

SPENDING BEHAVIOR AMONG COLLEGE STUDENTS

Jeni Theresa C. Bona

Surigao del Sur State University, 8317 Cantilan, Surigao del Sur, Philippines

*For correspondence; E-mail: jeniteresa@yahoo.com.ph

ABSTRACT: *The primary objective of this paper was to determine the extent of spending among college students of Surigao del Sur State University (SDSSU) and Saint Michael College (SMC) in Cantilan, the northernmost municipality in the province of Surigao del Sur, Philippines. This study used the descriptive survey method. A researcher-made questionnaire was used as the main instrument for data collection. Interviews were also conducted to answer clarifications, verify the answers of the respondents, and to solicit additional information. The study revealed that majority of the respondents are female and most of them are dependent from their parents for their allowance. The study also revealed that there are no significant differences on the extent of spending as to room and board, transportation, projects and assignments, tuition fees and school supplies, laptops and other gadgets between the two schools. As a result, it can be concluded that most of the respondents spent more money on their projects and assignments, tuition fees and school supplies, and room and board. This is due to increasing price of materials to be used in doing their projects and assignments. Moreover, the growing rate of tuition fees, room and board resulted to more spending.*

Keywords: Spending Behavior

1. INTRODUCTION

The spending conduct of youth and their constrained comprehension of cash administration invigorate propensities that may result to expensive budgetary errors today and later on. The adolescent of today are developing in a society of obligation assisted by luxurious ways of life and simple credit (Dugas 2001)[1]. Three patterns representing a danger to youth's capacity to deal with their cash are grown-up exercises as good examples for youth; youth as a noteworthy shopper in the business sector; and restricted money related mindfulness among the adolescent.

Spending conduct has never been steady. It contrasts starting with one era then onto the next. At present, students assume a vital part as one noteworthy part of the general purchaser spending in the nation. Previously, books, stationaries, garments and other comparable items were purchased by understudies for their study. In the mean time, at this present age, student's needs have increased because laptops are required for assignments and ventures. Propels in innovation have likewise prompted expansion of understudy's costs.

Student's expenses are directly associated to student's resources. Being wise in one's spending will lead to improved available resources and reduced financial problems during education. College students spending was identified as one important component of the total consumer spending.

The reason for this study was to take a gander at the spending conduct among students of Surigao del Sur State University and Saint Michael College in light of the fact that the expenses of students in provincial territories assume an imperative part in the neighborhood economy through the present use and business as one of the impetus for the improvement of the rural economy.

This paper attempted to identify at what extent do college students spend their money in terms of clothes, accessories, room and board, tuition fees, school supplies, assignments and projects, laptops and other gadgets. Subsequently, this study is done to better comprehend the motivation behind why understudies are having money related deficiencies. Spending, not saving, benefits an economy according to Keynes.

2. MATERIALS AND METHODS

This study used the descriptive survey method. A researcher-made questionnaire was used as the main instrument for data collection. The questionnaire was composed of two parts. First part included the profile of the respondents. This dealt with the gender and source of fund . The second part was an assessment on the extent do respondents spent their money in terms of clothes and accessories, room and board, transportation, projects and assignments, tuition fees and school supplies, laptops and other gadgets.

Interviews were also conducted to answer clarifications, verify the answers of the respondents, and to solicit additional information.

After the questionnaires were formulated and verified, it was submitted to the panel during the proposal hearing for review and improvement. A dry-run was done to test its validity. It was answered by people who are not part of the official list of respondents.

The respondents of this study were the college students of Surigao del State University Cantilan Campus and Saint Michael College. Respondents were selected through simple random sampling with the total number of participants to be determined using Sloven's formula.

The data gathered from the questionnaire were tallied, tabulated and presented in tables. The data were recorded according to the frequencies and corresponding percentages.

3. RESULTS AND DISCUSSION

Findings revealed that for both schools most of the respondents are female because they have the largest number in the students' population compared to males. As to respondents' source of funds, for Surigao del Sur State University (SDSSU), findings showed that most of the respondents are dependent from their parents for their allowance. The result is based on Leiser and Ganin (1996, as cited in Otto, 2012)[2], who classify parents into two groups of socialization in the economic domain. Foremost, there are parents who try to protect their children from economic worries and responsibilities. Children under this group are not

anxious to work in order to have money. Their parents take charge of all their expenses. Secondly, there are parents who take educational considerations into account. They encourage their children to earn money for them to learn the value of money while are still young. However, there are students who received scholarship grants and are not dependent on their parents for allowance. On the other hand, most of the

respondents from Saint Michael College (SMC) most of the respondents receive scholarship grants from the government and other private organizations. Only a small number of students were involved in a job to earn money and help ease the load of their parents.

Table(1)Extent of Spending Among College Students in terms of Clothing and Accessories

Indicators	SDSSU		SMC	
	μ	Descriptive Rating	μ	Descriptive Rating
1. Buying clothes, shoes, bags and other accessories	2.78	Moderate Extent	2.54	Moderate Extent
2. Comparing prices when buying clothes, shoes, bags and accessories	2.93	Moderate Extent	2.49	Less Extent
3. Choosing clothes that expresses personality	2.79	Moderate Extent	2.97	Moderate Extent
4. Buying the latest fashion designs on clothes, shoes, bags and other accessories	2.56	Moderate Extent	2.43	Moderate Extent
5. Wearing clothes that are trendy	2.29	Less Extent	2.43	Moderate Extent
6. Purchasing garments that complement the body figure	2.51	Moderate Extent	2.41	Less Extent
7. Buying shoes, bags, jewelries, hats, and belts to complete an outfit	2.26	Less Extent	2.03	Less Extent
8. Selecting on designer and name-branded clothes rather than wearing less popular clothing lines	1.89	Less Extent	2.00	Less Extent
9. Spending large percentage of money/allowance on clothes, shoes, bags and other accessories	2	Less Extent	2.22	Less Extent
10. Shopping frequently for new clothing, shoes and bags	1.83	Less Extent	1.84	Less Extent
11. Buying on-line for clothes and accessories rather than in stores	1.94	Less Extent	1.35	Not at all
12. Buying clothes out of necessity	1.94	Less Extent	1.65	Not at all
13. Preference for higher end items to lower end items that are affordable.	2.57	Moderate Extent	2.51	Moderate Extent
Factor Average	2.34	Less Extent	2.22	Less Extent

The extent of spending in terms of clothing and accessories, for Surigao del Sur State University (SDSSU), most items were rated with less extent resulting to its grand mean of 2.34. This means that most of the items are sometimes considered. College students from SDSSU have lesser extent in buying on-line for clothes and accessories rather than in stores. Most of the time, students compare prices when buying clothes and accessories. For Saint Michel College, most items were rated with a grand mean of 2.22 which means that the item is sometimes considered. College students from SMC never considered buying on-line for clothes and accessories. When buying clothes and accessories, they sometimes compare the prices. Most of the time, respondents from both schools have a primary consideration most of the time in buying the latest fashions on clothes, shoes, bags and other accessories that express personality and they have a preference for higher end items to lower end items that are affordable. While, Brueggemann (2010)[3] states that students feel better about themselves if they can buy designer clothing that raise their social status. Furthermore, students from both schools sometimes select

designer and name-branded clothes. This would mean that students at a less extent spend money/allowance on clothes, shoes, bags and accessories.

For respondents from Surigao del Sur State University, the extent of spending in terms of room and board has a grand mean of 2.55, rated with moderate extent which means that the item is the primary consideration most of the time. Eating out on restaurants, fast-food restaurants and café is considered most of the time by students who do not go home for lunch. Drinking food supplements and vitamins to enhance diet and eating a balanced diet are also considered most of the time because students value their health. Living in apartments or boarding houses is at less extent because most of the students are living in with their parents. For respondents from Saint Michael College, the extent of spending in terms of room and board has a grand mean of 2.40 rated with less extent which means that the item is sometimes considered. Eating out on restaurants, fast-food restaurants, and café is sometimes considered. This is true for students who go home to eat for lunch. Students never considered drinking food supplements and vitamins to

enhance diet though eating a balanced diet is sometimes considered. Living in apartments or boarding houses is never considered because most of the students are living in with their parents. All the time, respondents from both SDSSU and SMC, at a great extent, consider eating three complete meals everyday. Preparing fresh fruits and vegetables is more preferred by students. They also check the nutritional value of the food when buying. This would mean that students nowadays are somehow conscious of the nutrients they get from their food. It is a fact that for many people, especially when in a hurry, canned goods or frozen food is the easiest to

prepare on the table. Most of the students are living with parents. Practically, students who lived at home with parents or relatives were dependent. On the other hand, students who were self-supporting spent on the average more money for room and board. As stated by Creamer (2008)[4] with the increasing rate of inflation and the growing cost of food it has become a great concern for marketers to determine the current spending behavior of consumers. Based on the survey conducted by Global youth panel in 2008, the results pointed out that in Singapore and South Korea, the youth spends 45%

Table(2)Extent of Spending Among College Students in terms of Room and Board

Indicators	SDSSU		SMC	
	μ	Descriptive Rating	μ	Descriptive Rating
1. Eating three complete meals everyday	3.39	Great Extent	3.49	Great Extent
2. Preparing fresh fruits and vegetables rather than what is served in fast-food restaurants	2.86	Moderate Extent	2.78	Moderate Extent
3. Eating out on restaurants, fast-food restaurants, café	2.54	Moderate Extent	2.32	Less Extent
4. Considering one’s favorite dish/cuisine	2.53	Moderate Extent	2.49	Less Extent
5. Drinking food supplements and vitamins to enhance diet	2.19	Less Extent	1.62	Not at all
6. Checking the nutritional value of the food when buying	2.61	Moderate Extent	2.59	Moderate Extent
7. Eating a balanced diet	2.44	Moderate Extent	2.43	Less Extent
8. Eating canned goods or frozen foods when in a hurry	2.43	Moderate Extent	2.68	Moderate Extent
9. Living in apartments or boarding houses	2.12	Lesser Extent	1.51	Not at all
10. Living in with parents	2.89	Moderate Extent	2.59	Moderate Extent
11. Living in with relatives for free	2.07	Lesser Extent	1.86	Less Extent
Factor Average	2.55	Moderate Extent	2.40	Less Extent

and 30% on food respectively. For respondents from Surigao del Sur State University, the extent of spending in terms of transportation has a grand mean of 1.94 rated with less extent which means that the item is sometimes considered. Compared to private schools, students in public spent less for public transportation everyday and only a few of them can afford to buy a motorcycle. For respondents from Saint Michel College, the extent of spending in terms of transportation has a grand mean of 1.58 rated with not at all which means that the item is never considered. Spending a large amount for public transportation everyday is the primary consideration most of the time. Students never considered renting a friend’s automobile or motorcycle. As expected, transportation costs were higher for commuters. Meanwhile, for respondents from Surigao del Sur State University, the extent of spending in terms of projects and assignments has a grand mean of 2.95 rated with moderate extent which means that the item is considered most of the time. Most of the time, students spend money for projects or assignments in order to comply with the school requirement. For respondents from Saint Michel College , the extent of spending in terms of projects and assignments has a grand mean of 3.24 rated with moderate extent which means that the item is considered most of the time. At all times, it is evident that students spend money for projects and assignments. This is because projects have a high percentage

in the grading system and students wanted to get the highest possible grade. Projects encouraged students to become independent workers, critical thinkers, and lifelong learners. Project is a way of working together! This forms the basis for the way they will work with others in their adult lives. For respondents from Surigao del Sur State University, the extent of spending in terms of tuition fees and school supplies has a grand mean of 2.72 rated with moderate extent which means that the item is considered most of the time. Paying for tuition fees at state universities is at moderate extent because most of the students availed scholarship grants. Likewise, the respondents from Saint Michael College gave the item a grand mean of 2.71 rated with moderate extent which means that the item is considered most of the time. Students spent for their tuition fees. The cost for tuition fees and school supplies climbs higher every year. For this reason, students are expected to pay more in their tuition fees this year compared to last year. For respondents from Surigao del Sur State University, the extent of spending in terms of laptops and other gadgets has a grand mean of 1.96 rated with less extent which means that the item is sometimes considered. Bringing small amount of cash to avoid impulsive buying is considered most of the time by the students. Students do not consider having post-paid plans for gadgets since it is not of primary importance to them as they are still students. On the other hand, respondents from Saint Michael College gave this item a grand mean of

1.86 rated with less extent means that the item is sometimes considered. An expense for many college students are electronics, gadgets and technology. Thus, students moderately tend to bring small amounts of cash to avoid impulsive buying of electronic gadgets.

The extent of spending among college students of Surigao del Sur State University (SDSSU) and Saint Michael College (SMC).reveals that there is a significant difference on the extent of spending in terms of clothing and accessories among college students of Surigao del Sur State University (SDSSU) and Saint Michael College (SMC). College students from SMC often wear clothes that are trendy. On the other hand, there is no significant difference on the extent of spending in terms of room and board, transportation, projects and assignments, tuition fees and school supplies and laptops and other gadgets among college students in SDSSU and SMC. This would imply that college students from rural areas almost have similar extent of spending on the above mentioned areas.

Table(3) Significant Difference on the Extent of Spending Between the Two Schools

Indicators	t _{crit} @ $\alpha=0.05$	Conclusion	Interpretation
1. Clothing and Accessories	1.782	Rejected	Significant
2. Room and Board	2.92	Accepted	Not Significant
3. Transportation	2.92	Accepted	Not Significant
4. Projects and Assignments	2.132	Accepted	Not Significant
5. Tuition Fees and School Supplies	2.132	Accepted	Not Significant
6. Laptops and Other Gadgets	2.132	Accepted	Not Significant

4. CONCLUSION

After having studied the data, the researcher concluded that most of the respondents spent more money on their projects and assignments, tuition fees and school supplies, and room and board. This is due to increasing price of materials used in doing their projects and assignments. Moreover, the growing

rate for tuition fees, and room and board resulted to more spending. Meanwhile, students spend less in clothing and accessories, transportation, laptops and other gadgets.

Students should plan their expenses so that their spending behavior can be better. They must put into consideration saving money and buying items that they really need rather than spending so much on their wants. Students must be conscious on the consequences of their financial decision because it affects their future.

One way students may lessen their spending is to analyze their behavior. They may analyze their behavior by developing a behavior chart to keep track of their spending behavior and provide reinforcement.

Based on the results of the study, the researcher recommends for future researchers to conduct further study on spending behavior after proposals are implemented; for schools and universities, initiate and develop financial education and spending programs and seminars. Students should get themselves literate about the importance of spending their money wisely. The habit of savings should be inculcated from the beginning of their educational journey. Finally, parents should discuss financial management practices with their children when they are still young.

5. REFERENCES

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*For correspondence; E-mail: jeniteresa@yahoo.com.p