The Emergence of Gender Differences in Consumer Socialization among College Students

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Abstract: This study examines the gender differences in consumer socialization among college students. The sample comprised 2,430 students in six public and five private universities across Malaysia, which were randomly selected for the study. A self-administered questionnaire was used as the data collection method. The results revealed gender differences in consumer socialization, in which male students' perceived earlier socialization regarding financial matters. In addition, the results indicated that females are socialized earlier in receiving allowances and owning bank accounts while males are socialized earlier in financial activity and financial assets.
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1. Introduction

Consumer socialization studies have developed extensively in recent decades, as the financial management of young adults is of concern and interest to businesses, educators and families. Prior research concerning consumer socialization has mostly focused on age-related differences in consumer socialization, while a study of gender differences is scarce. Gender matters have received considerable attention in statements concerning economics and finance, since differences have been observed in the male and female financial domains, such as behavior, investment and, most importantly, in financial skills.

Young adults, particularly college students, receive more attention from financial educators (Goldsmith and Goldsmith, 2006; Gutter et al, 2010; Hayhoe et al., 2000; Hira et al., 2000; Joo, 2008; Norvilitis et al., 2006), as they have easier access to financial resources such as credit, debt and educational loans than previous generations of students. However, a great body of research has documented significant gender differences in financial behavior and the level of perceived financial well-being among college students (Masuo et al., 2004; Shim et al., 2009).

The research findings indicated that in comparison to men, women are less knowledgeable financially (Goldsmith and Goldsmith, 2006), late age financially socialized (Shim et al., 2010) and have negative attitudes towards money (Dowling et al., 2009), which will likely result in significant differences in their behavior and, consequently, the different levels of perceived financial problems. Students like all other people learn financial behavior early in life; however, it is widely held among researchers that family experiences, in particular, often provide the foundation for the student's financial behavior (Danes and Hira, 1986; Hira and Mugenda, 2000; Watchravesringkan, 2008).

Evidence has proven that different financial socialization will lead to differences in financial attitude (Hayhoe et al., 2000; Masuo et al., 2004), financial knowledge (Chen and Volpe, 2002), financial behavior (Xiao et al., 2009), which, in turn, results in different levels of financial independence that may affect their lives in a serious way. The main aim of this study is to investigate gender differences in consumer studies among college students; college students are the future labor force and financial users in the marketplace; hence, it is important to understand the male and female differences in consumer practices during socialization. Such knowledge about students' financial practices is important, as it provides an overview about students' financial needs. Most importantly, such knowledge is crucial for financial educators and practitioners in their efforts to educate male and female students about financial management.

2. Literature Review

The study of how and when children acquire the knowledge of conducting money has been a concern among financial researchers. Parents and the family have been identified as the most important source of influence concerning children's money beliefs and attitudes. Hira (1997), from a review of previous studies, suggested that at least some patterns of adult financial behavior are influenced by childhood and adolescent experiences, and the study of these experiences should help us understand the development of financial behavior.

Consumer socialization was defined by Ward (1974) as the process by which individuals obtain the knowledge, skills, and attitudes relevant to their functioning as consumers in the marketplace (Danes and Haberman, 2007). Later Moschis (1987) indicated that socialization is a life spanning process, which begins in childhood and continues, to some extent, throughout life. Moschis (1987) and McNeal (1987) suggested that parents appear to play a central role in the consumer socialization of their children, and they are influential in teaching their children about appropriate consumer aspects (Hays, 2010; Newcomb and Rabow, 1999; Pinto et al., 2005; Shim et al., 2010).

Children learn financial management behavior through participation (incidental learning) and observation and through intentional instruction by socialization agents (Danes, 1994). Contained by the family, children learn how to handle their money and interact with the adult financial world; however, different financial expectations and rules govern thoughts and behavior that influence their social construction of gender and finance issues (Danes and Haberman, 2007). Consumer socialization studies reveal that gender issues are influenced by family strategies in the socialization process. Leach et al. (1999) pointed out that through different socialization experiences men and women come to understand money differently.

Many studies are consistent with the earlier financial socialization of the son, such as the ASEC (American Saving Education Council) (2001) report, which found that parents allow greater discretionary use of money for daughters than they do sons. Several studies (Rabow and Chamess, 1991) indicated that families use a number of different strategies for the socialization of boys and girls regarding consumer matters, such as keeping their daughters dependent and uninformed regarding money. Although there are many consistencies across families relating to the gender socialization of financial roles, Clark et al. (2005) found substantial gender differences when assessing the modeling and teaching of adult financial roles to adolescents. Newcomb and Rabow (1999) findings revealed that boys and girls perceived different financial messages from parents, as daughters are protected from parental fiscal problems or do not perceive or evaluate them in the same way as sons.

They also found that sons, more than daughters, perceived and evaluated their parents as expecting them to know how to work and to save. In addition, sons were introduced to discussions of family finances at an earlier age than daughters, reported that they currently work more than do women, and received less financial support from their families than did women (Newcomb and Rabow, 1999). Newcomb and Rabow (1999) concluded that women were expected to be more financially dependent than men, and that their participants' experiences regarding socialization about money reflected that expectation. Consumer socialization has been identified as a key concept in providing financial practices during childhood. Understanding gender differences in financial socialization provides knowledge about differences in financial knowledge, attitude and behavior, and, in turn, has an effect on future financial success or failure.

3. Hypotheses

For studying the gender differences in consumer socialization among college students four hypothesis was set including:

H1: There is a significant gender difference in consumer socialization between male and female students.
H2: There is a significant gender differences in receiving allowances between male and female students.
H3: There is a significant gender differences in financial practice between male and female students.
H4: There is a significant gender differences in financial assets between male and female students.

4. Material and Methods

4.1. Instrument

Consumer socialization in the present study was measured using a 10-item instrument, including three main dimensions: receiving allowances and bank account, financial activity and financial assets. The first dimension was adopted from Hira's (1997) instrument; two items were used including "receiving allowance" and "having own saving account at the bank". The second dimension comprised financial activity; 6-items were considered to measure this dimension. The instrument for this dimension included items such as "receiving income from the current occupation", "discussing family's financial issues with parents", "borrowing money from colleagues for purchasing", "knowing financial condition of the family", "able to purchase alone at the store" and "budgeting by myself".

The third dimension was financial assets, which was measured by asking two items, including "owning personal cell phone" and "owning personal transportation". The instrument was measured by asking the respondents to choose the age they started to practice each statement on a score answer from "<7 years old", "7-12 years old", "13-15 years old", "16-17 years old", ">18 years old" and "Never". The consumer socialization score was computed by summing the score of statements from one to six for 10 items; however, the earlier age (< 7years old) received the highest score (6), and never received the lowest score (1).

4.2. Sample procedure and sample profile

Data were collected using the stratified sampling method at six public and five private universities across Malaysia. A self-administered questionnaire was used as the data collection methodology. Of the 2,500 students who responded to the survey, 40.4% were male and 59.6% were female students; 71.4% were Malay being the major ethnic group in Malaysia, 21.7 % were Chinese, 5 % were Indian and others (.8%). The mean age of the respondents was 21 years. Students from public universities were 60% while others, 40%, studied in private universities.

4.3. Statistical Analysis

As the main aim of this study was to determine gender differences in consumer socialization, t-tests were conducted to determine gender differences in socialization regarding consumer and financial issues.

5. The Results of Hypotheses Testing

In this section of the paper the analysis of research hypotheses were present. Since the main aim of the present study was to determine gender differences in consumer socialization, the analysis was provided for three dimensions and the total score of the variables.

5.1. Results of Testing H1

The results of the t-tests presented in Table 1, revealed that there were differences in the consumer socialization mean score between male (M= 34.34) and female (M= 33.59) students. This comparison was found to be statistically significant, t= 3.28, P≤.00. This result indicates that male students have earlier consumer socialization while female students have later socialization.

5.2. Results of Testing H2

The findings showed (Table 1) that the mean comparisons for receiving allowance and bank account between males (M= 8.97) and females (M= 9.23), was statistically significant, t= -2.86, P≤.00. This result indicates that female students were socialized earlier in receiving allowances and own bank account. This finding indicates that families allocate bank accounts and allowances for the female child earlier than for the male.

5.3. Results of Testing H3

Furthermore, the mean comparisons of financial activity and financial practice socialization between males (M= 4.49) and females (M= 4.01) showed significant differences as well. The findings showed that the mean comparisons for financial budgeting socialization was statistically significant, t= 8.09, P≤.00. This result indicates that male students socialized earlier in budgeting, and consumer socialization compared to female students.

5.4. Results of Testing H4

The results of the mean comparisons in financial assets and ownership socialization revealed that male (M= 20.86) are socialized earlier than female (M= 20.34) students (Table1). The finding indicates the statistical significant differences t= 3.25, P≤.00, between male and female students.

Table 1: The Results of t-test in Consumer Socialization by Gender

Items	Male	Female	t	*df*	Sig
Financial socialization	34.34	33.59	3.28	2338	.00
Allowance/Bank account	8.97	9.23	-2.86	2338	.00
Financial Activity	4.49	4.01	8.09	2338	.00
Financial Assets/Ownership	20.86	20.34	3.25	2338	.00

4. Discussion and conclusions

The results emphasize gender differences in consumer socialization, and that male students are socialized earlier in most of the items; these findings are consistent with the results of Shim et al. (2009), and Newcomb and Rabow (1999), who indicated that families use different strategies to socialize boys and girls in relation to financial issues. However, the findings show that females are socialized earlier in receiving allowances and owning bank accounts but are socialized later concerning financial activities, such as purchasing alone at the shop, and discussing with family about financial issues.

These findings indicate that although females receive money earlier, males are socialized earlier regarding money and are involved in financial issues and activities such as purchase alone at the shop, discussing with family, and budgeting on their own. These findings are consistent with previous research (Gutter et al., 2009; Hays, 2010; Newcomb and Rabow, 1999; Pinto et al., 2005; Shim et al., 2010), which indicates the gender differences in financial socialization between male and female students. However, the results indicate that males socialize earlier than females, which confirms the findings of Leach et al. (1999), ASEC (2001), and Newcomb and Rabow (1999).

Females receiving allowances and bank accounts earlier than males agreed with the findings of Allen et al. (2008); however, in financial activity males were socialized earlier. These findings indicate that although females receive allowances earlier, the family excluded them from financial practices. Males were involved in family financial issues and practices concerning money earlier than females, which is consistent with the findings of Edwards et al., (2007).

The findings highlight that the consumer socialization process is highly affected by gender issues in which families employ different strategies to socialize male and female children regarding financial and consumer matters. From this finding, the implications for family economics and gender educators seem even more apparent, given the important role of parents in socializing their children in financial issues. Regarding consumer socialization dimensions, the results indicate that most of the students, particularly females, are not involved in family financial issues and discussions.

By identifying the role of financial socialization in developing financial attitude and financial skills during childhood, parents may understand their key role in the financial life of their children. The awareness of families about the importance of providing equal financial practices for boys and girls may be enhanced.

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