

The Influence of Money Attitude Towards Spending Behaviour Among Universiti Selangor (Unisel) Students

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Abstract: Nowadays, uncontrollable spending habit towards Malaysian young generations are becoming progressively. They have a tendency to have less value of money compared to the elder generations in spending their money. The purpose of this study is to investigate the relationship of money attitude factors (power-prestige, distrust-frugality, retention-time and anxiety) as determinants of UNISEL students' spending behaviours. This study is quantitative approach. The sample of this study consists of 130 students from UNISEL Shah Alam and Bestari Jaya campuses. The result showed from regression analysis, there were only three factors of money attitude (power-prestige, retention-time and anxiety) have a significant effect on spending behaviour among UNISEL students. Anxiety is the most influential factor of money attitude towards spending behaviour among UNISEL students. Consequently, several suggestions have been put forward and it is hoped that it will assist students to manage their fund effectively.

Keywords: Money attitude, spending behaviour, power-prestige, distrust-frugality, retention-time and anxiety

1. Introduction

Nowadays, uncontrollable spending habit towards Malaysian young generations are becoming progressively. They have a tendency to have less value of money compared to the elder generations in spending their money. Mohammed, Alekam, Salniza, Salleh and Sanuri (2018) stated that since the cost of living in Malaysia has improved remarkably, the young generations enjoyed spending their money heavenly, therefore Malaysia faced changes in lifestyle and spending trend. Tatzel (2003) believed that money represents power or achievement may have irresponsible spending habits. According to Phau & Woo (2008) money attitudes have influenced a person's life such as spending habits, saving, charitable giving, political ideology, workplace performance and attitude towards the surroundings.

Many researchers discussed the correlation between money attitude and spending behaviour. De, Financière, Malaisie, Sabri, & Macdonald (2010) analyzed the relationship of savings behaviour and financial issues among university students in Malaysia. They found that financial experience prior to university often fosters poor habits at university level. Another study in Australia examined money attitude and credit card usage among young adults. They found that their participants tend to associate money with a high-status image as to achieve a certain level of social status (Phau & Woo, 2008).

Students may involve in unsustainable spending behaviours. In consumer culture, attitude toward money is an important factor that affects the purchase and spending

behaviour of individual (Taneja, 2014). Other researchers also shows that money attitudes influence financial behaviour such as money spending and money saving (Nga & Yeoh, 2015; Yamauchi & Templer, 1982). Yamauchi and Templer (1982) developed a scale to measure money attitudes called as money attitude scale (MAS), that highlighted some factors of money attitude will affect human spending behaviour. There are four dimensions of attitudes towards money (Yamauchi & Templer, 1982), first, power (power prestige), where money is seen to affect or attract other people and as a symbol of success. Second, anxiety, money is seen as a source of anxiety and a source of protection from anxiety itself. Third, retention time, money used for future financial planning and monitoring of financial conditions. Fourth, distrust, finance-related doubts and lack of confidence in making efficient decisions in purchasing.

From these four dimensions of money attitude, this study attempts to investigate the relationship between money attitude factors and UNISEL students' spending behaviour as well as to identify the most influential money attitude factors affecting UNISEL students' spending behaviour.

2. Literature Review

Spending Behaviour

The theory of spending plays an vital role in economic analysis since it facilitates the strength of economic development (Perculeza et al., 2016). In 2017, Longa and Vergara, indicated the meaning of spending behaviour as the act of disbursing money in response to an action, environment, or person in the satisfaction of necessity. From the economist's perspective, John Maynard Keynes (1930) stated that an increase in spending would increase demand. Keynesians theory believed consumer demand is the primary trigger in an economy. However, Keynes argued that inadequate overall demand could lead to prolonged periods of high unemployment as cited in Jahan, Mahmud and Papageorgiou (2014). Students from Asian countries especially Malaysia had recognised university student's expenditure as one of major contribution of the overall consumer spending (Sorooshian & Seng Teck, 2014).

Being away from home, university students facing with spending behaviour shock. They have a unique spending habits due to limited incomes and high expenses; therefore, they manage money differently. Campus life has change the students become more matured in making decisions in their lifestyles and may influence into improper spending behaviour (Rosmini & Khalid, 2016).

The changes of students' spending behaviour reflected from the changes of technology advancement and their lifestyles. For example, in the past eras, students spend their money on stationeries, books, and other similar items needed for their studies. Whilst at the nowadays, student's necessities have been upgraded in addition where laptops and others gadgets especially smart phones are required for completing their coursework. Male students are more concerned in buying gadgets compare to females are more likely to spend their money on shopping for fashionable clothing, bags and shoes, because they want to look attractive in class (Sorooshian & Seng Teck, 2014).

Spending behaviour and managing their own funding of these young people will affect their future financial status. Good spending habit is an important tool to one's financial success. Spending in a smart way takes your money to go further and lets you achieve your money goals (Bona, 2018). According to Jorgensen, Foster, Jensen, & Vieira (2017), one of the possibly effective way to improve responsible spending behaviour's may be to identify and address attitudes related to overspending by university students.

Money Attitude

In economic perspectives, money is defined as a medium of exchange, a unit of account and a store of value. It is not only limited to that meaning, but it has also become the means and the end to happiness and wellbeing. Former researchers revealed money has existence everywhere especially in modern commercial society, money can shape the way people perceive themselves and influence how they behaviour (Teng, Chen, Poon, Zhang, & Jiang, 2016). Therefore, money is a very important part of humans' life especially for universities students. According to Mulyani et al. (2018) that the teenagers interpret money as a tool of power, use money to either impress or dominate people, and regard money as a source of anxiety as well as a source of protection from anxiety. Therefore, the researchers in this study focused on attitude toward money of university students from four dimensions adopted from Money Attitude Scales (MAS) by Yamauchi & Templer (1982) namely; power/prestige, retention, distrust and anxiety.

2.2.1 Power/Prestige

The 'prestige and power attitude' is defined by cognitive dimensions related to social connections, social prestige, and power linked to money (Yamauchi & Templer, 1982). According to Henchoz, Coste, & Wernli (2019) found that there are three main types of attitudes towards money co-exist which are the prestige and power attitude, the money management attitude and the goal-oriented attitude. University students also look at money as a achievement sign of and promote to a better life that linked to the devotion of money, greediness, and arrogance (Durvasula & Lysonski, 2010). Manchanda (2017) from the study discovered that materialism and all its sub-dimensions i.e. material achievement, material uniqueness, and material pleasure, were found to be positively correlated to power-prestige sub-dimension of money attitude among university students. It is supported by other researchers that money can buy things it can be used to acquire importance, domination, and control that bring a motivational power as well as to make people more secure (Furnham & Murphy, 2018). According to Phau & Woo (2008) peoples tend to make comparison with others in order to show their power and status.

2.2.2 Distrust/frugality

Distrust is the MAS dimension developed by Yamauchi & Templer (1982) which is uncertainty in making decision to purchase. It includes always being doubtful of prices charged and hesitate when it comes to spending money due to the lack of confidence in their financial judgment. Consumers such as university students also who have a lack of trust in dealing with money are rated highly on the distrust dimension of MAS (Durvasula & Lysonski, 2010). Phau & Woo (2008) believed that peoples who fascinated over the pricing paid are more saver and stingy.

Manchanda (2017) study revealed the correlation between materialism and distrust among university students was found to be very small and immaterial. It shows that money-oriented people preferred to spend on material goods rather than saving their money for the future.

2.2.3 Retention Time

Yamauchi & Templer (1982) stated that the third dimension of MAS is retention time. This retention dimension encourages saving, prudent saving and money management (Nga & Yeoh, 2015). People who rate high in this dimension are those who are concern about their financial future. In other words, they are more careful about monitoring their financial situations. It is stated from a research study, financial awareness among university students was found to have a positive influence on retention (Nga & Yeoh, 2015). Nevertheless, Manchanda (2017) stated that university students still tend to spend more compared to hold money for the future. His study showed that the correlation of materialism with retention-time was insignificant and very low. In contrast, Phau & Woo (2008) stated that persons with low scores are low on self-confidence and be likely to less concern in managing their funds.

2.2.4 Anxiety

The fourth dimension of money attitude is anxiety (Yamauchi & Templer, 1982). He highlighted that money act as a medicine to release stress and depression. Those who score high under this dimension view money to reduce anxiety. Some researchers highlighted from the study, perceived stress on status and anxiety towards money had a strong positive effect on later-life affective money attitudes (Duh, 2016). Studies conducted among university students, those materialistic people tend to get anxious easily. The anxiety sub-dimension of money attitude found to be significantly connected with greediness and all its sub-dimensions except material happiness. They spend on material goods, not for happiness, but they wanted to show off. Meanwhile, Manchanda (2017) stated that this type of peoples are not willing to spend their money on goods for material happiness.

3. Methodology and Data Collection

This study is quantitative in nature. The population is comprised from UNISEL students in Shah Alam and Bestari Jaya campuses. There are either Malaysian or non-Malaysian students who are currently studying under the foundation, diploma and bachelor degree program. For this research, the sample size is 130 respondents that responded to the google form questionnaire. The study focused on attitude toward money from four dimensions adopted from Money Attitude Scales (MAS) by Yamauchi and Templer (1982) namely; power-prestige, retention, distrust-frugality and anxiety. Once the primary data is collected through questionnaire survey, the SPSS version 21 used for the data analysis.

Prior to the dissemination of the questionnaires, it was piloted on 42 respondents in UNISEL Shah Alam campus by using Cronbach's Alpha in order to test the reliability of the questions. The result produced satisfactory alpha coefficients ranging from 0.735 to 0.895, indicating good internal consistency of questions in the questionnaire.

Subsequently, correlation analysis will be utilized to check if a significant relationship exists between respondents' money attitude factors and spending behaviour. Then, ANOVA (analysis of variance) will be applied to examine if significant differences among these students. Finally, regression analysis is used to identify the most influential money attitude factors affecting respondents' spending behaviour.

4. Findings and Discussion

From Table 1 below, it represents the number of respondents from both campuses, Shah Alam and Bestari Jaya. It showed that there is no significant level (more than 0.05) for both campuses students towards the spending behaviour.

Table 1: Group Statistics

I am currently enroll at:		N	Mean	S. D	Std. Error Mean
Spending behaviour	SHAH ALAM	66	2.8232	.64553	.07946
	BESTARI JAYA	64	2.8281	.59091	.07386

Table 2 shows the demographic profiles of the respondents. Majority (64.6%) of the respondents are female that age ranged of less 25 years old (68.5%). Most of these respondents are from bachelor degree level of education which carried 49.2%, whom from Accounting and Business field. From this analysis, it shows that 46.2% of these students received loan or scholarship from government as their main sources of income.

Table 2: Demographic Distribution of Respondents

Demographic	Categories	N	%	Valid %	Cumulative %
Gender	Male	46	35.4	35.4	35.4
	Female	84	64.6	64.6	100.0
Age	>25	89	68.5	68.5	68.5
	26-30	41	31.5	31.5	100.0
Level of Education	Certificate	2	1.5	1.5	1.5
	Foundation/Matriculation	25	19.2	19.2	20.8
	Diploma	39	30.0	30.0	50.8
	Bachelor Degree	64	49.2	49.2	100.0
Areas of Study	Accounting & Business	76	58.5	58.5	58.5
	Education & Social Science	19	14.6	14.6	73.1
	Engineering & Information	12	9.2	9.2	82.3
	Natural Sciences	7	5.4	5.4	87.7
	Communication, Art & Design	3	2.3	2.3	90.0
	Others	13	10.0	10.0	100.0
Sources of Incomes	Pocket money from parents	51	39.2	39.2	39.2
	Scholarship from universities	4	3.1	3.1	42.3

Scholarship/loan from government	60	46.2	46.2	88.5
Scholarship/loan from private	3	2.3	2.3	90.8
Full time job	5	3.8	3.8	94.6
Part time job	7	5.4	5.4	100.0

a. What is the correlation between money attitude and UNISEL students' spending behavior?

Table 3 shows the correlation between the money attitude factors and spending behaviour of universities students. It is shown that power is positively and significantly correlated with spending behavior ($r = .451$); distrust is positively and significantly correlated with spending behavior ($r = .150$); and anxiety is positively and significantly correlated with spending behavior ($r = .439$). However, no significant correlation is found between retention and spending behavior.

Table 3: Correlation of Money Attitude factors and Spending Behaviour

		Power	Distrust	Retention	Anxiety	SB
Power	Pearson Correlation	1	.126	.191*	.377**	.451**
	Sig. (1-tailed)		.077	.015	.000	.000
	N	130	130	130	130	130
Distrust	Pearson Correlation	.126	1	.140	.301**	.150*
	Sig. (1-tailed)	.077		.056	.000	.045
	N	130	130	130	130	130
Retention	Pearson Correlation	.191*	.140	1	.194*	-.024
	Sig. (1-tailed)	.015	.056		.013	.392
	N	130	130	130	130	130
Anxiety	Pearson Correlation	.377**	.301**	.194*	1	.439**
	Sig. (1-tailed)	.000	.000	.013		.000
	N	130	130	130	130	130
SB	Pearson Correlation	.451**	.150*	-.024	.439**	1
	Sig. (1-tailed)	.000	.045	.392	.000	
	N	130	130	130	130	130

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

b. Which money attitude factors are the most influential on UNISEL students' spending behavior?

Table 4 present ANOVA analysis which illustrates that this model is significant as the p-value is less than 0.05.

Table 4: ANOVA of Money Attitude factors and Spending Behaviour

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.290	4	3.823	14.139	.000 ^b
	Residual	33.795	125	.270		
	Total	49.085	129			

a. Dependent Variable: spending behaviour

b. Predictors: (Constant), anxiety, retention, distrust, power

Based on the Table 5 below, it revealed that there are three out of four factors of money attitude are regression coefficient contribute to spending behaviour of the UNISEL students. These factors are power (0.000), retention time (0.039) and anxiety (0.000) since it displayed that these variables are significant where the results shown less than 0.05. However, anxiety is the most influential factor of money attitude towards spending behaviour which give the greater result of .255 or 25.5%.

Table 5: Regression Correlation between Money Attitude Scale and Spending Behaviour

Model	Unstandardized Coefficients	Standardized Coefficients			t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.658	.284		5.836	.000
	power	.246	.056	.354	4.380	.000
	distrust	.024	.064	.029	.369	.713
	Retention time	-.112	.054	-.159	-2.082	.039
	anxiety	.255	.065	.328	3.908	.000

a. Dependent Variable: spending behaviour

Based on the overall result of this study (see Table 6 below), it indicated that the model explains only 0.312 or 31.2% of the variance in spending behaviour of UNISEL students. Other factors which are not covered in this model explain another 68.8% of the variance on students' spending behaviour.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.558 ^a	.312	.289	.51996

a. Predictors: (Constant), anxiety, retention, distrust, power

c. Comparison students' spending behaviour between UNISEL Shah Alam and Bestari Jaya campuses.

Table 6 below indicated that there is no difference in style of spending behaviour of UNISEL students either in Shah Alam campus or Bestari Jaya campus. Both showed significant of 0.964 means which is more than 0.05. Their spending behaviour trend are most likely the same.

Table 6: Comparison Spending Behaviour between Shah Alam and Bestari Jaya campuses

		Levene's		t-test for Equality of Means					
		Test for							
		Equality of							
		Variances							
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference
									Lower Upper
Equal variances assumed		.008	.927	-	128	.964	-.00489	.10864	-
spending				.045				.21985	.21006
Equal variances not assumed		-			127.582	.964	-.00489	.10849	-
				.045				.21956	.20978

5. Conclusion

The recent study revealed that among the four money attitude factors, only power, distrust and anxiety factors are positively correlated to UNISEL students' spending behaviour. It is also found that those money attitude factors explain 31.2% of the variance in students' spending behaviour. Meanwhile, it is concluded that anxiety is the most influential money attitude factor which predicts UNISEL students' spending behaviour. Finally, the research found that the spending behaviour of UNISEL students are the similar for both its campuses. Consequently, it is suggested to establish a technique in which students to manage their fund effectively, and this may influence students to appropriately accomplish their spending behaviour.