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VISION

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GEOPOLITICS, COMMITMENT, AND ALLIANCE DYNAMICS: A GAME-THEORETIC ANALYSIS OF THE U.S.–GREENLAND STRATEGIC INTERACTION

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ABSTRACT

Recent geopolitical developments in the Arctic region have renewed strategic interest in Greenland, particularly from the United States. Statements and actions suggesting enhanced U.S. control over Greenland have generated diplomatic tensions involving Denmark, Greenland's autonomous government, and broader alliance structures such as NATO. This paper employs a game-theoretic framework to analyze the strategic interaction between the United States and Denmark–Greenland, conceptualizing the episode as a Chicken-type deterrence game embedded within an alliance structure. By incorporating concepts of signaling, commitment, reputation, and endogenous payoffs, the study demonstrates how alliance formation and repeated interactions alter equilibrium outcomes over time. The analysis highlights that geopolitical outcomes are shaped not merely by relative power but by belief formation, credibility of threats, and coalition support. The paper contributes to the political economy literature by linking geopolitical signaling with economic and strategic payoffs, offering insights into the evolving nature of contemporary deterrence and alliance politics.

KEYWORDS: Game theory, geopolitics, deterrence, signaling, alliances, reputation, political economy.

1. INTRODUCTION

Geopolitical competition has increasingly shifted towards strategic signaling, alliance management, and economic leverage rather than direct military confrontation (Mearsheimer, 2001; Walt, 1987). The Arctic region has gained renewed geopolitical relevance due to its strategic location, resource potential, and emerging sea routes (Dodds & Nuttall, 2019). Within this context, Greenland—an autonomous territory within the Kingdom of Denmark—has attracted renewed attention from the United States, triggering diplomatic friction and raising questions about sovereignty, alliance cohesion, and strategic credibility. While conventional geopolitical analysis often emphasizes power asymmetries and strategic interests, such approaches may overlook the strategic logic underlying state behavior. Game theory provides a structured framework for analyzing strategic interdependence under conditions of uncertainty and conflicting interests (Osborne & Rubinstein, 1994).

This paper applies a game-theoretic framework to the U.S.–Greenland episode, modeling it as a Chicken-type game embedded within an alliance system. Unlike static interpretations, the analysis emphasizes the dynamic nature of payoffs shaped by reputation effects, past actions in other geopolitical arenas, and the reinforcing role of alliances (such as NATO). By integrating political economy considerations, the study also reflects on how geopolitical signaling influences market perceptions and strategic economic outcomes.

2. Review of Literature and Literature Gap

Classical realist and neorealist approaches emphasize power asymmetries, security dilemmas, and balance-of-power dynamics in international relations (Waltz, 1979; Mearsheimer, 2001). Strategic models such as the Chicken Game and repeated games have been widely used to analyze deterrence, bargaining, and conflict escalation (Schelling, 1960; Fearon, 1995). Reputation and costly signaling play a critical role in sustaining credible threats in international politics (Fearon, 1997). However, much of the existing literature relies on static payoff structures and treats alliances as exogenous constraints, leaving limited scope for analyzing endogenous payoff changes driven by coalition formation and belief updating.

The present study addresses these gaps by offering a dynamic, alliance-embedded game-theoretic analysis of the U.S.–Greenland interaction. By explicitly modeling how coalition support alters payoff structures and how prior strategic actions influence belief formation, the paper advances a more nuanced understanding of contemporary deterrence and alliance politics.

3. Objectives of the Study

The specific objectives of the study are:

- a. To analyze the U.S.–Greenland strategic interaction using a game-theoretic framework.
- b. To conceptualize the interaction as a Chicken-type deterrence game influenced by signaling and commitment.
- c. To examine the role of alliances, particularly Denmark’s NATO membership, in altering payoff structures and equilibrium outcomes.
- d. To explore how reputation effects and repeated interactions shape strategic behavior over time.
- e. To link geopolitical signaling with broader political economy and strategic economic implications.

4. Game-Theoretic Framework: U.S.–Greenland as a Commitment and Signaling Game

4.1 Strategic Background: The U.S.–Greenland Interaction

The United States has renewed strategic pressure regarding Greenland, an autonomous territory within the Kingdom of Denmark, with political rhetoric suggesting that U.S. control is necessary for broader Arctic security considerations. These claims have been firmly rejected by both Denmark and Greenland, which have reiterated their commitment to territorial sovereignty, political autonomy, and existing international legal norms. In response, Denmark has strengthened its alignment with NATO, while European allies have expressed concern that coercive approaches toward Greenland could undermine alliance cohesion and territorial integrity norms.

This strategic context places the U.S.–Greenland interaction squarely within a framework of commitment, signaling, and deterrence, rather than conventional bilateral bargaining. The presence of strong alliance backing fundamentally alters the credibility and consequences of unilateral action.

4.2 Players and Strategic Objectives

The interaction involves three relevant actors with distinct, though interdependent, objectives:

- a. United States: To expand its strategic positioning in the Arctic region and preempt the influence of rival powers, while maintaining deterrence credibility.
- b. Denmark and Greenland: To protect political autonomy, legal sovereignty, and territorial integrity.
- c. NATO / European Union: To preserve alliance stability and prevent precedents that could weaken collective security norms.

While NATO and EU actors do not move directly within the strategic game, their presence affects payoffs by increasing the costs of escalation and altering threat credibility.

4.3 Games-Theoretic Structure and Core Concepts

4.3.1 Signaling, Reputation, and Strategic Form

The U.S.–Greenland interaction most closely resembles a Chicken or deterrence game rather than a cooperative bargaining framework. Each actor prefers the opponent to yield while seeking to avoid mutual escalation, which represents the most costly outcome.

If the United States escalates through strong demands or coercive rhetoric, Denmark and Greenland are incentivized to resist in order to preserve sovereignty, raising the risk of diplomatic and alliance-level fallout. If the United States backs down, it incurs reputational costs in the form of reduced deterrence credibility. Conversely, if Denmark were to concede, the outcome would weaken sovereignty norms and alter the strategic balance in the Arctic.

These features align the interaction with classic models of reputation-driven brinkmanship rather than mutually beneficial exchange.

4.3.2 Credible Threats and Endogenous Payoffs

A credible threat requires not only the capability to act, but also a demonstrated willingness to incur costs. External actions—such as prior coercive interventions—can serve as costly signals that increase perceived resolve. However, Greenland’s strategic environment is defined by alliance embeddedness. Denmark is not an isolated actor; U.S. threats are therefore evaluated against a coalition payoff structure involving Denmark and NATO.

This coalition context fundamentally alters incentives by raising the expected costs of escalation and reducing the credibility of unilateral coercion. As a result, payoffs are endogenous to alliance formation rather than exogenously fixed.

4.4 Economic and Strategic Spillovers

4.4.1 Market and Strategic Economic Effects

Strategic tensions surrounding Greenland generate broader economic effects beyond the immediate political domain. Energy and commodity markets, particularly oil and critical

minerals, reflect a geopolitical risk premium in which uncertainty and perceived instability increase price volatility, even in the absence of immediate supply disruptions. Global investors increasingly factor in payoff asymmetries arising from political risk, alliance responses, and expected policy costs rather than relying solely on traditional supply–demand fundamentals.

4.4.2 Repeated Interaction and Reputation Dynamics

The strategic interaction between the United States, Denmark, and Greenland unfolds within a repeated-game environment. States interact with historical memory, and unilateral actions influence future bargaining positions. If actors expect the United States to bypass coalition-based decision-making, trust erodes, increasing the likelihood of breakdowns in cooperative arrangements.

In contrast, Denmark and Greenland’s reinforcement of alliance commitments functions as a cooperative equilibrium strategy in a repeated game. By embedding resistance within institutional alliances, they counterbalance unilateral pressure while preserving long-term deterrence and strategic stability.

5. Analysis of the Strategic Interaction between the United States and Greenland

5.1 Strategic Context: Signaling, Reputation, and External Support

The U.S.–Greenland interaction is best understood as a problem of signaling and reputation rather than territorial acquisition per se. The central strategic question is whether the United States can translate its demonstrated resolve in other geopolitical arenas into leverage in the Arctic context. From this perspective, Greenland functions as a test case for the credibility of U.S. coercive diplomacy.

However, Greenland’s strategic position is fundamentally shaped by the presence of external support through Denmark and, by extension, NATO. This alliance backing alters the credibility of U.S. threats by increasing the expected costs of coercion. Consequently, the interaction is better characterized as a deterrence and signaling game embedded within an alliance structure, rather than a cooperative bargaining or alliance-formation game.

5.2 Game Structure: Chicken Game with Alliance Externalities

The strategic interaction between the United States and Denmark/Greenland approximates a Chicken or deterrence game. Each actor prefers the opponent to yield while avoiding mutual escalation, which represents the worst possible outcome. The available strategies are defined as follows:

- a. United States: Escalate (E) or Back Down (B)
- b. Denmark/Greenland: Concede (C) or Resist (R)

Table 1: Payoff matrix where payoffs are ordered as (United States, Denmark/Greenland):

	Denmark: Concede (C)	Denmark : Resist (R)
US: Escalate (E)	(+3 , -5)	(-4 , -4)
US: Back down (B)	(0 , +1)	(-1 , 0)

Source: Authors own interpretation

5.3 Interpretation and Equilibrium Outcomes

The payoff structure reflects the core features of a Chicken game. Escalation by both parties results in severe losses for each side, capturing the diplomatic and strategic costs of confrontation. Unilateral escalation by the United States yields gains only if Denmark concedes, while unilateral restraint by the United States preserves the status quo when Denmark resists. Accordingly, the game admits two pure-strategy Nash equilibria:

- a. (Escalate, Concede) — U.S. coercion succeeds; Denmark yields.
- b. (Back Down, Resist) — Denmark maintains resistance; the United States avoids escalation.

Which equilibrium is realized depends critically on credibility, beliefs about resolve, and relative tolerance for costs. In the absence of strong external support for Denmark, U.S. threats may appear more effective, increasing the likelihood of Danish concession.

6. Alliance and Dynamic Diagram

6.1 Alliance: Modified Payoffs and Coalition Effects

The strategic environment changes once Denmark’s alliance support is explicitly incorporated into the game. That support increases the political, military, and reputational costs of escalation for the United States, thereby modifying the payoff structure when Denmark resists with allies.

Table 2: Payoff matrix under alliance reinforcement

	Denmark + Allies : Resist
US : Escalates	(-6 , -2)
US : Backs dow	(-2 , +1)

Source: Authors own interpretation

The revised payoffs indicate that escalation is now strictly worse for the United States due to heightened international and alliance-related costs. As a result, U.S. threats become less credible, and the strategic equilibrium shifts decisively toward restraint.

This transformation highlights a central insight of coalition game theory: alliance reinforcement does not merely alter strategies; it reshapes the underlying incentive structure itself. Consequently, the presence of credible allies restores deterrence and stabilizes the equilibrium in favor of resistance by Denmark and restraint by the United States.

6.2 Dynamic Diagram: Shifting Equilibria over Time

This section advances a dynamic interpretation of the U.S.–Greenland strategic interaction by emphasizing how equilibrium outcomes evolve through signaling, belief updating, and alliance formation. Consistent with modern game-theoretic approaches, payoffs are treated as endogenous to strategic context rather than fixed parameters (Powell, 2006).

In the initial phase, prior to any coercive precedent, the interaction approximates a Chicken game. The United States is widely believed to prefer low-cost influence and to avoid escalation, while Denmark (acting on behalf of Greenland) anticipates such restraint. Under these beliefs, bargaining dominates and escalation is unlikely. The equilibrium therefore gravitates toward a non-confrontational outcome in which the United States backs down while Denmark maintains

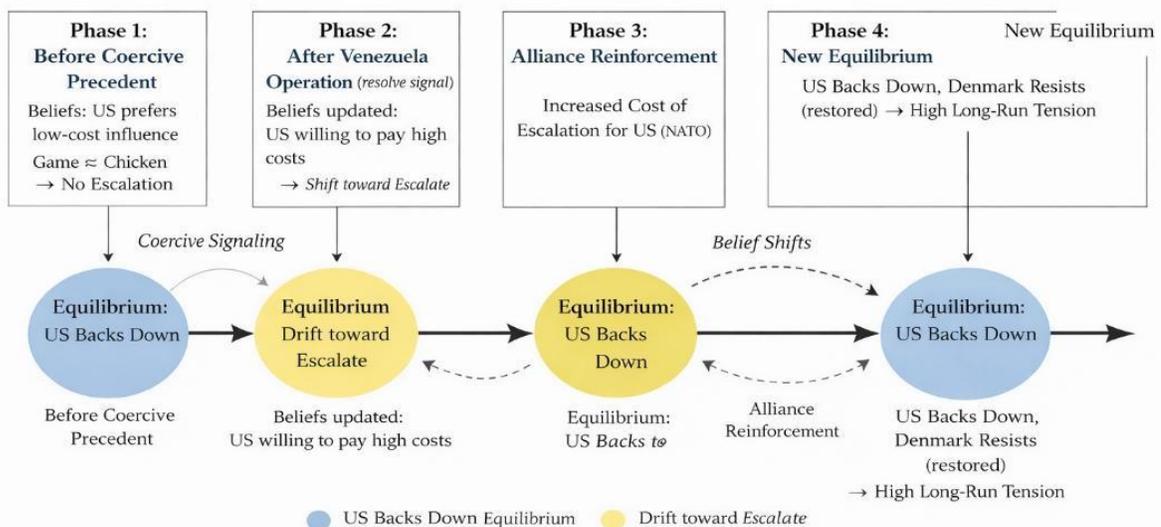
resistance. This outcome aligns with Schelling’s (1960) insight that mutually recognized aversion to high-cost conflict sustains tacit bargaining equilibria.

The strategic environment changes following a coercive external episode that credibly signals U.S. resolve. Such actions function as costly signals, altering beliefs about the United States’ willingness to bear escalation costs (Fearon, 1997). As expectations adjust, the perceived payoff from escalation increases, temporarily reshaping the game’s incentive structure. In this phase, equilibrium behavior may drift toward escalation by the United States and concession by Denmark, reflecting a breakdown of the prior deterrence equilibrium.

This shift, however, proves unstable. In the subsequent phase, Denmark strengthens its alliance commitments—most notably through NATO—thereby increasing the expected political and strategic costs of escalation for the United States. Alliance reinforcement operates as a commitment mechanism that reshapes incentives and restores deterrence credibility (Morrow, 1991). As escalation becomes less attractive, the payoff matrix adjusts once again, reducing the credibility of U.S. coercive threats.

The resulting equilibrium reverts to a pattern in which the United States backs down while Denmark continues to resist, albeit under conditions of heightened long-run strategic tension. This outcome reflects Powell’s (2006) argument that shifts in power, commitment, and information generates recurrent bargaining instability even when open conflict is avoided. Overall, the analysis demonstrates how reputation effects, signaling, and alliance formation jointly produce endogenous changes in strategic equilibria over time, highlighting the inherently dynamic nature of coercive bargaining in alliance-embedded settings.

Figure 1 : Dynamic Shifting of Equilibria Over Time



The figure illustrates the dynamic evolution of the U.S.–Greenland strategic interaction across three to four phases. Initial bargaining conditions shift following coercive signaling, altering beliefs and expected payoffs. Subsequent alliance reinforcement modifies the payoff structure, increasing the costs of escalation and restoring deterrence equilibrium. The diagram highlights how reputation effects and alliance formation drive endogenous changes in strategic outcomes over time.

7. Conclusion and Policy Implications

The present study analyses the U.S.–Greenland strategic interaction through a game-theoretic lens and demonstrates that contemporary geopolitical conflicts are shaped by dynamic strategic interdependence rather than static power asymmetries. By modelling the interaction as a repeated Chicken-type deterrence game embedded within an alliance structure, the paper shows how credibility, reputation, and coalition support endogenously alter payoff structures and equilibrium outcomes. While initial coercive signals may temporarily enhance strategic leverage, the reinforcement of alliances significantly increases escalation costs and constrains unilateral action.

The findings suggest that coercive diplomacy is likely to be counterproductive when directed against actors backed by strong alliance systems. Policymakers must therefore account for alliance-based payoff amplification and belief formation when designing strategic signals.

8. Limitations and Scope for Future Research

The study is subject to certain limitations. First, the analysis relies on stylized payoff matrices and simplified strategic choices, which, while analytically useful, may not capture the full complexity of real-world decision-making. Second, the model abstracts from domestic political constraints and leadership heterogeneity, which can influence strategic preferences and credibility. Third, empirical validation of belief updating and reputation effects remains indirect.

Future research may extend this framework by incorporating incomplete information, probabilistic strategies, or domestic political economy factors into the model. Integrating empirical data on market responses or diplomatic signaling could strengthen the link between theoretical predictions and observed outcomes.

Note: Only academic interest drove the writing of this paper. It serves no improper or unauthorized purpose.

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LONELINESS AS A MEDIATOR BETWEEN HELPLESSNESS AND DEPRESSION AMONG COLLEGE TEACHERS

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ABSTRACT

The present study examined the mediating role of loneliness in the relationship between helplessness and depression among college teachers. Teaching in higher education involves multiple academic and administrative demands, which may lead to feelings of powerlessness and emotional strain. A descriptive correlational research design was adopted for the study. The sample consisted of 140 college teachers drawn from affiliated (65) and constituent (75) colleges, selected through purposive and incidental sampling methods. Data were collected using standardized Indian tools measuring learned helplessness, loneliness, and depression. Pearson's correlation and regression-based mediation analysis were employed to analyse the data.

The results revealed significant positive relationships between helplessness and depression, helplessness and loneliness, and loneliness and depression. Further analysis showed that loneliness partially mediated the relationship between helplessness and depression, indicating that feelings of helplessness contribute to depressive symptoms both directly and indirectly through increased loneliness. Bootstrapping confirmed the significance of the indirect effect.

The findings suggest that loneliness acts as an important psychological pathway through which helplessness influences depression among college teachers. The study highlights the need for institutional and psychological interventions that not only reduce feelings of helplessness but also enhance social connectedness and collegial support. Addressing loneliness may play a crucial role in improving the mental health and overall well-being of college teachers.

KEYWORDS: *College Teachers, Helplessness, Loneliness, Depression.*

INTRODUCTION

Teaching at the college level is often viewed as a respectable and emotionally rewarding profession, yet in reality it is also marked by increasing work pressure, role overload, and emotional strain. College teachers today are expected to manage teaching, research, administration, and student mentoring all at once. Over time, this continuous pressure can make many teachers feel psychologically exhausted and even powerless in their own work

environments. This feeling of lack of control is often described as **helplessness**, and it has been closely linked with depression in many occupational groups (Abramson, Seligman, & Teasdale, 1978; Alloy et al., 1999).

Learned helplessness theory suggests that when individuals repeatedly experience situations where their efforts do not change outcomes, they begin to believe that nothing they do really matters (Seligman, 1975). Among college teachers, this may appear when their hard work does not improve student motivation, institutional recognition, or career growth. Gradually, such repeated failures or lack of appreciation may lead them to feel ineffective and emotionally drained, which increases vulnerability to depression (Hakanen, Bakker, & Schaufeli, 2006). Several studies have shown that perceived helplessness is a strong predictor of depressive symptoms, especially in professions that involve high emotional and cognitive demands (Benassi, Sweeney, & Dufour, 1988; Sweeney, Anderson, & Bailey, 1986).

At the same time, the experience of helplessness does not exist in isolation. It often affects how people relate to others. Teachers who feel helpless may withdraw from colleagues, avoid social interaction, and stop seeking emotional support. This withdrawal can gradually result in **loneliness**, which is a painful emotional state arising from a gap between desired and actual social relationships (Peplau & Perlman, 1982). Loneliness is not simply being alone; rather, it is the feeling of being emotionally disconnected from others even when one is surrounded by people. In academic settings, teachers may be physically present in colleges but still feel psychologically isolated due to competition, lack of cooperation, or limited peer support (Wang & Guan, 2020).

Research has consistently shown that loneliness is strongly associated with depression. Meta-analytic evidence suggests that people who feel lonely are significantly more likely to report depressive symptoms over time (Erzen & Çikrikci, 2018). Cacioppo and Hawkley (2009) also proposed that loneliness disrupts emotional regulation and increases negative thinking, which further deepens depressive feelings. Among teachers, loneliness has been found to predict burnout, emotional exhaustion, and reduced psychological well-being (Huang, Liu, & Shi, 2021). When teachers feel that no one truly understands their struggles, their emotional distress tends to intensify.

Importantly, helplessness may be an important source of loneliness. When individuals believe that they cannot influence their environment, they may also start believing that others cannot help them either. This can reduce their motivation to reach out for social support, leading to increased feelings of isolation (Joiner, 1997). Studies have shown that helpless and pessimistic individuals are more likely to experience interpersonal difficulties and social withdrawal, which in turn promotes loneliness (Henkel et al., 2002). In the context of college teachers, feeling powerless within rigid institutional systems may make them emotionally detach from colleagues and students, thereby increasing their sense of loneliness.

This suggests a possible **mediating role of loneliness** between helplessness and depression. Rather than helplessness directly leading to depression, it may first create emotional and social disconnection, which then contributes to depressive symptoms. This idea is supported by cognitive-interpersonal models of depression, which argue that negative self-beliefs (such as helplessness) damage social relationships and increase loneliness, ultimately resulting in depression (Gotlib & Hammen, 2009). Empirical studies have also found that loneliness partly

explains the relationship between negative cognitive styles and depression (Vanhalst et al., 2012; Moeller & Seehuus, 2019).

Among teachers specifically, limited but growing evidence suggests similar patterns. For example, teachers who report low perceived control over their work also report higher loneliness and emotional distress (Skaalvik & Skaalvik, 2017). Another study found that social isolation among academic staff significantly predicted depressive symptoms even after controlling for work stress (Gao et al., 2020). These findings indicate that loneliness may act as a psychological bridge linking helplessness with depression.

Therefore, examining whether **loneliness mediates the relationship between helplessness and depression among college teachers** is both theoretically meaningful and practically important. Understanding this pathway can help identify not only personal vulnerabilities but also social and institutional factors that can be targeted through intervention. If loneliness is found to be a mediator, then improving collegial support, peer interaction, and emotional connectedness within colleges may reduce the harmful effects of helplessness on teachers' mental health.

In sum, while helplessness makes teachers feel powerless and ineffective, loneliness may be the emotional space in which this helplessness turns into depression. Exploring this mediation can contribute to a more comprehensive understanding of teachers' psychological well-being and provide useful directions for prevention and support programs.

Research Gap

Although helplessness, loneliness, and depression have each been studied extensively in psychological and educational research, their combined relationship—especially in the form of a mediation model—has not been sufficiently explored, particularly among college teachers. Most earlier studies have examined the direct link between helplessness and depression and have established that individuals who feel powerless and ineffective are more vulnerable to depressive symptoms (Abramson et al., 1978; Alloy et al., 1999). However, these studies mainly focus on clinical populations, students, or general adults, leaving college teachers as a relatively underrepresented group.

Similarly, loneliness has been widely studied as an important predictor of depression (Cacioppo & Hawkley, 2009; Erzen & Çikrikci, 2018), but it is often treated as an independent variable rather than as a psychological process through which other risk factors operate. Very few studies have tried to explain how feelings of helplessness may lead to loneliness and how this loneliness, in turn, contributes to depression. In other words, the mediating role of loneliness remains under-investigated.

In the context of teachers, most research has concentrated on job stress, burnout, and workload as predictors of depression, while psychological variables like helplessness and emotional isolation have received much less attention (Skaalvik & Skaalvik, 2017; Gao et al., 2020). Even when loneliness is studied, it is usually examined as an outcome of stress rather than as a mechanism linking helplessness to mental health problems. There is also a lack of studies focusing specifically on college teachers, who face unique challenges such as research pressure, job insecurity, and performance evaluation, which may intensify both helplessness and loneliness.

Thus, there is a clear gap in the existing literature regarding (i) the joint examination of helplessness, loneliness, and depression, (ii) the mediating role of loneliness, and (iii) the focus on college teachers as a distinct occupational group. This gap limits our understanding of how

cognitive-emotional factors and social experiences interact to influence teachers' mental well-being.

Rationale of the Study

The present study is important because it seeks to address these gaps by examining whether loneliness mediates the relationship between helplessness and depression among college teachers. From a theoretical point of view, this study extends learned helplessness theory and cognitive–interpersonal models of depression by integrating a social–emotional variable, namely loneliness, into the explanation of depressive symptoms. This allows for a more comprehensive understanding of how negative beliefs about control over life situations may transform into emotional distress.

From a practical perspective, college teachers are a highly influential group in society, as their mental health directly affects teaching quality, student engagement, and academic climate. If helplessness leads to depression partly because it increases loneliness, then interventions should not only focus on individual coping skills but also on improving social connectedness, peer support, and collegial relationships within educational institutions. Such insights can help administrators and mental health professionals design more effective teacher support programs.

Moreover, in the Indian higher education context, where teachers often face heavy workloads, limited resources, and administrative pressure, understanding the emotional pathways leading to depression is especially relevant. By focusing on college teachers, this study aims to provide context-specific evidence that can contribute to both research and practice.

In short, by examining loneliness as a mediator between helplessness and depression, this study attempts to fill an important theoretical and applied gap, offering a deeper and more meaningful explanation of teachers' psychological well-being.

In view of the gaps identified in the existing literature, it becomes evident that there is a need for a more integrated examination of helplessness, loneliness, and depression, particularly among college teachers. While earlier studies have largely focused on the direct effects of helplessness on depression or have examined loneliness as an independent outcome, little attention has been given to understanding how these variables operate together within a single framework. The absence of empirical evidence on the mediating role of loneliness further limits our understanding of the psychological processes through which helplessness may influence depressive symptoms. To address these gaps, the present study aims to systematically examine the interrelationships among helplessness, loneliness, and depression and to test whether loneliness functions as a mediating variable in the relationship between helplessness and depression among college teachers. Accordingly, specific objectives have been formulated to explore these relationships in a structured and empirical manner.

Objectives of the Study

1. To examine the relationship between helplessness and depression among college teachers.
2. To examine the relationship between helplessness and loneliness among college teachers.
3. To examine the relationship between loneliness and depression among college teachers.
4. To determine whether loneliness mediates the relationship between helplessness and depression among college teachers.

Hypotheses of the Study

1. There will be a significant positive relationship between helplessness and depression among college teachers.
2. There will be a significant positive relationship between helplessness and loneliness among college teachers.
3. There will be a significant positive relationship between loneliness and depression among college teachers.
4. Loneliness will significantly mediate the relationship between helplessness and depression among college teachers.

Methodology

Research Design

The present study adopted a **descriptive, correlational research design** to examine the relationships among helplessness, loneliness, and depression among college teachers. Further, a mediation approach was employed to understand whether loneliness acts as a mediating variable in the relationship between helplessness and depression. This design was considered appropriate as the study aimed to explore naturally existing psychological variables without any manipulation.

Sample

The sample consisted of **140 college teachers** working in affiliated and constituent colleges of L.N. Mithila University, Darbhanga spread across four districts namely Darbhanga, Madhubani, Samastipur, and Begusarai. Out of the total sample, **65 teachers were from affiliated colleges** and **75 teachers were from constituent colleges**. Teachers were selected using a combination of **purposive and incidental sampling methods**.

Purposive sampling was used to ensure that only college teachers who met the inclusion criteria (such as minimum teaching experience and current engagement in teaching duties) were included in the study. Incidental sampling was adopted based on the availability and willingness of teachers to participate at the time of data collection. This approach was found practical given the academic schedules and workload of college teachers.

Psychological tools used

The following standardized psychological tools, developed or adapted for use in the Indian context, were employed for data collection in the present study:

1. **Learned Helplessness Scale** - Learned helplessness was measured using the *Learned Helplessness Scale* developed by **Meenakshi Singh (1988)**. The scale is designed to assess individuals' perceptions of lack of control, expectancy of failure, and feelings of powerlessness in everyday situations. It consists of a set of statements to which respondents indicate their agreement on a Likert-type scale. Higher scores reflect a higher level of perceived helplessness. The scale has been widely used in Indian studies and has shown satisfactory reliability and validity among adult and professional populations.
2. **Loneliness Scale** - Loneliness was assessed using the *Loneliness Scale* developed by **Rashmi Sharma (1997)**. The scale measures subjective feelings of emotional and social

loneliness, including perceived lack of companionship, social withdrawal, and emotional isolation. Responses are recorded on a Likert-type format. Higher scores indicate greater feelings of loneliness. The scale has been standardized on Indian samples and has been found suitable for use with teachers and other working professionals.

3. **Depression Scale** - Depression was measured using the *Depression Scale* developed by **Karim and Tiwari (1986)**. The scale assesses depressive symptoms such as sadness, hopelessness, loss of interest, and emotional fatigue. It consists of items rated on a Likert-type scale, with higher scores indicating higher levels of depression. The scale has been widely used in Indian psychological research and has demonstrated acceptable reliability and construct validity.

Procedure

Prior to data collection, permission was obtained from the concerned college authorities. The purpose of the study was clearly explained to the participants, and informed consent was taken. Participants were assured that their responses would be kept confidential and used strictly for research purposes only. They were also informed that participation was voluntary and that they could withdraw from the study at any stage if they wished.

The questionnaires were administered individually and in small groups during free periods or at convenient times to avoid disruption of academic work. Clear instructions were given before administering the tools, and participants were encouraged to respond honestly. No time limit was imposed, although most participants completed the questionnaires within 25–30 minutes.

After data collection, the responses were scored according to the respective scoring manuals of the tools. The collected data were then subjected to appropriate statistical analyses to examine relationships among variables and to test the mediating role of loneliness.

Statistical techniques

The collected data were analysed using appropriate statistical techniques. Descriptive statistics were computed to understand the basic characteristics of the sample and study variables. Pearson's product-moment correlation was used to examine the relationships among helplessness, loneliness, and depression. To test the mediating role of loneliness in the relationship between helplessness and depression, mediation analysis was carried out using regression-based procedures. Specifically, the mediation model was tested following the steps suggested by Baron and Kenny, and further verified using the PROCESS macro for SPSS (Model 4), which provides estimates of direct, indirect, and total effects. Bootstrapping with a suitable number of resamples was used to examine the significance of the indirect effect, as this method is considered more robust. All analyses were conducted at an appropriate level of statistical significance.

Result and Discussion

Relationship between Helplessness and Depression

Table 1 Relationship between Helplessness and Depression among College Teachers

Variables	N	Mean	SD	r	p
Helplessness	140	42.18	6.94		
Depression	140	18.63	7.21	.48**	< .01

Note: p < .01

Table 1 shows a significant positive correlation between helplessness and depression among college teachers. This finding indicates that teachers who experienced higher levels of helplessness also reported higher levels of depressive symptoms. The result supports the assumption that when teachers feel powerless and believe that their efforts do not lead to meaningful outcomes, they become emotionally vulnerable, which may gradually lead to depression.

This finding is in line with the learned helplessness theory proposed by Seligman (1975), which suggests that repeated experiences of uncontrollability foster negative expectations and depressive affect. Earlier studies have also reported similar results, showing that helplessness is a strong cognitive predictor of depression in occupational and academic settings (Abramson et al., 1978; Alloy et al., 1999). Among teachers, feelings of helplessness may arise due to administrative pressure, lack of recognition, or limited autonomy, which over time may contribute to emotional exhaustion and depressive feelings (Hakanen et al., 2006). Thus, the present finding confirms that helplessness plays a crucial role in the mental health of college teachers.

Relationship between Helplessness and Loneliness

Table 2 Relationship between Helplessness and Loneliness among College Teachers

Variables	N	Mean	SD	r	p
Helplessness	140	42.18	6.94		
Loneliness	140	39.74	8.12	.52**	< .01

Note: p < .01

As presented in Table 2, helplessness was found to be significantly and positively related to loneliness among college teachers. This suggests that teachers who felt more helpless also tended to experience greater emotional and social isolation. When individuals perceive that they have little control over their work environment, they may withdraw from social interactions and reduce efforts to seek support, which can increase feelings of loneliness.

This result is consistent with earlier research indicating that negative cognitive styles, such as helplessness, often lead to social withdrawal and reduced interpersonal engagement (Joiner, 1997; Henkel et al., 2002). In the academic context, teachers who feel ineffective or undervalued may hesitate to share their struggles with colleagues, leading to a sense of emotional disconnection. Skaalvik and Skaalvik (2017) also reported that teachers experiencing low perceived control reported higher levels of isolation and reduced collegial support. Therefore, the

present finding highlights helplessness as an important psychological factor contributing to loneliness among college teachers.

Relationship between Loneliness and Depression

Table 3 Relationship between Loneliness and Depression among College Teachers

Variables	N	Mean	SD	r	p
Loneliness	140	39.74	8.12		
Depression	140	18.63	7.21	.56**	< .01

Note: p < .01

Table 3 indicates a significant positive relationship between loneliness and depression. Teachers who experienced higher loneliness also reported higher levels of depressive symptoms. This finding supports the idea that loneliness is not merely a social issue but also a serious psychological risk factor for depression.

Previous studies have consistently shown that loneliness predicts depressive symptoms across different age groups and professions (Cacioppo & Hawkley, 2009; Erzen & Çikrikci, 2018). Loneliness is known to intensify negative thinking, emotional pain, and feelings of worthlessness, all of which are central features of depression. Among teachers, emotional isolation within institutions may worsen stress and reduce psychological well-being (Huang et al., 2021). The present finding further strengthens the view that loneliness plays a significant role in shaping teachers' mental health.

Mediation Analysis of Loneliness

Table 4 Mediating Role of Loneliness in the Relationship between Helplessness and Depression

Predictor Variables	β	t	p
Helplessness → Depression	.48	6.72	< .01
Helplessness → Loneliness	.52	7.81	< .01
Loneliness → Depression	.41	5.96	< .01
Helplessness → Depression (with Loneliness)	.26	3.84	< .01

Table 5 Bootstrapped Indirect Effect of Helplessness on Depression through Loneliness

Effect	Boot SE	LLCI	ULCI
.22	.06	.11	.35

Note: LLCI = Lower Level Confidence Interval; ULCI = Upper Level Confidence Interval.

Table 4 presents the regression results examining the mediating role of loneliness in the relationship between helplessness and depression. The results show that helplessness significantly predicted depression, helplessness significantly predicted loneliness, and loneliness significantly predicted depression. When loneliness was included in the model, the direct effect of helplessness on depression was reduced but remained significant, indicating partial mediation.

These findings are consistent with cognitive–interpersonal models of depression, which propose that negative beliefs about oneself and one's environment disrupt social relationships, leading to loneliness and eventually depression (Gotlib & Hammen, 2009). In the present study,

helplessness appears to increase feelings of loneliness, which then contributes to depressive symptoms. Similar findings have been reported by Vanhalst et al. (2012), who found that loneliness partly mediated the relationship between maladaptive cognitions and depression. This suggests that loneliness functions as an emotional pathway through which helplessness influences depression.

Table 5 provides further confirmation of the mediating role of loneliness through bootstrapped indirect effect analysis. The confidence interval for the indirect effect did not include zero, indicating that the mediation effect was statistically significant. This result strengthens the findings from Table 4 and provides more robust evidence for the mediating role of loneliness.

Bootstrapping is considered a reliable method for testing mediation, especially in psychological research (Preacher & Hayes, 2008). The significant indirect effect suggests that helplessness contributes to depression not only directly but also indirectly by increasing loneliness. For college teachers, this means that feelings of powerlessness may first create emotional distance from others, and this emotional isolation may then deepen depressive feelings. This finding highlights the importance of addressing loneliness in interventions aimed at improving teachers' mental health.

Taken together, the results of the present study provide strong evidence that loneliness plays a meaningful mediating role in the relationship between helplessness and depression among college teachers. While helplessness directly contributes to depression, its impact is partly transmitted through increased loneliness. This integrated understanding goes beyond simple cause-effect relationships and emphasizes the importance of social and emotional factors in teachers' psychological well-being.

These findings have important implications for teacher support programs. Interventions should not only focus on reducing feelings of helplessness by improving autonomy and control but should also aim to enhance social connectedness and collegial support within colleges. Addressing loneliness may help weaken the pathway from helplessness to depression and promote better mental health among teachers.

CONCLUSION

The present study highlighted the significant roles of helplessness and loneliness in explaining depressive symptoms among college teachers. The findings revealed that helplessness was positively associated with both loneliness and depression, and loneliness, in turn, was strongly related to depression. Most importantly, loneliness was found to partially mediate the relationship between helplessness and depression, suggesting that feelings of powerlessness may lead teachers to withdraw emotionally and socially, which then increases their vulnerability to depression. These results underline the importance of addressing not only individual cognitive factors but also social and emotional connectedness within college environments. By fostering supportive collegial relationships and enhancing teachers' sense of control and value, institutions may reduce feelings of loneliness and help protect teachers from depression.

Limitations

Despite its contributions, the present study has certain limitations that need to be acknowledged. First, the study employed a correlational design, which limits the ability to draw causal conclusions regarding the relationships among helplessness, loneliness, and depression. Second, the use of self-report measures may have been influenced by social desirability or response bias,

particularly as teachers may hesitate to openly report emotional difficulties. Third, the sample was selected using purposive and incidental sampling methods from affiliated and constituent colleges, which may restrict the generalisability of the findings to all college teachers. Additionally, the study did not control for other factors such as personality traits, work stress, or institutional climate, which might also influence depression. Future research may address these limitations by using longitudinal designs, diverse sampling techniques, and additional variables to gain a more comprehensive understanding of teachers' mental health.

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FINANCIAL MANAGEMENT PRACTICES IN CREDIT-DRIVEN CONSUMERISM: A STUDY OF NO COST EMI PRACTICES

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ABSTRACT

The increasing popularity of No Cost EMI (Equated Monthly Installment) schemes in India has reshaped consumer purchasing and financial management practices, particularly in the electronics sector. This paper explores how consumers plan, budget, and manages their finances when engaging in No Cost EMI purchases. While the scheme promotes affordability and accessibility, it simultaneously alters traditional budgeting patterns, savings habits, and perceptions of debt. Many consumers view such EMI's as cost-free, leading to changes in spending discipline and long-term planning. The study aims to analyze financial management practices such as budgeting, debt control, and savings adjustment influenced by No Cost EMI usage. Insights from existing literature highlight that while such schemes democratize access to high-value goods, they also create challenges in liquidity management and responsible borrowing. The findings emphasize the importance of financial literacy, transparency in EMI terms, and consumer education in promoting sustainable financial behavior.

KEYWORDS: *Financial Management, No Cost Emi, Consumer Behaviour, Financial Literacy, Budgeting Practices.*

1.INTRODUCTION

In the evolving landscape of retail finance, the No Cost EMI scheme has emerged as one of the most influential instruments shaping modern consumer purchasing behavior. These schemes allow consumers to acquire high-value products, particularly in the electronics segment, by converting the total purchase price into a series of interest-free monthly installments. Marketed as “zero-interest” or “cost-free,” these offers are positioned as an attractive alternative to traditional credit cards or personal loans, thereby driving the financial inclusion of middle-income consumers. However, despite its widespread acceptance, the No Cost EMI model raises critical questions about its influence on personal financial management. While it promotes convenience and affordability, it simultaneously encourages a shift from cash-based transactions to credit-oriented consumption. Consumers who previously relied on savings to finance purchases now increasingly depend on EMI's, altering their cash flow and liquidity positions.

The illusion of affordability often masks hidden costs such as processing fees or price markups embedded within the product's total cost. This perceived "cost-free" structure can distort consumers' perception of financial risk and weaken their long-term savings discipline. Moreover, the growing tendency to engage in multiple EMI's at once can fragment household budgets and increase financial stress, especially when income fluctuations occur. Research suggests that low awareness and financial illiteracy exacerbate these issues, as many consumers do not fully evaluate repayment capacity or the cumulative effect of overlapping EMI commitments. As a result, No Cost EMI schemes, though beneficial for enhancing access to consumer goods, can potentially challenge financial stability and prudent money management. Understanding how consumers manage their finances in this context is therefore crucial. Financial management practices—covering areas such as budgeting, expenditure control, debt management, and saving behavior determine whether the use of EMI becomes a sustainable tool or a potential financial burden. By analyzing consumer behavior, this paper seeks to bridge the gap between affordability-driven purchase decisions and responsible financial planning in the context of No Cost EMI adoption.

II. Background of the Study

The emergence of No Cost EMI (Equated Monthly Instalment) schemes has transformed the way Indian consumers purchase products, particularly in the electronic goods sector. Earlier, consumers generally followed a saving-first model, where buying decisions were based on available savings or credit from informal sources. However, the easy availability of EMI options has shifted this culture toward a "buy now, pay later" mind set. The increasing digitization of financial services, expansion of online marketplaces, and partnerships between retailers and banks have made No Cost EMI schemes a common feature of modern consumption.

These schemes allow consumers to purchase high-value products without immediate payment, distributing the cost over months with minimal visible interest. While this encourages affordability and supports economic growth, it also changes personal finance patterns — particularly budgeting, saving, and credit management practices. As consumers increasingly depend on EMIs to maintain lifestyles, it becomes vital to study whether such financial behaviour leads to improved financial planning or unintentional indebtedness. Thus, the background of this study rests on understanding how No Cost EMI influences the financial management habits, awareness, and discipline of modern consumers.

III. Objective of the Study

To find out the changes happened in the financial management practices of consumers regarding No Cost EMI purchases.

IV. Method

This study uses a descriptive and analytical research design to explore financial management practices among consumers who purchase products under No Cost EMI schemes. Both primary and secondary data were used to gather comprehensive insights. Primary data were collected through a structured questionnaire distributed among 300 consumers from urban and semi-urban areas of Kerala. Respondents were selected using purposive sampling, ensuring that all participants had used No Cost EMI for electronic product purchases within the last two years.

The questionnaire focused on aspects such as budgeting behaviour, debt control, savings adjustments, and awareness of EMI terms. Data were analysed using descriptive statistics to

identify common trends and patterns in financial behaviour. Secondary data sources included academic journals, financial reports, Reserve Bank of India (RBI) publications, and previous studies related to consumer credit and financial literacy. This methodological approach helps in understanding both the quantitative trends and qualitative perceptions regarding how No Cost EMI impacts consumer financial management.

V. Result & Analysis

The study's findings indicate that the introduction of No Cost EMI schemes has brought about substantial changes in how consumers manage and plan their personal finances. While these schemes have enhanced purchasing power and affordability, they have also influenced consumers' attitudes toward budgeting, saving, and credit management.

Influence on Budgeting Practices

One of the most visible outcomes of No Cost EMI adoption is its impact on consumer budgeting behaviour. Most respondents acknowledged that they now allocate a fixed portion of their monthly income toward EMI payments. This shift has made many households more organized in financial planning, as they consciously track due dates and monthly commitments. However, the same discipline has also introduced rigidity, reducing flexibility in dealing with unplanned expenses. The budgeting process, once centred on available cash or savings, now increasingly revolves around monthly credit obligations. This change signifies a transition from traditional cash-based budgeting to credit-based budgeting, where planned EMI are treated as essential financial responsibilities.

Effect on Savings and Investments

The results also suggest that while EMI schemes facilitate short-term purchasing convenience, they indirectly affect long-term savings and investments. Many consumers reported a gradual decline in their capacity to save after adopting No Cost EMI options, as a portion of disposable income gets diverted toward recurring payments. The motivation to save before purchasing has been replaced by the convenience of purchasing first and repaying later. The extent of this effect largely depends on the consumer's income level, financial awareness, and control over discretionary spending.

Debt Management Behaviour

Debt management practices among EMI users varied significantly. Financially disciplined consumers exhibited timely payment habits and monitored their outstanding dues carefully. They treated EMI as manageable commitments that could be incorporated into monthly budgets without affecting other priorities. However, some respondents admitted to taking on multiple EMI simultaneously, often without evaluating cumulative liabilities. This tendency increases the risk of overextension, delayed payments, and potential financial stress. Such behaviour reflects a growing comfort with credit dependency, which, while normalizing consumer finance, can lead to long-term indebtedness if not managed prudently.

Role of Financial Literacy

The study reinforces the critical role of financial literacy in shaping responsible EMI usage. Consumers with higher financial awareness demonstrated better control over debt, more accurate understanding of EMI terms, and a conscious approach toward repayment. Conversely, those with limited literacy were more likely to perceive "No Cost EMI" as entirely cost-free,

overlooking associated charges or opportunity costs. Financially literate consumers planned their purchases based on affordability, whereas others were more influenced by promotional offers and marketing tactics. This finding suggests that awareness and understanding are central to maintaining financial discipline in an increasingly credit-driven marketplace.

Perceived Financial Well-Being

Most participants perceived No Cost EMI as a convenient and stress-reducing mechanism for purchasing high-value products. The ability to spread payments over time without paying visible interest enhanced their sense of financial comfort. Nevertheless, a section of consumers expressed concern about the long-term burden of recurring EMI's, particularly when multiple commitments coincided. This indicates that while EMI usage improves access to modern goods, it can also generate a false sense of affordability that may threaten financial well-being if consumers do not maintain adequate savings or spending control. Thus, the relationship between EMI use and financial well-being is conditional—positive when managed wisely, and adverse when approached impulsively.

VI. Discussion

The study found that No Cost EMI has become an integral part of consumer financial planning, especially for middle-income families purchasing electronic goods. A majority of respondents acknowledged that EMI options made it easier for them to own high-value items without immediate financial pressure. However, this convenience has also changed their budgeting and saving behaviour. Many consumers reported that EMIs now form a regular part of their monthly expenses, often leading to reduced savings and limited liquidity for emergencies.

The results also indicate that consumers with higher financial awareness and disciplined budgeting are better at managing EMIs without affecting their financial stability. On the other hand, those with limited financial literacy often underestimate the long-term impact of multiple EMIs. Overall, the analysis shows that No Cost EMI schemes have a dual impact — promoting financial inclusion and accessibility while simultaneously influencing spending habits and long-term financial health.

VII. CONCLUSION

No Cost EMI schemes have made credit usage socially acceptable and financially normalized, especially among young, urban consumers. Rather than perceiving debt as a burden, many now view it as a strategic tool for financial convenience. While this trend aligns with global shifts in consumer finance behavior, it also signals the need for promoting responsible credit culture in India. Increased awareness, transparent marketing, and consumer education initiatives are necessary to ensure that affordability does not evolve into unsustainable borrowings. The findings broadly confirm patterns identified in previous research—namely, that No Cost EMI schemes alter consumers' budgeting and saving patterns while fostering new forms of financial dependency. The discussion reveals a dual impact as it demands increased affordability, financial inclusion, and disciplined repayment practices. On the other hand it reduces savings, fragmented cash flow, and potential over-reliance on credit. Thus, the effectiveness of No Cost EMI schemes as a financial tool depends heavily on individual consumer awareness and behaviour. When integrated into planned financial management, these schemes can support household stability and economic participation. However, when driven by impulsive or uninformed decisions, they may compromise financial security.

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