, providers, eligibility requirements, service channels, fees and consumer rights; financial literacy goes beyond that to include capabilities that allow people to understand financial concepts and make decisions about them, including understanding interest rates, inflation, repayment obligations, risk diversification, savings options, insurance coverage, and digital transactions. Awareness and literacy are not synonymous: someone may be aware that a bank offers loans, but may not know what the total cost of the borrowing is, while someone may understand interest calculations, but not know what services are available locally.

3. Access to financial services

Access is about obtaining financial services under reasonable and convenient terms, and goes beyond physical proximity to a bank branch. Key dimensions of access include geographic (to branches, agents and service points), administrative (to identity verification and documentation), economic (to minimum balances, fees, interest rates and transaction charges), digital (to devices, connectivity, accessible interfaces and digital identity) and institutional (to eligibility rules, service quality and fair treatment). In remote and rural communities, geographic barriers can be particularly important. Digital channels can reduce the cost of travel and transactions, but they do not solve for the need for reliable connectivity, accessible technology, customer support and confidence in the service. Institutional requirements may have a disparate impact on informal workers, migrants, people with unstable addresses and households with irregular incomes. Even if a financial product is technically available, documentation requirements, credit scoring and minimum balance rules may limit effective access. There is some evidence in the fintech literature that digital innovation can enhance affordability, the customer experience and service reach, although the impact is contingent on infrastructure, institutional arrangements and the characteristics of the excluded population.

4. Utilisation of financial services

This can include opening and maintaining accounts, making payments, depositing savings, using appropriate credit, buying insurance and accessing financial services when needed. We define several levels of utilisation: initial utilisation: first use of a service or financial transaction; active utilisation: regular or needs-based use, not just registration; sustained utilisation: over time; effective utilisation: informed, appropriate, safe, customer outcomes-aligned utilisation, measured separately. A person who opens a savings account but never makes a deposit has achieved formal access but limited utilisation; a person who frequently uses digital credit may appear to have high utilisation but may not experience better financial well-being. Duvendack and mader (2020) warn that it is not necessarily the case that expanding financial inclusion leads to uniformly large improvements in poverty, economic welfare or behavioural outcomes, and that different products may have different benefits and risks. Thus, utilisation must be measured with respect to frequency, diversity, continuity, suitability, customer outcomes and potential harm.

5. Financial inclusion among lower- and middle-income groups

The lower- and middle-income groups are not monolithic; they differ depending on income stability, employment, wealth, household size, education, gender, location, and exposure to economic shocks. While lower-income households may value easy payment, secure savings, remittances, emergency liquidity, and cheap insurance, their irregular income, lack of financial buffers, and high transaction costs may limit their ability to hold accounts or service debt. Middle-income households may be able to access formal banking, but debt management, insurance adequacy, financial planning, digital fraud, and product selection may be an issue. Rather than assuming that the financial knowledge, digital capability, or confidence in formal institutions of a household are determined by its position in the income distribution, disaggregated analysis is warranted. This global evidence is supported by the 2025 global findex data, which includes updated data on access and use by demographic and income groups, and the oecd/infe research on differences in financial literacy and well-being by income and education.

6. Digital financial services and inclusion

Digital financial services include mobile banking, mobile money, digital payments, internet banking, electronic savings, digital credit and other technology-enabled financial products. Their potential advantages include: reduced travel and transaction costs. Faster payments and transfers. Greater convenience and extended service availability. Alternative channels for reaching underserved populations. Improved opportunities to record transactions and build financial histories.

However, digital delivery can also introduce new forms of exclusion and consumer risk. These include limited digital literacy, unreliable networks, fraudulent messages, unauthorised transactions, opaque pricing, inadequate

complaint resolution and misuse of personal data. Garz et al. (2021) Explain how consumer protection issues in low- and middle-income countries include hidden prices, overindebtedness, post-contract exploitation, fraud and discrimination. Cgap's research similarly emphasises that consumers' trust in digital finance depends on service reliability, understandable interfaces, transparent charges, effective recourse and adequate data protection. Consequently, digitalisation should be understood as an enabling mechanism rather than a guarantee of inclusion.

7. Theoretical foundations

The proposed framework integrates four complementary theoretical perspectives. Financial capability perspective. Financial capability combines knowledge and skills with the opportunity to act. It explains why awareness alone may not translate into financial behaviour when individuals face structural barriers. Theory of planned behavior. Ajzen's (1991) framework suggests that attitudes, subjective norms and perceived behavioural control influence intentions and behaviour. Applied to financial inclusion, confidence, social influence and perceived ability to use services may affect adoption and utilisation. Technology acceptance perspective. Davis's (1989) technology acceptance model highlights perceived usefulness and perceived ease of use.

These constructs are relevant to digital banking, mobile payments and other technology-mediated services, although they should be adapted to the circumstances of financially constrained consumers. Consumer protection and institutional trust perspective. Trust, transparency, reliability and complaint resolution affect whether individuals are willing to engage with formal financial providers and continue using their services. Consumer protection is particularly important where customers have limited information or bargaining power (garz et al., 2021). Together, these perspectives support a framework that connects individual capability, practical opportunity, institutional conditions and actual financial behaviour.

III. RESEARCH METHODOLOGY

1. Research design

The study is designed as a systematic literature review with a qualitative thematic synthesis. The purpose is to integrate conceptual, empirical and review-based evidence concerning awareness, access and utilisation among lower- and middle-income groups.

The review follows the reporting principles of prisma 2020, which provides guidance on transparent reporting of search strategies, eligibility criteria, study selection, synthesis methods and review results (page et al., 2021).

Methodological status: the manuscript presented here is an evidence-informed review draft based on identified scholarly literature and authoritative sources. A complete database-by-database search, deduplication, independent screening, quality appraisal and verified prisma flow counts have not been established in this drafting process. The protocol below specifies how these steps should be completed. Accordingly, the thematic synthesis should not be represented as the result of a fully executed, exhaustive systematic review until those steps have been performed.

2. Information sources and search strategy

For the final review, the principal academic databases should be scopus, web of science, ebscohost and econlit, subject to institutional access. Google scholar may be used for supplementary citation searching, while world bank, oecd and cgap publications may provide contextual and policy evidence.

The following search string provides a reproducible starting point. Syntax should be adapted to each database.

Core search string("Financial inclusion" or "financial services" or "banking access" or "digital financial services" or fintech) and (awareness or "financial literacy" or knowledge or access or accessibility or utilisation or utilization or usage or adoption or "active use") and ("low-income" or "lower-income" or "middle-income" or poor or vulnerable or underserved or marginalised or marginalized or "emerging economies" or "developing countries")

Copy search stringA supplementary search should examine terms associated with inactive accounts, financial capability, affordability, digital literacy, gender inequality, trust, consumer protection, financial resilience and financial well-being. Reference lists of eligible studies should also be examined to identify relevant literature missed by database indexing.

3. Eligibility criteria

Table 1 presents the proposed eligibility criteria**.**

Criterion	Inclusion	Exclusion
Subject	Financial awareness, access, use or inclusion	Financial topics without a substantive inclusion dimension
Population	Lower- and middle-income groups, financially underserved populations or relevant disaggregated samples	Studies with no interpretable relevance to the target groups

Criterion	Inclusion	Exclusion
Service type	Banking, savings, credit, insurance, payments, remittances and digital finance	Non-financial services without a financial-services outcome
Evidence type	Peer-reviewed empirical studies, systematic reviews and relevant theoretical research	Editorials, unsupported opinion pieces and non-substantive commentary
Publication period	2010–10 October 2026, with justified foundational exceptions	Publications outside the period without a clear theoretical or historical justification
Language	English-language publications for the core review	Publications that cannot be reliably screened and synthesised under the declared language criteria

Source: authors' proposed review protocol.

Relevant policy reports may be synthesised separately as contextual evidence rather than counted as peer-reviewed journal articles. This distinction is important when reporting the final number and types of included publications.

4. Screening and selection procedure

The final review should proceed through four stages:

- Identification of records through database searches and supplementary sources.
- Removal of duplicate records.
- Title and abstract screening against the eligibility criteria.
- Full-text assessment and documentation of reasons for exclusion.

Ideally, two reviewers should independently screen records, resolve disagreements through discussion and use a third reviewer when necessary. If only one reviewer is available, the manuscript should explicitly disclose this limitation and document the verification procedures used.

The prisma flow diagram should be populated only after the search and screening process has been completed. No estimated or illustrative record counts should be reported as actual results.

IV. LITERATURE REVIEW

1. Financial access and structural barriers

Beck et al. (2007) Examined the determinants of banking-sector outreach across 99 countries, distinguishing the availability of banking infrastructure from the extent to which households and businesses actually use banking services. Their findings indicate that branch and atm penetration, communication and transport infrastructure, institutional quality, and broader financial-sector characteristics are associated with financial access and use. The study establishes an important foundation for understanding why the physical availability of banking services matters for financially underserved populations. However, its cross-country orientation does not provide a sufficiently detailed explanation of how awareness, affordability, income instability, and financial literacy interact among lower- and middle-income households within a particular indian state.

Beck and demirgüç-kunt (2008) investigated barriers that restrict individuals and firms from accessing and using formal banking services. Their work highlights the importance of examining financial inclusion from both the supply side, such as the cost and availability of banking infrastructure, and the demand side, such as the capacity and willingness of customers to use available services. This distinction is relevant to lower- and middle-income groups because the presence of a bank branch does not automatically eliminate affordability constraints, documentation difficulties, or limited knowledge of financial products. Nevertheless, a broad international analysis cannot fully capture the local circumstances of indian households, including the role of cooperative banks, regional disparities, and customers' experiences with particular financial institutions.

Cole et al. (2011) Investigated whether limited financial knowledge or the cost of financial services better explains low demand for formal banking. Drawing on survey evidence from india and indonesia and an experimental intervention in indonesia, the researchers found that financial literacy was associated with financial behaviour, but financial education alone produced modest effects on account demand. Small financial incentives were more effective in encouraging account opening, and the follow-up evidence indicated that the newly opened accounts continued to be used. The study demonstrates that financial awareness and affordability should be analysed together rather than treated as independent explanations of financial inclusion. A relevant research gap is the need to assess whether similar relationships exist across different income groups and financial products in india, including savings, formal credit, insurance, and digital banking.

Sarma and pais (2011) examined the relationship between financial inclusion and national development by identifying country-level factors associated with inclusion. Their research contributes to the understanding of financial inclusion as a multidimensional phenomenon related to the broader socioeconomic and institutional environment. It suggests that differences in development conditions are relevant to explaining why financial systems achieve different levels of inclusion. For the present study, this perspective supports the inclusion of income, education, institutional reach, and socioeconomic circumstances as explanatory variables. However, country-level indicators cannot independently explain why two individuals with similar incomes may differ in their awareness of financial products, ability to obtain credit, or frequency of digital transactions. Household-level research is therefore needed to connect macro-level development conditions with individual financial behaviour.

Chattopadhyay (2011) assessed financial inclusion in west bengal by developing an index incorporating different dimensions of inclusion and examining disparities across districts. The study found substantial variation in inclusion levels, with kolkata performing better than many other districts. Its rural survey also identified inadequate income as a constraint on opening savings accounts for a proportion of respondents. These findings are important because they demonstrate that expanding banking outreach does not necessarily overcome household-level economic barriers. Nevertheless, the study is geographically concentrated and does not comprehensively distinguish awareness of financial services from physical access and actual utilisation. Further research could compare rural, urban, and peri-urban consumers and examine whether financial knowledge, affordability, and service quality jointly influence the use of formal financial products.

2. Financial literacy and awareness

Lusardi and mitchell (2011) examined financial literacy as an important determinant of individuals' capacity to make informed financial decisions. Their work discusses the importance of understanding fundamental financial concepts, including interest, inflation, and risk diversification, and identifies differences in financial knowledge across population groups. The study provides a theoretical basis for treating financial awareness as more than simple familiarity with banking terminology: consumers must also understand how financial products work and how their features affect household decisions. For lower- and middle-income consumers, this perspective is particularly relevant to evaluating loan costs, savings returns, insurance coverage, and digital transaction risks. However, general measures of financial literacy do not necessarily capture awareness of specific products offered by indian public-sector, private, and cooperative banks.

Demirgüç-kunt and klapper (2013) investigated variations in the use of formal financial services across countries and among different population groups. Their work helped establish the empirical importance of measuring financial inclusion through indicators such as account ownership, saving, borrowing, and payments rather than relying exclusively on the presence of financial institutions. This approach is valuable for the present research because it differentiates between having an opportunity to access financial services and actually using them. It also provides a basis for analysing disparities associated with income, gender, and other socioeconomic characteristics. However, aggregate measures of service use may not reveal whether non-utilisation arises from a lack of awareness, an inability to meet eligibility requirements, distrust of financial institutions, or the perceived unsuitability of available products.

Lusardi and mitchell (2014) reviewed theoretical and empirical research on financial literacy and its implications for economic decision-making. They conceptualised financial knowledge as a form of human capital that can influence individuals' ability to manage money, plan for future needs, and make informed financial choices. Their review also highlighted differences in financial knowledge across population groups and considered the consequences of limited financial literacy. For lower- and middle-income households, insufficient financial knowledge may complicate comparisons of interest rates, loan repayment obligations, savings options, and risk-protection products. Nevertheless, knowledge alone may not translate into financial inclusion when income is inadequate or services are inaccessible. Research in india should therefore examine financial literacy alongside affordability, product suitability, and actual service utilisation.

Klapper et al. (2015) Presented findings from a large international survey of financial literacy covering adults in more than 140 countries. The study assessed understanding of fundamental concepts such as numeracy, inflation, interest, and risk diversification, drawing attention to substantial differences in financial knowledge across population groups. Its contribution lies in demonstrating the importance of measurable financial competencies for financial participation and decision-making. The findings support the need to assess whether lower- and middle-income consumers understand the costs, benefits, and risks associated with formal financial products. However, broad financial-literacy indicators cannot fully explain consumers' awareness of specific banking services, their ability to compare competing products, or the extent to which their knowledge leads to sustained financial

3. Financial inclusion and the use of formal accounts

Allen et al. (2016) Examined individual and country-level factors associated with formal financial account ownership

and use, using global findex data covering multiple countries. Their analysis identifies factors such as account costs, proximity to financial intermediaries, legal rights, and institutional stability as relevant to financial inclusion. Importantly, the study examines account use through behaviours such as saving and the frequency of withdrawals, rather than considering ownership alone. This approach is highly relevant to the distinction between access and utilisation in the present study. However, the international scope does not fully explain the specific mechanisms through which awareness, service quality, digital literacy, and household income influence the continued use of financial services by lower- and middle-income consumers in india.

Demirgüç-kunt et al. (2018) Examined global patterns of financial inclusion, including account ownership, formal saving, borrowing, payments, and the growing role of digital financial services. The report provides a comparative foundation for understanding how technology and financial infrastructure can broaden access to formal services. It also highlights the importance of examining differences in participation across demographic and socioeconomic groups. For the present research, the study supports a framework in which access to accounts is only one component of inclusion; the ability to use accounts for payments, savings, and other financial activities is equally important. However, global indicators do not fully explain the consumer-level processes linking awareness, perceived affordability, trust, and regular utilisation within specific indian regions and income categories.

The reserve bank of india's national strategy for financial inclusion 2019–2024 established a policy framework for expanding access to affordable formal financial services, deepening inclusion, and promoting financial literacy and consumer protection. The strategy recognises that sustainable inclusion requires coordinated action across the financial sector rather than account-opening initiatives alone. It is relevant to lower- and middle-income groups because it connects service availability with affordability, financial education, and consumer protection. As a policy document, however, the strategy does not itself establish how effectively different consumer groups understand or use individual financial products. An important research opportunity is to assess the extent to which the objectives of financial inclusion translate into improved awareness, practical access, and sustained utilisation among households with different income levels.

Ghosh (2020) examined the influence of distance from banking infrastructure on financial inclusion in india using district-level survey data and econometric analysis. The findings indicated that distance affected the use of bank accounts more strongly than account access, suggesting that geographical proximity can remain important even after consumers have entered the formal banking system. The study provides evidence for distinguishing access from actual utilisation: a person may own an account but use it infrequently if reaching a branch or banking facility is inconvenient. However, physical distance alone does not explain all barriers to utilisation. Further research could investigate whether digital access, financial awareness, transaction costs, and customer service moderate the relationship between geographical accessibility and the regular use of financial services.

The oecd/infe (2020) survey assessed adult financial literacy across participating countries, examining financial knowledge, financial behaviour, attitudes, and aspects of financial well-being. It provides a structured basis for measuring whether consumers understand fundamental financial concepts and demonstrate behaviours associated with effective financial management. Its framework is relevant to studies of lower- and middle-income groups because it connects knowledge with behaviour rather than treating awareness as an isolated construct. However, international comparisons cannot replace locally grounded evidence about the financial products consumers encounter, the charges they face, or their experiences with banking institutions. For the indian context, the framework can be adapted to assess awareness of savings, credit, insurance, digital payments, and consumer-protection mechanisms alongside actual use.

Singh et al. (2021) Examined the relationship between financial inclusion, the pradhan mantri jan dhan yojana (pmjdy), and economic growth across indian states. Using a financial inclusion index and state-level data, the study found a positive association between financial inclusion and economic growth, while also identifying limitations related to the scheme's contribution to broader economic prosperity.

The authors highlighted poor utilisation and dormant accounts as important challenges to translating account expansion into more effective inclusion. This finding is directly relevant to the present study because it demonstrates that financial access does not necessarily lead to active use. Further research should investigate the extent to which financial awareness, transaction affordability, customer trust, and service suitability explain variations in account activity among lower- and middle-income groups.

4. Digital finance, policy implementation, and underserved consumers

Demirgüç-kunt et al. (2022) Examined global developments in account ownership, digital payments, formal saving, borrowing, and financial resilience. The india country brief reported that 78% of adults had an account in 2021, while 35% of adults used an account to make or receive a digital payment. It also identified a substantial proportion of inactive accounts, demonstrating that widespread account ownership does not necessarily imply regular utilisation. These findings are particularly relevant to india's lower- and middle-income

consumers because they highlight the distinction between formal inclusion and meaningful participation in the financial system. Nevertheless, national statistics cannot independently explain why particular individuals remain inactive or how their financial awareness, income security, digital capabilities, and experiences with service providers influence their behaviour.

Ambarkhane et al. (2022) Examined the state-wise performance of pmjdy across indian states and union territories during 2016–2018. Their analysis considered rural and urban account penetration, rupay card availability, average account balances, and socioeconomic and banking-infrastructure characteristics. The study identified differences in scheme performance across states and proposed a geographical expansion strategy to improve inclusion. Its contribution lies in connecting financial inclusion outcomes with the distribution of banking facilities and socioeconomic conditions. However, the short observation period and the use of estimated values for some infrastructure indicators limit the scope of the findings. More importantly, state-level measures do not reveal whether individual customers understand their accounts, use the available services, or face product-specific barriers to regular financial participation.

Maity (2023) investigated the contribution of the self-help group–bank linkage programme to financial and social inclusion among marginalised rural communities in central assam. The study developed indices of financial inclusion and social exclusion and used propensity score matching to compare programme participants with non-participants. Its findings indicate that participation was associated with improved financial inclusion and reduced social exclusion. The research is important because it highlights the role of community-based institutions in connecting underserved households with formal financial systems. However, the regional focus limits generalisation to other indian settings, while participation in a group-based programme may differ from the experiences of individual urban consumers. Further studies should assess how financial awareness, confidence in formal institutions, and the effective use of savings and credit facilities vary across income groups and service-delivery models.

The oecd/infe (2023) survey assessed financial knowledge, financial behaviour, financial attitudes, digital financial literacy, inclusion, and financial well-being across 39 participating countries and economies. The study provides a useful framework for understanding financial inclusion as a combination of knowledge, behavioural capability, and participation in financial services. Its emphasis on digital financial literacy is particularly relevant as consumers increasingly encounter mobile banking, online payments, and other technology-enabled services. For lower- and middle-income households, the ability to recognise fraud, understand transaction costs, and use digital interfaces confidently may influence both access and continued utilisation. Nevertheless, international indicators do not fully capture india-specific differences in digital infrastructure, language, institutional trust, or consumer experiences with public-sector, private, and cooperative financial institutions.

Nandru et al. (2024) Examined digital financial inclusion in india using the 2021 global findex dataset, which included 3,000 indian individuals. The researchers investigated the relationships between socioeconomic characteristics and the ownership or use of payment cards, mobile financial services, and government remittances, applying logistic regression to analyse binary outcomes. The study provides evidence for considering income, education, employment, age, gender, and residential location when assessing digital financial participation. Its focus is especially relevant to the transition from traditional banking access to digital service utilisation. However, ownership and adoption indicators do not necessarily capture transaction frequency, consumer understanding, perceived affordability, trust, or the quality of digital experiences. These dimensions require further investigation among lower- and middle-income consumers.

Khandelwal et al. (2025) Examined the relationship between financial literacy and financial inclusion in india using household-level survey data covering 2015–2018. Their analysis found a positive association between financial literacy and inclusion, alongside a relatively small positive relationship between inclusion and policy interventions such as demonetisation and pmjdy. The findings also revealed heterogeneity across gender, region, and wealth, with the association between financial literacy and inclusion being stronger among wealthier groups. This is important for the present research because it suggests that the benefits of financial knowledge may not be distributed equally across socioeconomic groups. However, the study's definition of financial inclusion centres on account ownership, leaving scope to investigate how financial literacy translates into the sustained use of credit, savings, insurance, and digital payment services.

Singh (2008) critically reviewed india's self-help group–bank linkage programme, which connects low-income households with formal savings and credit services through group-based mechanisms. The study discussed the programme's contribution to poverty alleviation and microenterprise development, while also identifying concerns relating to group sustainability, credit management, transaction costs, and the utilisation of borrowed funds. This work broadens the understanding of financial inclusion beyond individual account ownership by considering the institutional mechanisms through which underserved communities access finance. Its relevance lies in recognising that the availability of credit does not guarantee its productive use or long-term economic benefit. However, further evidence is needed on how financial awareness, borrowing decisions, repayment capacity, and the suitability

of financial products differ between group-based borrowers and individual lower- and middle-income customers.

The reserve bank of india's committee on medium-term path on financial inclusion examined approaches for extending formal financial services to underserved sections of the population. The committee's work is relevant to the development of a financial inclusion framework that considers the availability of banking facilities, access to appropriate financial products, and the institutional mechanisms needed to broaden participation. It provides a policy-oriented foundation for investigating how financial institutions can better serve households that face socioeconomic and geographical constraints. However, policy recommendations do not independently establish the extent to which consumers understand or use the services made available to them. Empirical research is needed to evaluate the relationship between institutional initiatives and consumer-level outcomes, especially among lower- and middle-income groups with varying levels of financial knowledge and economic stability.

The reserve bank of india's national strategy for financial education 2020–2025 emphasised the development of financial knowledge, skills, attitudes, and behaviours required for informed financial decision-making. The strategy is relevant to the awareness dimension of the present study because it recognises that effective participation in the financial system requires more than the availability of financial products. Consumers must also be able to understand product features, compare alternatives, manage financial risks, and recognise their rights and responsibilities. For lower- and middle-income households, such capabilities may be particularly important when evaluating loan conditions, insurance coverage, digital payment risks, and savings options. Nevertheless, the existence of a financial education strategy does not establish its effectiveness for every population group. Further research should assess whether financial education improves product awareness and produces measurable changes in access and sustained utilisation.

Demirgüç-kunt et al. (2018) Documented international developments in financial account ownership and the expanding role of financial technology in payments, saving, and other financial activities. The report provides a useful baseline for understanding how digital delivery channels can extend financial services beyond conventional banking infrastructure. Its broader contribution is to frame technological innovation as an opportunity to improve access while also drawing attention to differences in the adoption and use of formal financial services. For lower- and middle-income consumers, digital channels may reduce some geographical barriers but can introduce other constraints, including limited digital literacy, device or connectivity costs, and concerns about security. Since the report uses aggregate indicators, further household-level research is required to determine how these factors interact with financial awareness, service affordability, and actual utilisation in india.

5. Comparative literature review matrix

The following table summarises the 25 studies, their principal contributions, and the research gaps relevant to the proposed study. The gaps are identified by comparing the scope and emphasis of each study with the present research focus; they should not be interpreted as direct quotations from the original authors.

Sr. no.	Author(s), year	Paper/report title	Key learning	Research gap relevant to the present study
1	Beck et al. (2007)	Reaching Out: Access to and Use of Banking Services Across Countries	Banking outreach and infrastructure are associated with access and use.	Limited household-level analysis of awareness and income-related constraints in India.
2	Beck & Demirgüç-Kunt (2008)	Banking Services for Everyone? Barriers to Bank Access and Use Around the World	Financial inclusion is affected by supply-side and demand-side barriers.	Needs more specific analysis of affordability, product knowledge, and consumer experience.
3	Cole et al. (2011)	Prices or Knowledge? What Drives Demand for Financial Services in Emerging Markets?	Financial education and service costs influence demand differently.	Requires India-focused analysis across several financial products and income groups.
4	Sarma & Pais (2011)	Financial Inclusion and Development	Inclusion is associated with socioeconomic and institutional development.	Country-level analysis does not explain individual consumer behaviour in sufficient detail.

Sr. no.	Author(s), year	Paper/report title	Key learning	Research gap relevant to the present study
5	Chattopadhyay (2011)	Financial Inclusion in India: A Case-Study of West Bengal	Inclusion differs geographically, and inadequate income can restrict access.	Limited regional coverage and differentiation between awareness, access, and utilisation.
6	Lusardi & Mitchell (2011)	Financial Literacy Around the World: An Overview	Financial knowledge supports informed economic decisions.	General literacy measures do not establish awareness of specific Indian financial products.
7	Demirgüç-Kunt & Klapper (2013)	Measuring Financial Inclusion: Explaining Variation in Use of Financial Services Across and Within Countries	Account ownership and financial-service use vary across populations.	Aggregate indicators cannot fully explain individual reasons for non-utilisation.
8	Lusardi & Mitchell (2014)	The Economic Importance of Financial Literacy: Theory and Evidence	Financial literacy is an important component of economic decision-making.	Knowledge needs to be examined alongside affordability and service availability.
9	Klapper et al. (2015)	Financial Literacy Around the World	Financial knowledge differs across countries and demographic groups.	Limited detail on awareness of particular products and actual use in Indian markets.
10	Allen et al. (2016)	The Foundations of Financial Inclusion: Understanding Ownership and Use of Formal Accounts	Costs and proximity to financial intermediaries are important inclusion factors.	Limited explanation of the combined role of trust, awareness, and digital capability in India.
11	Demirgüç-Kunt et al. (2018)	The Global Findex Database 2017	Digital finance and account ownership are important dimensions of inclusion.	Aggregate data provide limited insight into individual motivations and barriers.
12	Reserve Bank of India (2020)	National Strategy for Financial Inclusion 2019–2024	Policy emphasises affordable access, financial literacy, and consumer protection.	The practical effect of the strategy on consumer awareness and sustained use needs empirical assessment.
13	Ghosh (2020)	Financial Inclusion in India: Does Distance Matter?	Distance can constrain account utilisation more than account access.	Needs integration of distance with digital access, awareness, and service quality.
14	OECD/INFE (2020)	OECD/INFE 2020 International Survey of Adult Financial Literacy	Financial knowledge, behaviour, and attitudes are relevant to financial well-being.	International measures need adaptation to Indian products and consumer circumstances.
15	Singh et al. (2021)	Financial Inclusion, Pradhan Mantri Jan Dhan Yojna Scheme and Economic Growth	Inclusion is associated with growth, but dormant accounts and weak utilisation remain concerns.	Consumer-level reasons for inactive accounts require further investigation.
16	Demirgüç-Kunt et al. (2022)	The Global Findex Database 2021	Account ownership and digital payment use are distinct measures of inclusion.	National indicators do not explain individual-level patterns of inactivity.
17	Ambarkhane et al. (2022)	Overcoming Barriers to Financial Inclusion: Empirical Evidence from India	PMJDY outcomes differ across states and socioeconomic contexts.	Short panel period and limited consumer-level evidence on awareness and product use.

Sr. no.	Author(s), year	Paper/report title	Key learning	Research gap relevant to the present study
18	Maity (2023)	Self-Help Groups, Microfinance, Financial Inclusion and Social Exclusion: Insight from Assam	Group-based financial programmes can support inclusion among marginalised communities.	Findings require comparison across regions and other service-delivery models.
19	OECD/INFE (2023)	OECD/INFE 2023 International Survey of Adult Financial Literacy	Digital financial literacy is relevant to inclusion and financial well-being.	India-specific barriers involving language, connectivity, trust, and digital skills need investigation.
20	Nandru et al. (2024)	Socioeconomic Determinants of Ownership of Payment Cards, Mobile Money Account, and Government Remittances of Digital Financial Services: Evidence from India	Socioeconomic characteristics are relevant to digital financial participation.	Ownership and adoption do not fully capture frequency, quality, or effectiveness of use.
21	Khandelwal et al. (2025)	Financial Literacy and Inclusion in India: Evidence from Household-Level Data after Demonetization	Financial literacy and inclusion are positively associated, with differences across demographic groups.	Further research should examine active use of credit, savings, insurance, and digital services.
22	Singh (2008)	A Critical Review of Self-Help Group–Bank Linkage Programme of Micro-Finance in India	Group-based linkages can expand financial access but face sustainability and credit-use challenges.	Limited evidence comparing group-based and individual financial-service users.
23	Reserve Bank of India (2015)	Report of the Committee on Medium-term Path on Financial Inclusion	Policy design must address the needs of underserved populations.	Consumer-level outcomes require direct empirical assessment.
24	Reserve Bank of India (2020)	National Strategy for Financial Education 2020–2025	Financial knowledge and behaviour are important for informed financial decisions.	The effect of financial education on actual access and sustained utilisation needs evaluation.
25	Demirgüç-Kunt et al. (2015)	The Global Findex Database 2014: Measuring Financial Inclusion Around the World	International data provide a baseline for comparing account ownership and financial-service use.	Historical indicators require updated, localised analysis of lower- and middle-income consumers.

Bibliographic clarification: the distinct 25th source in the matrix is the 2014 global findex study, published as a world bank working paper in 2015. It is different from the 2017 and 2021 global findex publications discussed above.

6. Research gap and proposed contribution

The reviewed literature establishes that financial inclusion is influenced by financial literacy, service costs, geographical accessibility, institutional infrastructure, socioeconomic characteristics, and the availability of digital financial services. Nevertheless, several gaps remain relevant to the proposed study.First, awareness, access, and utilisation are frequently examined separately. Account ownership or banking infrastructure alone does not establish whether consumers understand available products or use them regularly.Second, affordability and socioeconomic vulnerability require greater attention. Lower- and middle-income consumers may face irregular earnings, limited savings, documentation requirements, transaction costs, and difficulty meeting credit eligibility conditions. These constraints can persist even when financial services are formally available

Third, digital access does not necessarily lead to effective utilisation. Digital financial literacy, confidence in

technology, fraud concerns, and the availability of assistance may influence whether consumers use digital payments, mobile banking, and other services consistently.

Fourth, regional and institutional differences warrant further investigation. Findings from national datasets or individual states may not fully represent consumers using public-sector banks, private-sector banks, cooperative banks, and other financial institutions in particular local markets.

Finally, the literature supports the need for an integrated framework that examines how financial awareness, service accessibility, affordability, and consumer confidence are associated with the actual utilisation of financial services among lower- and middle-income groups.

Accordingly, the proposed study can contribute by examining awareness, access, and utilisation as related but distinct dimensions of financial inclusion, while assessing how socioeconomic characteristics and consumer-perceived barriers influence these relationships.

Integrated thematic evidence matri

Table 2 consolidates the principal analytical themes and their implications

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Dimension	Principal factors	Common constraints	Proposed indicators
Awareness	Product knowledge, financial literacy, consumer information	Limited education, unclear terms, language barriers	Knowledge scores, product awareness, understanding of charges
Access	Infrastructure, affordability, documentation, eligibility	Distance, minimum balances, transaction fees, connectivity	Service availability, account eligibility, travel cost, onboarding completion
Utilisation	Income patterns, trust, usefulness, capability	Inactive accounts, irregular income, low product relevance	Transaction frequency, regular saving, payments, service diversity
Digital inclusion	Devices, connectivity, digital skills, interface design	Digital exclusion, failed transactions, fraud	Digital transaction completion, digital capability, access to recourse
Responsible inclusion	Transparency, consumer protection, suitability	Hidden charges, overindebtedness, data misuse	Complaints, perceived safety, affordability, repayment stress
Financial outcomes	Resilience, savings adequacy, risk management	Unstable earnings, unsuitable products, financial shocks	Emergency preparedness, ability to meet expenses, financial well-being

Source: authors' analytical synthesis; the indicators are proposed for future empirical application rather than reported measurements from a new dataset.

V. FINDINGS OF THE STUDY

1. The review of 25 selected studies indicates that financial inclusion is a multidimensional concept that extends beyond the availability of bank accounts and financial infrastructure. It involves consumers' awareness of financial products, their ability to access affordable and appropriate services, and their effective utilisation of those services. The principal findings are presented below.

2. Financial awareness is an important determinant of financial inclusion

The reviewed literature highlights the importance of financial literacy and awareness in enabling individuals to make informed financial decisions. Lusardi and mitchell (2011, 2014) emphasised the role of financial knowledge in household financial management, while cole et al. (2011) Demonstrated that financial education and the cost of financial services can influence demand in different ways. These findings suggest that awareness of savings accounts, credit facilities, insurance, interest rates, transaction charges, and digital financial products can support informed financial decision-making.

However, financial awareness alone may not ensure participation in the formal financial system. Consumers who understand the benefits of financial services may still be unable to use them because of insufficient income, documentation requirements, high transaction costs, or limited access to service providers. Therefore, financial awareness should be considered an important but insufficient condition for achieving comprehensive financial inclusion.

3. Financial access is influenced by economic, geographical, and institutional barriers

The studies by beck et al. (2007), Beck and demirgüç-kunt (2008), sarma and pais (2011), and chattopadhyay (2011) indicate that financial inclusion is associated with the availability of banking infrastructure and the socioeconomic circumstances of consumers. Geographical distance, service

costs, inadequate income, and institutional barriers can restrict participation in formal financial services. The findings of ghosh (2020) further emphasise that geographical distance can affect the utilisation of banking services even when consumers already possess bank accounts. This indicates that formal access and practical accessibility are not identical. For lower- and middle-income groups, financial services must be available at a reasonable cost and within a practical distance, or through accessible digital channels, to encourage sustained participation.

4. Account ownership does not necessarily result in active utilisation

One of the most significant findings across the reviewed studies is the distinction between financial access and actual utilisation. Allen et al. (2016) Examined both account ownership and the use of formal accounts, while the global findex reports highlighted differences between account ownership and the use of services such as digital payments. The indian evidence discussed by singh et al. (2021) Also draws attention to dormant accounts and the challenge of converting account expansion into meaningful financial participation. These findings suggest that measuring financial inclusion exclusively through the number of accounts opened may provide an incomplete assessment of its effectiveness.

For lower- and middle-income groups, effective utilisation should be assessed through indicators such as the frequency of transactions, regular saving, access to appropriate credit, use of insurance, digital payment activity, and continued engagement with formal financial institutions.

5. Financial literacy and socioeconomic circumstances are interconnected

The reviewed literature indicates that financial literacy and financial inclusion are related to socioeconomic characteristics, including income, education, employment, gender, and geographical location. Lusardi and mitchell (2014) highlighted the economic importance of financial literacy, while khandelwal et al. (2025) Reported a positive association between financial literacy and inclusion, with differences across demographic and wealth groups. These findings suggest that financial awareness cannot be examined independently of consumers' economic circumstances. Lower-income households may have limited opportunities to accumulate savings or access formal credit, even when they possess adequate financial knowledge. Similarly, middle-income households may face affordability constraints, repayment pressures, or difficulty selecting suitable financial products. Consequently, financial inclusion initiatives should consider both consumers' knowledge and their capacity to participate in the formal financial system.

6. Digital financial services provide opportunities but do not eliminate all barriers

The global findex reports by demirgüç-kunt et al. (2018, 2022), Together with the study by nandru et al. (2024), Highlight the increasing importance of digital financial services in expanding financial participation. Digital payments, mobile financial services, and technology-enabled banking can reduce certain geographical barriers and make transactions more convenient. Nevertheless, the availability of digital services does not automatically guarantee their adoption or effective use. Consumers may face difficulties associated with digital literacy, internet connectivity, access to suitable devices, cybersecurity concerns, and limited confidence in digital platforms. These constraints may be particularly important for economically vulnerable consumers and individuals with limited exposure to digital financial services. The literature therefore suggests that digital financial inclusion requires not only technological infrastructure but also appropriate consumer education, reliable service delivery, and confidence in the security of transactions.

7. Financial inclusion policies require a stronger focus on outcomes

The reviewed policy documents, including the reserve bank of india's national strategy for financial inclusion 2019–2024 and national strategy for financial education 2020–2025, emphasise the importance of accessible financial services, financial literacy, and consumer protection. Similarly, research on pmjdy and self-help group–bank linkage programmes indicates that policy initiatives and institutional mechanisms can expand opportunities for underserved populations. However, the existence of policies and financial products does not establish whether consumers understand, access, and regularly use those services. The findings indicate a need to evaluate financial inclusion policies through measurable consumer outcomes rather than relying solely on account-opening figures, banking infrastructure, or programme participation.

8. Financial inclusion differs across population groups and geographical settings

The reviewed studies identify differences in financial inclusion across countries, indian states, districts, and socioeconomic groups. Chattopadhyay (2011), ambarkhane et al. (2022), And maity (2023) illustrate the importance of geographical and institutional context in understanding financial participation.

These findings indicate that financial inclusion strategies may not produce uniform outcomes across all communities. Consumers' experiences can vary according to their income, employment stability, education, access to banking

infrastructure, and familiarity with formal financial institutions.

Further investigation is therefore required to understand the specific barriers experienced by lower- and middle-income consumers in different indian regions and institutional settings.

VI. DISCUSSION

1. Interrelationship between awareness, access, and utilisation

The literature suggests that awareness, access, and utilisation should be understood as interconnected dimensions of financial inclusion. Awareness enables consumers to understand the availability and characteristics of financial products. Access determines whether those products are practically available and affordable, while utilisation reflects whether consumers actually use the services to meet their financial needs.

These dimensions are related but not interchangeable. A consumer may be aware of formal credit facilities but remain unable to obtain a loan because of inadequate income or eligibility restrictions. Similarly, an individual may have a bank account but use it only occasionally because of geographical inconvenience, transaction costs, or limited understanding of available services.

- The relationship can be expressed conceptually as follows:
- Financial awareness
- Knowledge of products, costs, benefits, risks and consumer rights
- Financial access
- Availability, affordability, eligibility and practical accessibility
- Financial utilisation
- Active use of savings, credit, insurance, payments and other financial services

2. Potential Household Financial Benefits

Improved financial management, payment convenience and capacity to manage financial risks

Conceptual synthesis of the reviewed literature; the sequence represents a proposed analytical framework, not a statistically validated causal model.

This framework provides a useful foundation for examining financial inclusion among lower- and middle-income groups. It also suggests that research should assess each dimension separately before investigating their relationships.

3. The role of affordability and economic capacity

An important implication of the reviewed literature is that financial inclusion depends not only on the availability of financial products but also on consumers' economic capacity to use them. Lower- and middle-income households may have limited disposable income, irregular earnings, competing household expenses, and little capacity to absorb unexpected financial shocks.

Under these circumstances, even relatively small account-maintenance fees, transaction charges, minimum-balance requirements, or loan repayment obligations may discourage the use of formal services. Cole et al. (2011) Provide a relevant foundation for examining the relationship between the cost of financial services and demand.

Financial institutions must therefore consider the suitability of products for customers' financial circumstances. Affordable savings facilities, transparent lending terms, appropriately structured repayment schedules, and accessible payment services may be important for encouraging sustained engagement. However, the effectiveness of such measures should be established through empirical investigation rather than assumed.

4. Financial literacy and informed decision-making

The reviewed studies by lusardi and mitchell (2011, 2014) indicate that financial literacy is important for informed financial decision-making. Consumers who understand interest rates, inflation, repayment obligations, and financial risks may be better positioned to compare available products and assess their suitability.

Nevertheless, financial literacy should not be treated as a substitute for institutional responsibility. Even financially knowledgeable consumers may experience difficulties when product terms are unclear, service charges are insufficiently disclosed, or financial products are unsuitable for their circumstances.

Accordingly, improving financial inclusion requires complementary action: strengthening consumer knowledge, improving the transparency of financial products, and ensuring that financial institutions provide appropriate information and support.

5. Digitalisation and the changing nature of financial access

Digital financial services have changed the ways in which consumers access and use formal financial products. Mobile banking, digital payments, and online financial platforms can reduce reliance on physical branches and facilitate transactions outside conventional banking hours.

However, the literature also indicates that digitalisation may introduce new forms of exclusion. Consumers who lack digital skills, reliable connectivity, confidence in electronic

transactions, or access to suitable devices may find it difficult to benefit from technology-enabled services.

Therefore, digital financial inclusion should be understood in terms of effective participation rather than the mere availability of digital platforms. Financial institutions should consider consumer education, accessible interfaces, regional-language support, transaction security, and the availability of assistance when designing digital services for lower- and middle-income groups.

6. Institutional and policy implications

The literature suggests that financial inclusion requires coordination between financial institutions, regulators, policymakers, and consumer-education initiatives. The expansion of banking infrastructure and government-led programmes can create opportunities for financial participation, but their long-term effectiveness depends on whether consumers can access suitable services and use them confidently.

- For financial institutions, the findings indicate the importance of understanding customer needs, communicating product features clearly, providing transparent information about costs, and monitoring whether customers actively use the services offered to them.
- For policymakers, the implications extend beyond increasing account ownership. Evaluation frameworks should also consider financial awareness, affordability, digital capability, consumer protection, and the sustained use of financial products.
- For lower- and middle-income consumers, financial education should be practical and relevant to everyday financial decisions, including saving, borrowing, managing repayments, making digital payments, and understanding financial risks.

7. Implications for research in India

Although the reviewed literature provides substantial insights into financial inclusion, there remains a need for integrated, consumer-level evidence from specific indian regions and institutional settings. National datasets and state-level studies are useful for identifying broad patterns, but they may not capture the detailed experiences of customers using different types of financial institutions.

The present study can address this issue by examining awareness, access, and utilisation together among lower- and middle-income groups. It may also investigate whether income, education, employment, financial literacy, digital capability, affordability, and trust are associated with differences in financial participation.

If the study focuses on selected cooperative banks in pune, comparisons across participating institutions and customer income groups could provide locally relevant insights. Such comparisons should be supported by clearly defined sampling procedures and empirical data collected from the target population.

VII. CONCLUSION

This systematic-literature-review-oriented study examined 25 selected papers and institutional reports concerning financial inclusion, with particular attention to awareness, access, and utilisation among lower- and middle-income groups. The review indicates that financial inclusion is a multidimensional process shaped by financial knowledge, affordability, geographical accessibility, socioeconomic circumstances, institutional arrangements, and digital capabilities.

The first major conclusion is that financial awareness is necessary for informed participation but does not independently guarantee financial inclusion. Consumers must be able to understand financial products and evaluate their costs, benefits, and risks. However, awareness may not translate into participation when services are unaffordable, difficult to access, or unsuitable for household circumstances.

The second conclusion is that financial access should not be equated with effective utilisation. Bank-account ownership and the expansion of banking infrastructure represent important steps towards inclusion, but they do not necessarily demonstrate regular use of savings, credit, insurance, and digital payment services. The assessment of financial inclusion should therefore incorporate indicators of actual financial behaviour.

The third conclusion concerns the role of socioeconomic conditions. Income, education, employment stability, geographical location, and digital capabilities may influence consumers' ability to access and use financial services. These factors should be considered when evaluating differences in financial participation among lower- and middle-income households.

The fourth conclusion is that digital financial services offer opportunities to improve convenience and accessibility, but their benefits depend on consumers' ability and willingness to use them. Digital literacy, transaction security, service reliability, and consumer confidence remain relevant considerations when promoting digital financial inclusion.

Finally, the review indicates that financial inclusion policies should be evaluated in terms of meaningful consumer outcomes rather than relying exclusively on the expansion of banking infrastructure or the number of accounts opened. Financial institutions and policymakers need to place greater emphasis on financial awareness, affordable services, transparent communication, consumer protection, and sustained utilisation.

The principal contribution of the proposed study is its integrated examination of financial awareness, access, and utilisation among lower- and middle-income groups. By investigating these dimensions together, the study can help clarify the factors associated with financial participation and identify barriers that may persist even when formal financial services are available.

Limitation: These findings and conclusions are a qualitative synthesis of the 25 selected studies and institutional reports described in the preceding literature review. They are not results from a new survey or statistical meta-analysis. The proposed relationships should therefore be tested empirically before making causal claims or drawing conclusions about a particular population in india.

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