

## **Financial Socialization of College Students: A Comparison of University Students in Ankara and Florida**

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### **Üniversite Öğrencilerinin Finansal Sosyalleşmesi: Ankara ve Florida'daki Öğrenciler Arasında Bir Karşılaştırma**

#### **Abstract**

This study explores financial social learning opportunities among university students, comparing survey data from Turkey (Ankara;  $N=3983$ ) with data from a similar study conducted in the United States (Florida;  $N=3320$ ). Mean comparison analysis of pooled data confirmed persistent, country and gender differences. Students in Florida, especially male, reported more frequently financial social learning opportunities compared to Turkish students. Turkish student who were female reported more social learning opportunities than Turkish male, on the other hand, male students in Florida reported more social learning opportunities than female students in Florida.

**Keywords** : College Students, Financial Socialization, Financial Social Learning, Socialization.

**JEL Classification Codes** : A14, D14, Z13.

#### **Özet**

Bu araştırma, aynı anketin uygulandığı Amerika Birleşik Devletleri (Florida;  $N=3320$ ) ile Türkiye'den (Ankara;  $N=3983$ ) elde edilen verileri karşılaştırarak üniversite öğrencilerinin finansal sosyal öğrenme fırsatlarını incelemektedir. Her iki örneklemden elde edilen verilerin ortalamaların karşılaştırılması analizi ile ülke ve cinsiyet farklılığı olduğu saptanmıştır. Türk öğrenciler ile karşılaştırıldığında, Florida'daki öğrenciler, özellikle erkek öğrenciler, daha sık finansal sosyal öğrenme fırsatları rapor etmişlerdir. Kız Türk öğrenciler erkek öğrencilerden daha fazla sosyal öğrenme fırsatları rapor etmişlerdir. Diğer yandan Florida'daki erkek öğrenciler kız öğrencilerden daha fazla sosyal öğrenme fırsatları rapor etmişlerdir.

**Anahtar Sözcükler** : Üniversite Öğrencileri, Finansal Sosyalleşme, Finansal Sosyal Öğrenme, Sosyalleşme.



## 1. Introduction

Socialization is often viewed as a social process by which; norms, attitudes, motivations, and behaviors are transmitted from specific sources (commonly known as socialization agents) to the learner (Brim, 1966; Hira, 1997; McLeod & O'Keefe 1972; McNeal, 1987; Moschis, 1981). Socialization begins in childhood and continues, to some extent, throughout life (McNeal, 1987; Moschis, 1985, 1987). Children who emulate their parents' behavior through observations provide a good example of social learning (Bandura, 1977, Grossbart, Carlson, & Walsh, 1991; Maccoby, 1992; Mascarenhas & Higby, 1993; Moschis & Churchill, 1978).

In his Social Learning Theory, Alfred Bandura (1977) posited that people learn their own behaviors and attitudes by observing the behaviors and attitudes of significant people in their lives. This process of learning through observing others is called modeling. According to Bandura (1977), there are four conditions necessary for effective modeling: attention, retention, reproduction, and motivation. In order for modeling to be effective, the observer must be paying attention to the behavior or attitude, must remember the behavior or attitude, must be able to reproduce the behavior or attitude themselves, and must be have some motivation to reproduce the behavior or attitude. One example of this socialization is a child who observes their parent's behavior and then emulates that behavior. Because modeling has an important impact on behavior change, Bandura (1977) proposed that new behaviors could be taught more quickly and more efficiently through modeling.

The process by which children and adolescents acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace is defined as consumer socialization (Ward, 1974; Moschis & Churchill, 1978). Children learn consumer behavior patterns from various socializing agents including parents, peers, schools, stores, media (Moschis, 1987). The two principal interpersonal sources from which children and young people learn about products and their consumption habits are parents and peers (Anderson et al., 2001). Based on social learning theory, consumer socialization research suggests that a great deal of consumer behavior, such as spending behavior among adults, is learned during the adolescent years through the influence of socialization agents and can be taught from generation to generation (Churchill & Moschis, 1979; Moschis & Moore, 1984; Valence, d'Astous, & Fournier, 1988). During childhood, parents are children's role models (Anderson et al., 2001). Parents are probably the most instrumental in teaching young people the basic rational aspects of consumption such as understanding price-quality relationships, handling money wisely, and obtaining appropriate information before making purchases (e.g. McNeal, 1987; Ward et al., 1977).

Due to the combination of rapid body growth and puberty, the early self-identity formed in childhood is no longer appropriate, and teenagers enter a period of identity crisis (Erikson, 1980). During this phase, young people need to formulate a new identity and establish autonomy from their parents. As a result, young people tend to seek personal relationships that give value to their perspectives and ensure that their feelings are understood. Consequently, young people prefer to identify with their peer groups. The frequent interaction with peers, even more frequent than with parents, can lead to peers becoming the primary socializing agents for consumption values (Choi & La Ferle, 2004; La Ferle et al., 2000; Moschis, 1987; Shim, 1996).

Several studies have shown how young people learn the symbolic meaning of goods or expressive elements of consumption from their peers at school and at play (Moschis & Churchill, 1978; Moschis & Moore, 1982). The current movement among legislators, family and consumer science professionals, and higher education institutions has focused on how to educate society's young people about positive financial behaviors (Hayhoe, 2002; Stern, 2002). However, the education of youth occurs in the classroom and beyond through social learning experiences. Studies of financial socialization have generally focused on highly industrialized countries, with less attention to developing countries like Turkey. The current research compares financial social learning opportunities among male and female university students in Turkey (Ankara) with those of students in the United States (Florida). By using a comparative approach, we can both identify similarities and examine distinctive social learning opportunities and patterns in each population.

Historically, Turkey has been a geographical and cultural bridge between East and West, and this role of mediator has had social and economic implications. Turkey has experienced various intensive social and economic changes in the 20<sup>th</sup> and 21<sup>st</sup> centuries. In the last decade, Turkey has experienced rapid urbanization, industrialization, and westernization, influenced by large-scale exposure to European and North American cultures, primarily through the mass media. Therefore, it would be interesting to determine the extent to which findings in the United States can be extended to other countries where consumers hold different socialization (Yavuz, 2006). In the current study, the term financial socialization is used to denote the subset of consumer socialization.

## **2. Literature Review**

### **2.1. Financial Socialization Framework**

Various authors have developed models of consumer socialization (Carlson & Grossbart, 1988; Moschis & Churchill, 1978; Ward, Klees, & Wackman, 1991). One of the best structural model of consumer socialization was offered by Moschis and Churchill

(1978). They explored the effects of both social structural constraints (the social variables, such as social class, gender, and age, that can have an effect in socialization by influencing learning processes) and socialization agents (that is, parents, peers, school, and/or television,) on the mental and behavioral outcomes (e.g., the process through which parents teach consumer skills to children). The learning processes most often relied on include direct interaction, modeling, mediation, reinforcement and operant learning (Grossbart, Carlson, & Walsh, 1991; Mascarenhas & Higby, 1993; Moschis & Churchill, 1978). These socialization processes refer to agent-learner relationships, which incorporate socialization agents and learning mechanisms. Ward (1974) suggested that at least some patterns of adult consumer behavior are influenced by childhood and adolescent experiences, and the study of these experiences should help us to understand not only consumer behavior among young people, but also the development of adult patterns of behavior. For instance Shoda, Mischel, and Peake (1990) found that children's preschool delay behavior was significantly related to ability to cope with frustration and stress in adolescence.

## **2.2. Socialization Agents**

The primary socialization agents that play a significant role in consumer socialization include parents, peers, schools, and mass media (Bush, Smith, & Martin, 1999; Moschis & Moore, 1984). These agents influence the psychological, emotional, and behavioral development of young people, as they become consumers in the marketplace (Moore, Raymond, Mittelstaedt, & Tanner, 2002). Many empirical studies have found that these primary socialization agents also act as typical sources of financial knowledge (Keller & Staelin, 1987; Lee & Hogarth, 1999).

Several previous studies have revealed that parents' intentional instruction and reinforcing activities can directly and indirectly impact their children's financial knowledge and behavior (Drentea & Lavrakas, 2000; Hayhoe, Leach, Turner, Bruin, & Lawrence, 2000; Lyons, Scherpf, & Roberts, 2006; Moschis, 1985). Parents appear to play an important role in the consumer socialization of their offspring, and they are instrumental in teaching them the rational aspects of consumption. In addition, youngsters appear to acquire a variety of other consumption-related orientations and skills from their parents. Parental influence on the consumer behavior of their offspring is situation specific; it varies across products, stages in the decision-making process, and consumer characteristics (Danes, 1994; Lachance, Legault, & Bujold, 2000; Lyons, Scherpf, & Roberts, 2006; McNeal, 1987; Moschis, 1985, 1987).

Danes (1994) specifies the family as "the context in which children learn about financial knowledge, attitudes, beliefs, and practices" and specifies parents as the "primary agent for financial socialization" (p.132). Hira (1997) indicated that among the various

socialization agents, family in general, and mothers and fathers in particular, were identified as the most important sources of influence on respondents' financial attitudes and beliefs. Money values are passed down from parents to children through direct and indirect messages. Further, Lyons (2003) found that about 68% of students reported actually receiving financial information from their parents. Bowen (2002) also found that there is a significant relationship between the teens' and parents' money knowledge. According to Capital One Financial Corporation's third annual back-to-school survey, 87% of college students rely on their parents for financial advice ("College, High School Students Need Better Financial Education," 2003). Parents have been the only socialization agent significantly correlated with credit card use. The more information received from parents about the proper use and misuse of credit cards, the lower the students' outstanding credit card balances (Palmer, Pinto, & Parente, 2001; Pinto, Parente, & Mansfield, 2005).

Peers also play a pivotal role in the socialization process from early childhood through adolescence (Moschis & Churchill, 1978; Ward, 1974). The general finding is that parental influence decreases, and peer influence increases, with age for a variety of purchase acts (Ward, 1974). Other researchers have noted that, although parents are more influential at the information-gathering stage, peers become more influential at the product evaluation stage. Materialistic attitudes are positively related to susceptibility to peer group influences, influenced by weak family communication and unstable family environments. Therefore, the positive financial communication that happens in the home, especially by parents, will affect how influential peers will be on their children. Increased peer influence might be a result of youth spending more time with peers as they get older, thus being influenced more by this environment (Harris, 1995; John, 1999).

There are clearly multiple sources of influence on the child's ability to delay gratification; children learn in a variety of ways through guidance from parents, explicit educational programs and observations of role models (Webley & Nyhus, 2006).

Studies of college-aged young adults' financial socialization consistently have shown influence from their parents and friends about financial issues (Lyons, 2003; Palmer, Pinto, & Parente, 2001; Pinto, Parente, & Mansfield, 2005). This paper provides a current assessment of college-aged young adults' sources of financial socialization by country and gender.

### **3. Research Question and Hypotheses**

For the purpose of this study, parents and friends were considered as financial socialization agents. Further, the two interactions of discussions (direct teaching) with, and observations (modeling) of these two financial socialization agents, were then differing by country and gender.

Thus, this research will seek to answer the following questions related to financial socialization; is there a difference in financial socialization between two countries? Is there a difference in financial socialization between genders? More specifically, are there differences between genders in talking to parents about financial behaviors? Are there differences between genders in observing the financial behaviors of parents? Are there differences between genders in talking to friends about financial behaviors? Are there differences between genders in observing the financial behaviors of friends? We expect to find a significant difference between country and gender related to social learning opportunities of college students.

## **4. Method**

### **4.1. Data and Sample**

The research was conducted at two public universities, one in Ankara, Turkey (Hacettepe University) and other in Gainesville, Florida (University of Florida). Hacettepe, located in the capital of Turkey, is a large, comprehensive university with nearly 28,000 undergraduate and graduate students and highly selective admissions (Hacettepe University 2010). Data was collected during spring and fall of 2008 in Florida and during spring of 2010 in Ankara using a web survey of college students. The Turkish survey included 3983 students (2199 female and 1726 male) who were mostly of traditional college age (mean = 20.4 years,  $SD = 2.47$ ). The University of Florida is a large, public university with about 50,000 highly competitive admissions (University of Florida 2010). The Florida survey included 3320 students (1058 female and 2236 male), with an average age of 20.8 ( $SD = 3.94$ ). The characteristics of students in both surveys are summarized in Table 1. The samples were not random, but the survey was conducted similarly at both sites to allow for comparability. The vast majority of students in both samples were single (68.7% in Turkey and 88.9% in Florida) and freshman (44.3% in Turkey and 29.6% in Florida).

### **4.2. Procedure**

The research used web survey questionnaire to assess students' financial behaviors. The questionnaire was originally developed in English and translated into Turkish (including back-translation to check for consistency and accuracy). The email students received, which contained an informed consent document, took them to the survey, where they had to affirm their assent to the informed consent statement prior to beginning the study.

**Table: 1**  
**Characteristics of the Turkish (Ankara) and American (Florida) University Students**

	Turkey-Ankara			U.S.-Florida		
	Total (N=3983)	Male (n=1726)	Female (n=2199)	Total (N = 3320)	Male (n=2236)	Female (n=1058)
<b><i>Socioeconomic Characteristics</i></b>						
Age-mean (s.d)	20.4 (2.47) <sup>a</sup>	20.5 (2.62) <sup>b</sup>	20.3 (2.32) <sup>d</sup>	20.8 (3.94)	20.7 (3.97)	20.9 (3.71)
<b><i>School rank-%</i></b>						
Freshman	44.3 <sup>a</sup>	43.4 <sup>c</sup>	44.1 <sup>d</sup>	29.6	30.5	27.8
Sophomore	23.1	23.8	23.0	21.0	21.4	20.0
Junior	14.8	13.9	15.8	20.7	20.3	21.6
Senior	16.4	17.0	16.2	23.7	23.0	25.3
Graduate and other	1.4	1.9	1.0	5.0	4.8	5.3
<b><i>Marital Status-%</i></b>						
Single	68.7 <sup>a</sup>	67.0 <sup>b,c</sup>	70.1 <sup>d</sup>	88.9	87.7 <sup>b</sup>	91.6
Other	31.3	33.0	29.9	11.1	12.3	8.4
<b><i>Income-%</i></b>						
0	88.2 <sup>a</sup>	84.4 <sup>b,c</sup>	91.2 <sup>d</sup>	39.0	38.2 <sup>b</sup>	41.0
\$1-\$499	8.6	10.4	7.2	37.9	39.6	34.1
\$500-\$999	2.0	3.1	1.1	15.5	15.1	16.1
\$1000 or more	1.2	2.0	0.5	7.6	7.0	8.9
<b><i>Parental Support-%</i></b>						
0	9.4 <sup>a</sup>	12.8 <sup>b,c</sup>	6.6 <sup>d</sup>	23.3	23.6	22.8
25%	9.6	9.7	9.5	21.5	21.3	22.1
50%	13.3	14.1	12.5	15.0	14.6	15.8
75%	16.9	17.8	16.3	15.9	15.2	17.4
100%	50.9	45.6	55.0	24.2	25.3	21.9
<b><i>Debt-%</i></b>						
0	74.6 <sup>a</sup>	69.2 <sup>b,c</sup>	78.3 <sup>d</sup>	81.9	81.2	83.4
\$1-\$999	21.7	24.5	20.0	5.9	6.1	5.2
\$1000-\$4999	2.6	4.6	1.0	4.9	5.3	4.1
\$5000 or more	1.1	1.7	0.7	7.3	7.3	7.3

*Statistically significant differences were tested using t-test or chi-square.*

<sup>a</sup> Differences between Turkey and Florida (total) are statistically significant ( $p < .05$ ).

<sup>b</sup> Differences between male and female within the country are statistically significant ( $p < .05$ ).

<sup>c</sup> Differences between Turkey and Florida for male are statistically significant ( $p < .05$ ).

<sup>d</sup> Differences between Turkey and Florida for female are statistically significant ( $p < .05$ ).

### 4.3. Measurement of Variables

*Demographic variables:* The study involved college students' demographic variables: age, gender, school rank, marital status, and part-time/full-time student.

*Financial status:* Financial status was measured using monthly income, parental support, and amount of debt.

#### *Financial Social Learning Opportunities:*

The financial social learning opportunities score was a composite measure based on four dimensions: discussions with parents, discussions with peers, observing parents and observing peers. The score utilized responses to eight items representing these four dimensions. Scores for each dimension ranged from 8 to 40. This measure is based on the work of Gutter and Garrison (2008). That study used a small sample of college students to explore the relationship of financial social learning opportunities on perceived norms behaviors. The score accounts for the frequency of the observation or discussion across the various topics.

*Discussion:* Students were asked how frequently in the past five years they had discussed the following with their parents and friends or other students: managing expenses and avoiding overspending, checking their credit report, paying bills on time, saving and investing, working with a mainstream financial institution, and buying and maintaining health insurance, auto insurance and renters' insurance. The students answered by using a 5 point scale from 1= never to 5= often. In order to test the reliability of the measure, Cronbach's Alpha was selected. Cronbach's Alpha internal consistency reliability was calculated to be for Florida (.86 for discussion with parents and .85 for discussion with friends) and for Turkey (.81 for discussion with parents and .71 for discussion with friends). This result suggests that the inner consistency of the inventory is high.

*Observing:* Students were asked how frequently in the past five years they had observed their parents/caregivers and friends or other students involved in the following: managing expenses and avoiding overspending, checking credit report, paying bills on time, saving and investing, working with a mainstream financial institution, and buying and maintaining health insurance, auto insurance, and renters insurance. The students answered by using a 5 point scale from 1= never to 5= often. The inter-item reliability was high for both Florida (.86 for observing parents, .85 for observing friends) and Turkey (.87 for observing parents, .86 for observing friends).

#### 4.4. Analyses

The hypotheses were tested in the following manner. Our analyses compared the financial social learning opportunities of college students by country and gender. We used *t*-tests procedures to compare the means of the outcome variables: discussed finance with parents and friends, observed parents and friends financial behaviors by country and gender.

#### 5. Results

Results of statistical analyses comparing the social learning opportunities topics, for both the individual items and combined indices, are summarized in Table 2. The averages for specific items are listed for the total samples and for male and female, along with the averages for the combined indices. Overall Florida students were more frequently had social learning opportunities especially with regard to financial discussion with parent and observed parents' financial behaviors compared to the Turkish students, on each item separately and on the combined indices. Turkish students, on the other hand, reported more frequently had some items of social learning opportunities especially with regard to financial discussion with friends and observed friends' financial behaviors compared to Florida students (statistically significant differences between samples are indicated with superscript, *a*).

With regard to financial discussion with parents in general, male in Florida reported more discussion with parents than Turkish male (superscript, *c*), and female in Florida also reported more discussion with parents than Turkish female on all of the items and overall index (superscript, *d*). Generally, Turkish female reported more financial discussion with parents compared to Turkish male, except "paying bills on time" and "working with a mainstream financial institution like a bank or credit union." However, male in Florida reported more financial discussion with parents compared to female in Florida, except "working with a mainstream financial institution like a bank or credit union" and "buying and maintaining auto insurance" (superscript, *b*), but there were fewer gender differences among students in Turkey and Florida.

Students in Florida reported higher levels of financial discussion with friends compared to Turkish students, both overall index and each item separately, an exception was the items that, "checking credit report," "working with a mainstream financial institution like a bank or credit union," "saving and investing money," and "buying and maintaining health insurance" (superscript, *a*). Turkish male and female students reported more discussion with friends with statements "checking credit report," "working with a mainstream financial institution like a bank or credit union," "saving and investing money," and "buying and maintaining health insurance" than male and female in Florida,

Turkish female also reported more discussion with friends with statement “paying bills on time” than female in Florida (superscript *c* for male and *d* for female). Among Turkish students male reported more financial discussion with friends than Turkish female both overall index and each item separately (superscript, *b*), except, “saving and investing money”, but there were fewer gender differences among students in Florida.

With regard to observed parents’ financial behavior, students in Florida reported more observed their parents financial behavior than Turkish students on the overall index and all but two of the component items; “checking credit report” and “buying and maintaining renters insurance” (superscript, *a*). This held true within gender groups as well (superscript *c* for male and *d* for female). An interesting exception was the statement “managing expenses and avoiding overspending” and “saving and investing money.” On these items Turkish female reported more observed their parents behavior than female in Florida. Turkish female reported more observed their parents financial behavior compared to Turkish male, however male in Florida reported more observed their parents financial behavior compared to female in Florida (superscript, *b*).

With regard to observed friends’ financial behavior, students in Florida reported more observed their friends behavior than Turkish students on the overall index and four of the components items; “paying bills on time,” “working with a mainstream financial institution like a bank or credit union,” and “buying and maintaining auto and renters insurance,” on the other hand, Turkish students reported more observed their friends behavior than student is Florida four of the components items; “managing expenses and avoiding overspending,” “checking credit report,” “saving and investing money,” and “buying and maintaining health insurance” (superscript, *a*). This held true within female groups as well (superscript *d*). An interesting exception was overall index higher for Turkish female than female in Florida, but there was no significant difference between the females. Male in Florida reported more observed their friends behavior compared to Turkish male on the overall index and all but two of the components items; “checking credit report,” and “buying and maintaining health insurance.” On latter item, there was no significant difference between the males (superscript *c*). Within the samples, in generally, Turkish female reported more observed their friends financial behaviors compared to Turkish male, but male in Florida reported more observed their friends financial behavior compared to female (superscript, *b*).

**Table: 2**  
**Comparison of Mean Values (and Standard Deviations) Reflecting Financial Social Opportunities by Gender of Respondent between Turkey (N=3983) and U. S. (N=3320)**

<i>Financial Social Learning Opportunities</i>	Turkey-Ankara			U.S.-Florida		
	Mean Rating (standard deviation)			Mean Rating (standard deviation)		
	Total (N=3983)	Male (n=1726)	Female (n=2199)	Total (N=3320)	Male (n=2236)	Female (n=1058)
<i>Discussed finances with parents</i>	2.19 (.94) <sup>a</sup>	2.16 (.96) <sup>c</sup>	2.22 (.94) <sup>d</sup>	<b>2.73 (.97)</b>	2.73 (.98)	2.70 (.96)
Managing expenses and avoiding overspending	3.02 (1.60) <sup>a</sup>	2.98 (1.64) <sup>c</sup>	3.05 (1.58) <sup>d</sup>	<b>3.61 (1.34)</b>	3.66 (1.34) <sup>b</sup>	3.51 (1.35)
Checking credit report	1.91 (1.44) <sup>a</sup>	1.86 (1.43) <sup>c</sup>	1.94 (1.46)	<b>2.02 (1.29)</b>	2.02 (1.30)	2.01 (1.27)
Paying bills on time	2.63 (1.67) <sup>a</sup>	2.65 (1.67) <sup>c</sup>	2.63 (1.67) <sup>d</sup>	<b>3.44 (1.46)</b>	3.47 (1.46)	3.38 (1.45)
Working with a mainstream financial institution like a bank or credit Union (as opposed to payday lenders)	1.74 (1.33) <sup>a</sup>	1.77 (1.35) <sup>c</sup>	1.73 (1.32) <sup>d</sup>	<b>2.53 (1.50)</b>	2.50 (1.53)	2.59 (1.44)
Saving and investing money	3.17 (1.56) <sup>a</sup>	3.02 (1.57) <sup>b,c</sup>	3.27 (1.55) <sup>d</sup>	<b>3.64 (1.33)</b>	3.65 (1.34)	3.60 (1.32)
Buying and maintaining health insurance	2.18 (1.57) <sup>a</sup>	2.14 (1.56) <sup>c</sup>	2.21 (1.58)	<b>2.32 (1.42)</b>	2.33 (1.44)	2.32 (1.36)
Buying and maintaining auto insurance	1.52 (1.21) <sup>a</sup>	1.53 (1.22) <sup>c</sup>	1.52 (1.20) <sup>d</sup>	<b>2.50 (1.44)</b>	2.49 (1.46)	2.53 (1.39)
Buying and maintaining renters insurance	1.46 (1.15) <sup>a</sup>	1.44 (1.15) <sup>c</sup>	1.48 (1.15) <sup>d</sup>	<b>1.74 (1.16)</b>	1.75 (1.17)	1.73 (1.13)
<i>Discussed Finances with Friends</i>	1.96 (.77) <sup>a</sup>	2.00 (.82) <sup>b,c</sup>	1.93 (.74) <sup>d</sup>	<b>2.09 (.80)</b>	2.11 (.79) <sup>b</sup>	2.04 (.81)
Managing expenses and avoiding overspending	1.64 (1.53) <sup>a</sup>	1.79 (1.49) <sup>b,c</sup>	1.54 (1.55) <sup>d</sup>	<b>3.17 (1.36)</b>	3.33 (1.33) <sup>b</sup>	2.83 (1.34)
Checking credit report	<b>2.10 (1.46)<sup>a</sup></b>	2.12 (1.47) <sup>c</sup>	2.08 (1.45) <sup>d</sup>	1.59 (.97)	1.59 (.98)	1.61 (.96)
Paying bills on time	2.53 (1.56)	2.55 (1.57)	2.52 (1.56)	<b>2.58 (1.37)</b>	2.63 (1.37) <sup>b</sup>	2.47 (1.37)
Working with a mainstream financial institution like a bank or credit Union (as opposed to payday lenders)	<b>1.86 (1.34)<sup>a</sup></b>	1.92 (1.38) <sup>b,c</sup>	1.81 (1.31)	1.70 (1.10)	1.67 (1.08) <sup>b</sup>	1.78 (1.13)
Saving and investing money	<b>3.03 (1.55)<sup>a</sup></b>	2.91 (1.55) <sup>b</sup>	3.12 (1.54) <sup>d</sup>	2.84 (1.28)	2.84 (1.28)	2.82 (1.27)
Buying and maintaining health insurance	<b>1.77 (1.31)</b>	1.80 (1.34)	1.75 (1.29)	1.73 (1.10)	1.76 (1.13)	1.69 (1.03)
Buying and maintaining auto insurance	1.33 (1.00) <sup>a</sup>	1.42 (1.11) <sup>b,c</sup>	1.27 (.92) <sup>d</sup>	<b>1.68 (1.03)</b>	1.68 (1.05)	1.70 (.99)
Buying and maintaining renters insurance	1.26 (.93) <sup>a</sup>	1.31 (1.03) <sup>b,c</sup>	1.22 (.85) <sup>d</sup>	<b>1.41 (.83)</b>	1.39 (.84)	1.44 (.82)
<i>Observed Parents Financial Behaviors</i>	3.07 (1.19) <sup>a</sup>	2.90 (1.24) <sup>b,c</sup>	3.19 (1.13)	<b>3.40 (1.07)</b>	3.46 (1.04) <sup>b</sup>	3.26 (1.11)
Managing expenses and avoiding overspending	3.92 (1.43) <sup>a</sup>	3.71 (1.52) <sup>b,c</sup>	4.06 (1.35) <sup>d</sup>	<b>4.03 (1.30)</b>	4.12 (1.25) <sup>b</sup>	3.81 (1.38)
Checking credit report	<b>3.25 (1.73)<sup>a</sup></b>	2.99 (1.73) <sup>b,c</sup>	3.43 (1.71) <sup>d</sup>	2.36 (1.61)	2.43 (1.65) <sup>b</sup>	2.20 (1.52)
Paying bills on time	3.83 (1.56) <sup>a</sup>	3.60 (1.64) <sup>b,c</sup>	3.99 (1.48)	<b>4.20 (1.26)</b>	4.27 (1.20) <sup>b</sup>	4.04 (1.38)
Working with a mainstream financial institution like a bank or credit Union (as opposed to payday lenders)	2.48 (1.70) <sup>a</sup>	2.39 (1.66) <sup>b,c</sup>	2.54 (1.73) <sup>d</sup>	<b>3.48 (1.68)</b>	3.48 (1.70)	3.47 (1.61)
Saving and investing money	3.72 (1.53) <sup>a</sup>	3.47 (1.59) <sup>b,c</sup>	3.89 (1.45) <sup>d</sup>	<b>3.92 (1.36)</b>	4.00 (1.33) <sup>b</sup>	3.75 (1.43)
Buying and maintaining health insurance	2.79 (1.77) <sup>a</sup>	2.71 (1.75) <sup>b,c</sup>	2.85 (1.78) <sup>d</sup>	<b>3.62 (1.55)</b>	3.71 (1.53) <sup>b</sup>	3.44 (1.58)
Buying and maintaining auto insurance	2.40 (1.73) <sup>a</sup>	2.27 (1.69) <sup>b,c</sup>	2.49 (1.74) <sup>d</sup>	<b>3.69 (1.51)</b>	3.76 (1.49) <sup>b</sup>	3.53 (1.53)

Buying and maintaining renters insurance	<b>2.20 (1.69)<sup>a</sup></b>	2.08 (1.64) <sup>b,c</sup>	2.28 (1.72) <sup>d</sup>	1.90 (1.61)	1.92 (1.64)	1.86(1.56)
<i>Observed Friends Financial Behaviors</i>	2.04 (.97) <sup>a</sup>	1.99 (1.02) <sup>b,c</sup>	2.08 (.94)	<b>2.12 (.87)</b>	2.17 (.86) <sup>b</sup>	2.03 (.87)
Managing expenses and avoiding overspending	<b>3.19 (1.60)<sup>a</sup></b>	2.97 (1.59) <sup>b,c</sup>	3.34 (1.58) <sup>d</sup>	3.11 (1.39)	3.24 (1.38) <sup>b</sup>	2.82 (1.38)
Checking credit report	<b>2.23 (1.54)<sup>a</sup></b>	2.18 (1.51) <sup>c</sup>	2.27 (1.55) <sup>d</sup>	1.51 (1.00)	1.53 (1.03)	1.48 (.95)
Paying bills on time	2.45 (1.55) <sup>a</sup>	2.35 (1.53) <sup>b,c</sup>	2.52 (1.56) <sup>d</sup>	<b>2.84 (1.45)</b>	2.92 (1.45) <sup>b</sup>	2.65 (1.42)
Working with a mainstream financial institution like a bank or credit Union (as opposed to payday lenders)	1.85 (1.39) <sup>a</sup>	1.84 (1.38) <sup>c</sup>	1.85 (1.40) <sup>d</sup>	<b>2.21 (1.44)</b>	2.20 (1.46)	2.23 (1.40)
Saving and investing money	<b>2.68 (1.60)<sup>a</sup></b>	2.48 (1.54) <sup>b,c</sup>	2.81 (1.63) <sup>d</sup>	2.54 (1.32)	2.60 (1.32) <sup>b</sup>	2.41 (1.30)
Buying and maintaining health insurance	<b>1.61 (1.29)</b>	1.63 (1.31)	1.59 (1.28)	1.59 (1.10)	1.61 (1.12)	1.57 (1.06)
Buying and maintaining auto insurance	1.23 (.97) <sup>a</sup>	1.31 (1.07) <sup>b,c</sup>	1.18 (.89) <sup>d</sup>	<b>1.84 (1.24)</b>	1.86 (1.25)	1.80 (1.21)
Buying and maintaining renters insurance	1.15 (.89) <sup>a</sup>	1.17 (.95) <sup>c</sup>	1.13 (.83) <sup>d</sup>	<b>1.35 (.90)</b>	1.35 (.91)	1.35(.88)

Note: Items use a 5-point Likert scale, with higher values indicating more discussed and observed responses. Statistically significant differences were tested using t-test.

<sup>a</sup> Differences between Turkey and Florida (total) are statistically significant ( $p < .05$ ).

<sup>b</sup> Differences between male and female within the country are statistically significant ( $p < .05$ ).

<sup>c</sup> Differences between Turkey and Florida for male are statistically significant ( $p < .05$ ).

<sup>d</sup> Differences between Turkey and Florida for female are statistically significant ( $p < .05$ ).

Among Turkish students, the highest level of social learning opportunities with the statement observed checking credit report behavior of parents (with averages of 3.25 points out of 5) and among the students in Florida, the highest level of social learning opportunities with the statement observed paying bills on time behavior of parents (with averages of 4.20 points out of 5). The largest difference between samples was seen on responses to the statement, discussed with friends about managing expenses and avoiding overspending, students in Florida reported much more frequently discussed with this statement than Turkish students. Results also suggest that social learning opportunities for students are more frequent with their parents than their peers. This result indicated that parents seem to be more influential than friends on college students' personal finances.

## **6. Conclusions and Implications**

This study explored the difference of financial social learning opportunities among male and female university students in Turkey and in Florida. It used data from a web survey collected during 2008 in Florida and during 2010 in Turkey from college campuses to explore difference of financial socialization. Independent sample *t* test were used to compare the means of the outcome variables. Previous research noted that parents and peers play an important role in financial socialization (Gutter, Garrison, & Copur, 2010). In this study, discussed finance with parents and friends and observed parents' and friends' financial behaviors was used to measure male and female college students' financial socialization from Turkey and Florida.

The results highlight there was differences between college students in Turkey and Florida related to financial social learning opportunities. Greater financial social learning opportunities were observed in Florida compared to Turkey, as well as among students who were female in Turkey and male in Florida. In both countries, these subgroups are likely to hold more frequently social learning opportunities from parents and friends.

Finding supports previous research focusing on the parental influence on young adults' financial socialization. Consistent with earlier studies (Danes, 1994; Hira, 1997; Lyons 2003; Lyons, Scherpf, & Roberts, 2006; Moschis & Churchill, 1978; Palmer, Pinto, & Parente, 2001; Pinto, Parente, & Mansfield, 2005) we also found that generally, parents have a strong influence on college students' financial socialization. Although the past literature suggests that peer influence may increase and parental influence decrease with age (Brown & Huang, 1995; Moschis & Churchill, 1978; Ward, 1974), this study revealed that anticipatory parental influence still plays an important role in financial socialization process.

Financial education related outreach aimed at improving youth and emerging adults' financial management beliefs, attitudes, preferences, or behaviors may need to incorporate some element of modeling. This could include media-based examples or messages. It could also include interaction with the participant's own family. Family-oriented programming may be beneficial since many parents may not have a strong background in personal finance. It may also suggest that working in cohorts or in existing peer groups may be useful, since close friends were an important source of social learning along with parents. Both should be considered in designing financial education programming.

There is limitation that should be considered in interpreting our results. Although this study focused on determining the college students' financial socialization influenced by their parents and friends, future studies should investigate other types of financial socialization agents, such as the media, school, and Internet influence of college students' financial socialization. Future studies could also examine whether there is a difference between the influence of mothers and fathers as a source of college students' financial socialization. More details are available in the forthcoming paper.

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