

Money Literacy, Shopping and Purchasing Patterns among Primary School Students in Malaysia

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Abstract

The purpose of this study was to identify the understanding of money literacy, shopping and purchasing patterns among primary school students in Malaysia. This study was conducted among 800 primary school students who were randomly selected using multistage sampling from five different states in Malaysia, including East Malaysia. Money literacy was measured using 11 questions related to subject while shopping and purchasing patterns were measured using 12 questions related to subject. Results showed that primary school students in Malaysia have moderate understanding regarding money. Most of the students understand only on the subjects that involved in their daily routines but they are lacking in other money matters which were not directly related or experienced by them. Results also showed that the patterns of spending and purchasing of primary school students in Malaysia still need changes for the better. Parental involvement or influences in the purchasing patterns of the students were low, plus the results also showed that there were less discussions about expenses between the two sides; parents and students. Surprisingly, findings also showed that there were already indebted practices among the students who are still in primary school and it is at high percentages.

Keywords: Money Literacy, Purchasing Patterns, Shopping Patterns, Primary School Students, Financial Knowledge

1. Introduction

Finance is an important subject that cannot be taken lightly or ignored by any individual. Lack of knowledge regarding financial subjects normally leads to problem in financial management. Nowadays, it is a common thing to see issues on financial problem being discussed in the mass media as well as electronic. Not having enough knowledge and skills about financial management delivers numbers of very serious impacts in terms of economy and social. Increasing cases of individual bankruptcy, the skyrocketed credit card usage and rises in unpaid personal loans are some of the economic impacts that emerge due to this financial management problem.

Looking at the social view, this problem also seems to trigger an increase in divorce cases, household violence and uncontrolled social problems among children. The above-mentioned impacts give a clear picture on how a lack of skills and knowledge in financial subject could affect the life of individuals as well as families. Statistics had shown that financial problem among Malaysians is becoming more serious. Based on the statistic, the rate of unemployment in Malaysia has grown by 0.3% in just a month which is from 3.0% on April 2013 to 3.3% on May of the same year (Malaysia Department of Statistics) and also, 68 people are reported to bankruptcy on daily basis (Malaysia Department of Insolvency).

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Past studies has proves that the rising debts along with bankruptcy among consumers, no practice of savings and unwise decisions will lead to financial difficulties to certain families. (Grable & Joo, 1998; Lyons & Hunt, 2003; Allen & Carletti, 2008; Sohn, Joo, Grable, Lee & Kim, 2012).

Variety of financial management programs had been created as an effort by the government and non-government organizations in order to give awareness and conscience to the young generation and community on how financial literacy had grown more important in everyday live. This step is taken as a respond to the financial problems faced by the community in this country which is becoming more alarming as well as the rised in the number of bankruptcy declared by individuals everyday. The latest statistic released by the official website of Malaysia Department of Insolvency (<http://www.insolvensi.gov.my>) shows that the total cases of individual bankruptcy has increased on 2013 which is as much as 21,987 cases compared to 19,575 cases on 2012 and 19,167 cases on the year before. Beside focusing on adults, financial education should alsostart be introduced to all individuals during their early age. During the period of growth from childhood towards adulthood, every individual must gain financial knowledge and skills no matter by what methods it is such as by reading, formal learning at school or learning it at home in order to ensure they are capable of being financially independent when they become adults (Xiao, Serido & Shim, 2012). Many past studies also agree that all the knowledge learnt during childhood gives implication to the habits, values, attitudes and one's practices when they becoming an adult (Garman & Fogue,2011; Holden, Kalish, Scheinholtz, Dietrich & Novak, 2009; Kim & Chatterjee, 2013).Thus, experience and knowledge that are gained and learnt by every person during their life time including those related to finance can be an influence on their level of financial literacy. This proves that early financial education does indeed has a correlation with one's behavior and well-being regarding finance in the future.

Nowadays, when children are more susceptible to external influences due to technological developments such as advertisements on television and online sales which are very easily accessible, efforts to educate children regarding financial knowledge can be seen as something more critical and a must (Dahari & Khursid, 2013). Therefore, the main objective of this study was to determine the existing level of understanding of students of primary school regarding money and to understand their spending and daily purchases patterns. This research is important to study the understanding of existing money literacy the children have from an early age so that the main problems related to financial management can be identified and solutions to the problems can be implemented. For long-term goals, this effort is essential to ensure their financial well-being in the future.

Literature Review

Money Literacy

The study reported by Mymoney (2007) shows the importance of teaching knowledge related to money to children. This is due to young age is an important phase where children should be provided with knowledge on money to build the good habits, skills and attitudes in managing their financial in the future (Xiao, Ahn, Serido & Shim, 2014). Furthermore, at the tender age of seven years, students have begun to be given pocket money for school expenses. Therefore, knowledge on finance helps to facilitate children to manage money, thus giving them the confidence to be more responsible in making decisions throughout their lives in the future. Furnham (1999) in his study states that giving pocket money to children could directly improve their financial management skills at an early age. Past study also states that knowledge of personal finance is usually taught in three main categories; financial literacy, financial capability and financial responsibility (MyMoney, 2007). In addition, Webley (2005) in his study points out that teaching financial topics among children should not only focus on cash alone but also an understanding of credit cards, debts, generating financial resources and expenses so that they will have a more comprehensive understanding. Previous studies (Xiao et al., 2012; Kim & Chatterjee, 2013; Dahari & Khursid, 2013) also suggest that students understanding of money is affected by their experiences. Different experiences will provide a different understanding of money. Therefore, pocket money given by the guardians to the students and their experience of managing that money would directly enhanced their understanding of money.

Therefore, the understanding of children and adolescents against money is heavily influenced by the financial knowledge given to them since their early age. Understanding of money is usually obtained through parental influence, that is based on the way they manage their finances. Therefore, students who are given early exposure to financial knowledge and experience to manage money at an early age will develop a better understanding than students who do not get exposure and experience at their early age (Holden et al., 2009).

Spending and Purchasing Pattern

Individuals spending and purchases pattern is influenced by many factors. Past researches show that at the early age, children start to learn to use money, buy or shop by imitating or observing the socialization agents in their surrounding like family members, friends, school and through consumer education (Moschis, 1987; Shim, 1996; Baker, Moschis, Benmoyal-Bouzaglo, & Santos, 2013). These influences vary according to age, gender, family socioeconomic level, ethnicity and culture of each child. In addition, figures like idols among artists or athletes whose normally accessible via mass media also influences the behavior of young people and as well as their decision-making (Mau, Schramm-Klein and Reisch, 2014). The role of those idols among children is actually very critical and requires keen attention from the parents because the behavior of these idols whether positive or negative will directly affect the judgement of teenagers which in turn indirectly affects their attitude and behavior of purchasing wastefully or buying items that do not fit their culture, age or needs (Martin & Bush, 2000).

According to Shim (1996), for adolescents, the social structure resources, part-time jobs, and the amount of pocket money received will also influence the behavior of their expenses and purchases. This is related to the fact that at adolescent stage, individuals begin making shopping and purchasing decisions in their favor, with no or less intervention from parents. At this stage, based on the influence of socialization agents in their environment, teenagers begin to practice eight typical style of purchase decision-making that is usually practiced by adult users which are (1) perfectionist and high demands of quality, (2) consumer awareness of the brand and the price is equal to the quality in products, (3) consumer awareness on originality (native) and fashion, (4) consumer awareness on recreational and hedonistic, (5) price realization and value for money, (6) the purchase of contingencies and careless users, (7) user confused with various options and, (8) user permanent habits and loyal to a brand. The results also show that the more the interaction between the individual with agents of socialization such as parents, media, and education, the higher the influence of purchasing style towards perfection, quality driven, cost awareness and value for money. Therefore, the study proved that there was a strong influence of parents, media and consumer education on individual's spending and purchases.

Other than external factor like socialization agents, individual's internal factor such as stress and addiction can also directly affect the spending and purchasing behavior of an individual in an unhealthy way. One of unhealthy spending or purchasing patterns that is usually done is compulsive buying behavior. Compulsive buying is part of the practice of compulsive spending which is defined by O'Guinn and Faber (1989) as "a response to an uncontrollable drive or desire to obtain, use, or experience a feeling, substance, or activity that leads an individual to repetitively engage in behavior that will ultimately cause harm to the individual and/or others". According to Solomon (2002), compulsive buying behavior is when the purchase is made repeatedly and exceed the requirements of the task due to addiction, feeling depressed or bored. Even Subroto and Arianto (2012) state that those who are buying compulsively are usually those who can not hold their feeling or overcome the urge to buy something even though it is not a need. Compulsive buying behavior is a form of abnormal expenses (Edwards, 1993) which occurred due to three dominant processes; pressure, socialization and human capital development (Baker et al., 2013). It also affects the financial adequacy of an individual in terms of purchase and storage.

In conclusion, the spending and purchases of children and adolescents are affected by many factors. Future studies should investigate the effects of compulsive buying specially among children in more details. In addition, the idol role in the purchase decision-making process also plays a very important part. This is because, the more the interaction between the individual with agents of socialization such as parents, media, and education, the higher the influence of purchasing style towards perfection, quality driven, cost awareness and value for money. Thus, the influence of buying style, agents of socialization and interaction between agents of socialization will affect individual spending and purchasing.

Research Methodology

Objectives

There are two objectives being studied in this research:

1. To identify the understanding of money literacy among primary school students.
2. To determine the spending and purchasing patterns among the primary school students.

Research Design

The research design is a cross-sectional descriptive study using the survey method. The aims of the study are to determine the understanding of primary school student regarding money, and spending and purchasing patterns among primary school students in Malaysia. Data was obtained using a questionnaire distributed to the primary school students. The students are primary school students from ten schools in five selected states located in Peninsular Malaysia and East Malaysia. There are four main sections of the questionnaire which are personal profile of students, saving and spending attitudes, financial knowledge, as well as spending and purchasing patterns among students.

Sampling

The selected respondents for this study is a population involving students of primary school in Malaysia. There are 800 students which are among the standard four and standard five students that had been selected using stages of random sampling method (*multistage sampling*) involving five states that are chose according to their zone in Peninsular Malaysia. There are northern zone (Kedah), eastern zone (Kelantan), western zone (Selangor) and southern zone (Melaka) whereas Sabah is selected as the state from East Malaysia. Then, two primary schools which are located within the district of state capital are selected randomly according to the list of primary schools taken from the state's Department of Education. For each school, a total of 80 students from standard four and standard five are being selected. Hence, this means there are 160 students involved from each states making the total sample to be as 800 people.

Participants

This study involves 800 students made up of 41.4% standard four (year 4) students and 58.6% standard five (year 5) students. A total of 47.3% from the surveyed students are male and the rest (52.8%) are female. Majority of the students in this study are Malay (72.3%) followed by Sabah Bumiputera (15.4%), 4.8% of Indian students, 4.3% of Chinese students, and 2.4% of students from other ethnic groups. When looking into the total number of siblings, most of the students have a number of siblings between four to seven (54.2%), followed by a group of students who have number of siblings between one to three (41.2%). A total of 4.6% of students is reported to have number of siblings more than eight. Next, referring to the birth of the student in the family, the majority of them are middle children (42.3%), followed by a group of students which are the youngest children in their family (29.6%). Only 4.7% of the students is the only child and the remaining is the eldest child (23.4%). Based on parental education category, majority of the students stated that their mothers' (51.7%) and fathers' (51.0%) education level is at high school level only, followed by group of mother (39.%) and father (41.2%) which has education up to university level. The university level mentioned here refers to diploma, bachelor's, master's and doctoral levels. Majority of students also reported that they lived with their parents (92.9%) and there were only small groups of students who are cared for by grandparents (4.4%), or older siblings (0.9%). There are also 1.8% of students who reported living with other caregivers such as a relative or foster family.

Measurements

The questions given were in close-ended form as it is easier to analyze and also provide comfort to the students since it only requires a short amount of time. The questionnaire was divided into several sections, namely, sections A which involve questions related to students background such as gender, ethnicity, number of siblings, parental occupation, education level of parents and primary caregivers and part B, which contains 16 items related to the savings and spending money. Part C deals with understanding of the money that consists 11 items that have scaling options on how parents get the money where ATM cards are used, the use of money, the role of banks and savings goals of students. Cronbach alpha for parts B and C are 0.827 and 0.525 respectively. Shopping and purchasing patterns measured at part D with Cronbach alpha 0.772.

There are 12 items being used in part D as a measurement of what is spent with the stipend or pocket money, students possession, the purpose of saving money and parents purchasing plan as well as students purchasing priority. The questions have a scale of 1 to 5 with multi-choice answers and there is also Likert Scale with answers variation of "1 = Yes, 2 = No and 3 = Do Not Know".

Results

Knowledge about Money

Figure 1 shows the students understanding of how their parents earn money. The results showed that the majority of students know that their parents earn money by working or from occupations (86.6%). However, there were students that stated that their parents earn money through bank (9%) and just by using credit card (3.1%) while a small group of students said their parents earned money at store (1.3%).

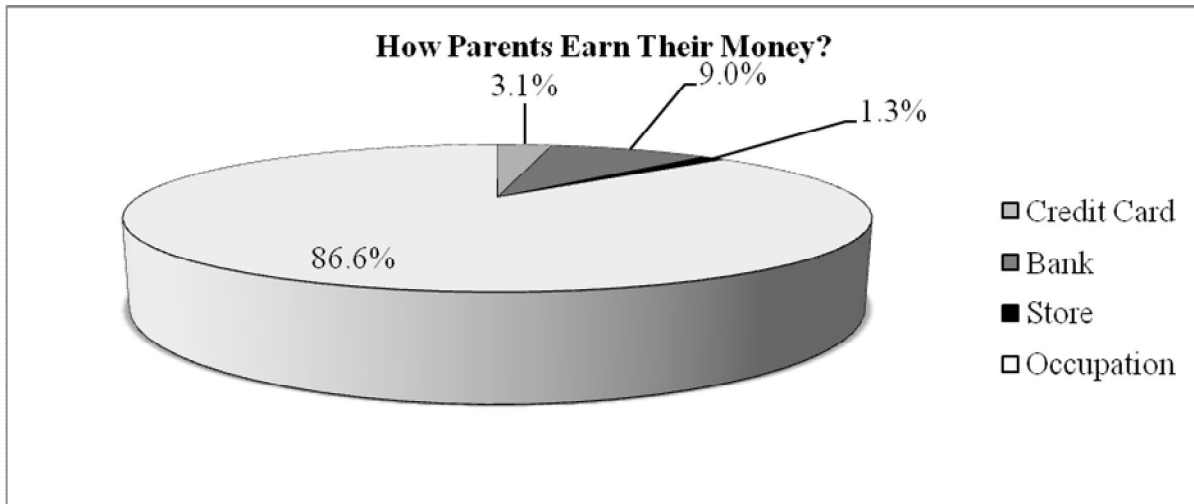


Figure 1: Sources of Parents' Income

As for Figure 2, it shows the level of knowledge the students have about ATM (Automatic Teller Machine) cards. Majority of the students (73.5%) agreed that ATM cards can only be used at the ATM machine. Meanwhile, there are students that stated that ATM cards can only be used at supermarket (2%). There are only 24.5% of the students who knew that ATM cards can either be used at the ATM machine or the supermarket.

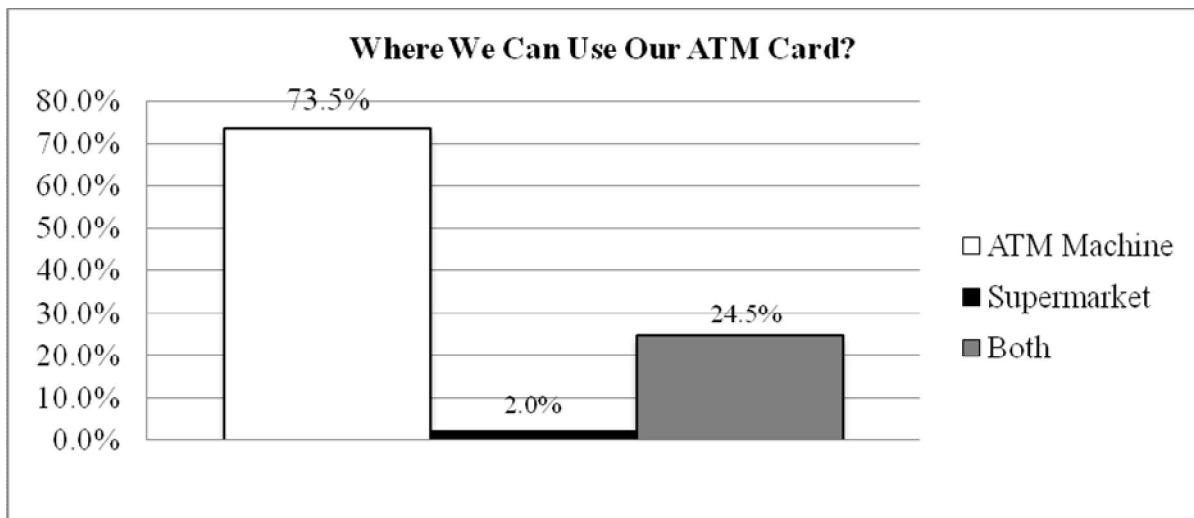


Figure 2: Places Where We Can Use ATM Cards

Students were also asked questions relating to Malaysian banknotes. Figure 3 shows the results of the study which found that almost all students (94%) know that the Malaysian Ringgit (MYR) 3 is not a Malaysian banknotes.

However, there are also a small number of students who still do not know about MR1 (4%), MR 20 (2.6%) and MR 5 (2%), as notes that are available in Malaysia.

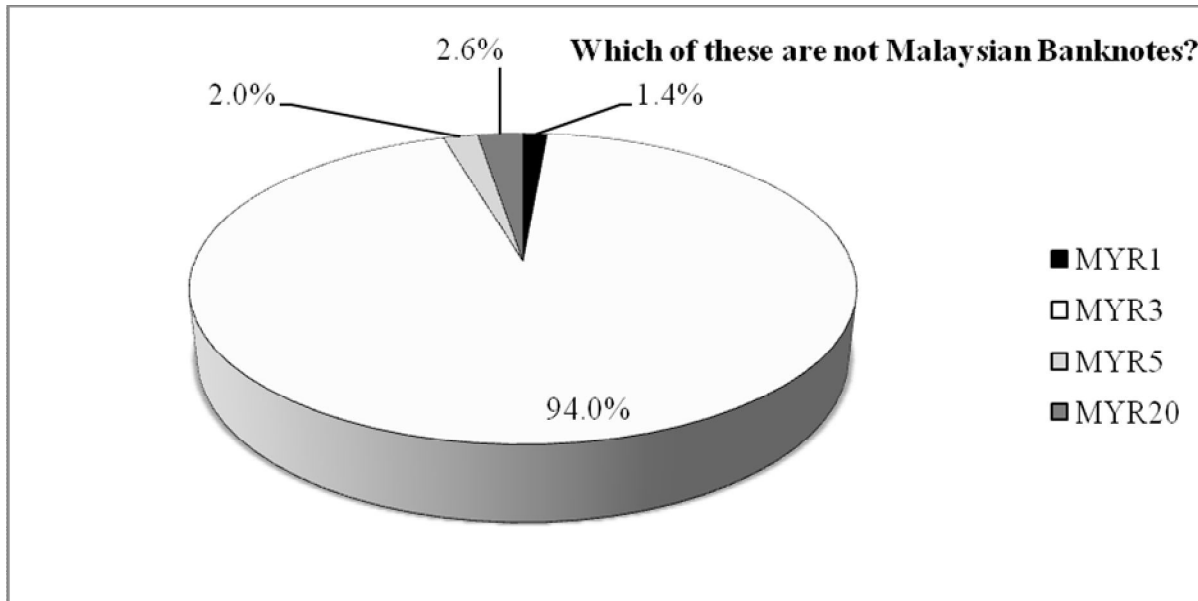


Figure 3: Not One of Malaysian Ringgit Note

Figure 4 shows the students understanding regarding the functions of money. The majority of students (79.1%) only knew that the function of money is for purchasing goods and services. There is a small group of other students (4.7%) stated that money is used to buy accessories only, and 4.2% said that money is used as gift for friends only. Only 12% of the students responded correctly by saying that money can be used not only to purchase goods and services, but money can also be used to buy accessories as well as be made as gift for friends.

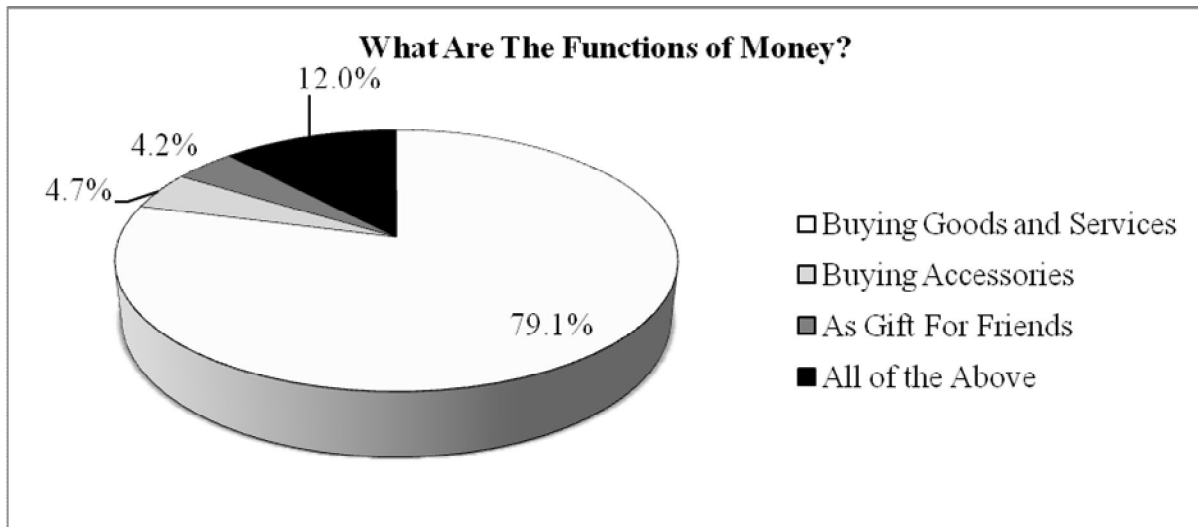


Figure 4: Functions of Money

Table 2 indicates the level of students understanding on the roles of banking institutions. There are 84.1% of the students knew that the bank is a place to save money and more than half of them (66.3%) stated that bank is a place to withdraw money but only a small portion of them know that the bank also provides services like giving loan (26.6%), as an institution for selling cars (5.6%) as well as selling houses (4.5%).

Table 2: Roles of Banking Institutions

	n	%
Provide Loan	213	26.6
Selling Houses	36	4.5
Selling Cars	45	5.6
Saving Money	673	84.1
Withdrawing Money	530	66.3
Give Away Money	213	26.6

Another question being asked to the students is 'Why We Need To Save Our Money In The Bank?'. Table 3 shows the results of the analysis in which the majority of students (78.9%) stated that the idea of savings in the bank is for future needs, and more than half (54.1%) of students said that people keep money in the bank for its reliability and safety. There are also 48.5% of the students said that people keep money in the bank for emergencies preparedness. Only few students stated that the reason people keep money in banks because the money will increases (15.8%) and as a gift (1.4%).

Table 3: Reasons People Save Their Money In The Bank

	n	%
As A Gift	11	1.4
Safe and Secure	433	54.1
For Future Needs	631	78.9
Money Will Be Increase	126	15.8
Preparation for Emergency Case	388	48.5

Students were also being asked about their financial goals in order to identify to what extent do they set their goal to achieve something. Figure 5 shows the short-term saving goals of the students. The results showed that more than half (52.7%) of the students chose story books as their short-term goals. This is followed by more than a quarter of students which had short-term goals of buying mobile phones (26.7%). Only a small numbers of them chose branded sport shoes (12.2%) and branded watches (8.4%) as short-term saving goals.

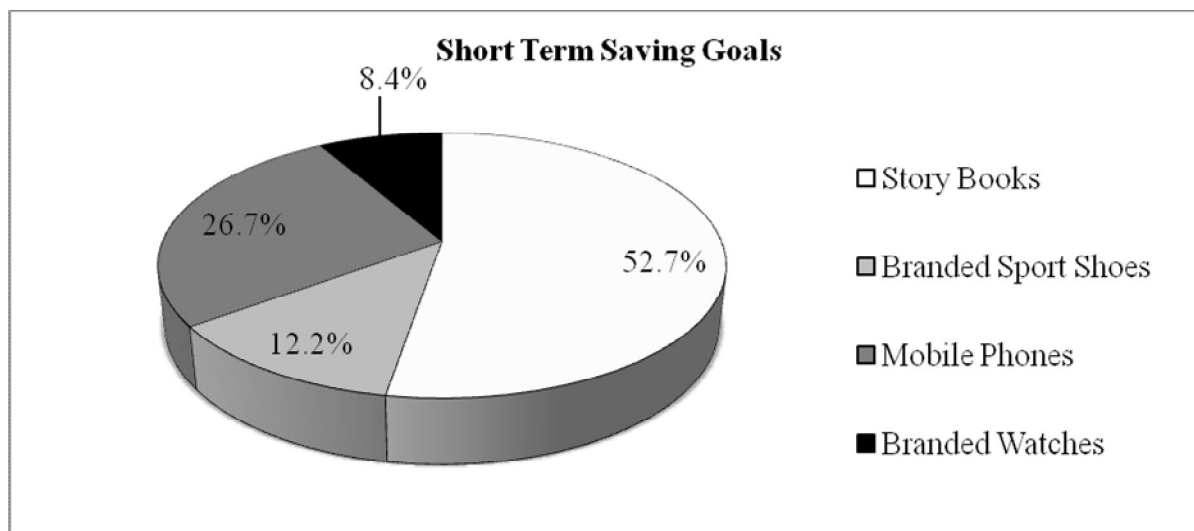


Figure 5: Short Term Saving Goals

Next, students were given a question in the form of perception of a situation. The situation given is 'Tony gets a pocket money of Malaysian Ringgit (MR) 10 per week but it is still not enough because of his shopping habits. How Tony should spend his money?'

Figure 6 displayed the results of the study where 72.7% of the students suggested Tony to plan his expenses. Meanwhile, less than one-third (21.3%) of the students urged Tony to buy only what he needs. However, there are also 6.0% students that suggested Tony to spend his money a week earlier than it should.

For such given-situation question, financially literate students supposed to know that they should advise Tony to plan his expenses before buying and only buys items that he needs.

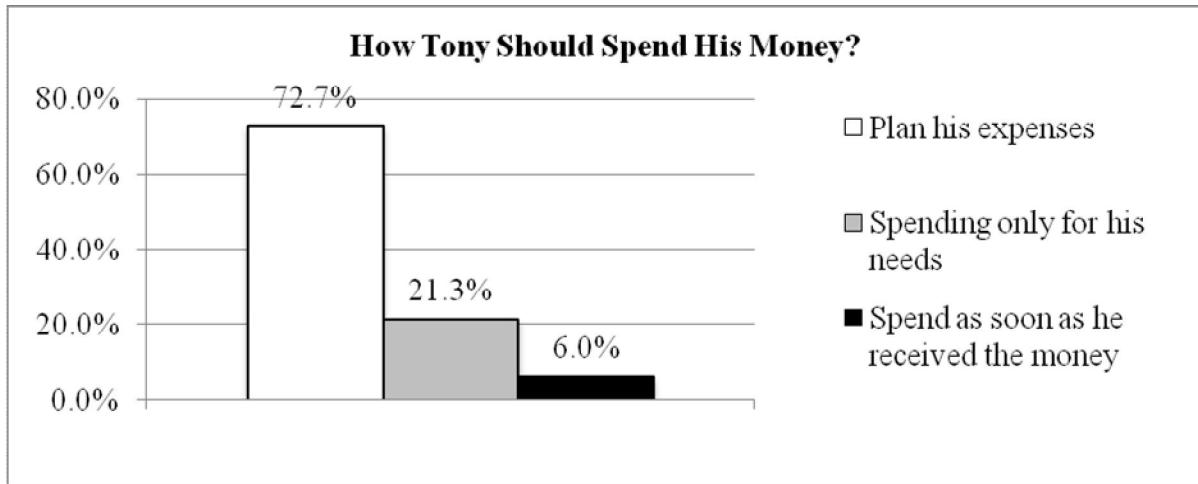


Figure 6: The Alternatives on How Tony Should Spend His Money

Students then again being tested with a situational question. This time the surveyed students were tested with a situation involving the things they need to do in order to buy something they desired. Figure 7 shows the analysis of the feedback given by students when given situation, 'You want to buy a toy car that costs Malaysian Ringgit (MYR) 30, but you have only MYR 10 and have no savings. What will you do?' Analysis found that most students (76.3%) claimed that they will start saving money, and 13.9% chose to do part-time job. However, there are also 9.3% of students stated that they would ask for the money needed from parents. More disappointing, there are also a few students (0.5%) who chose to borrow money from friends to buy things they desire though it is not a requirement for them.

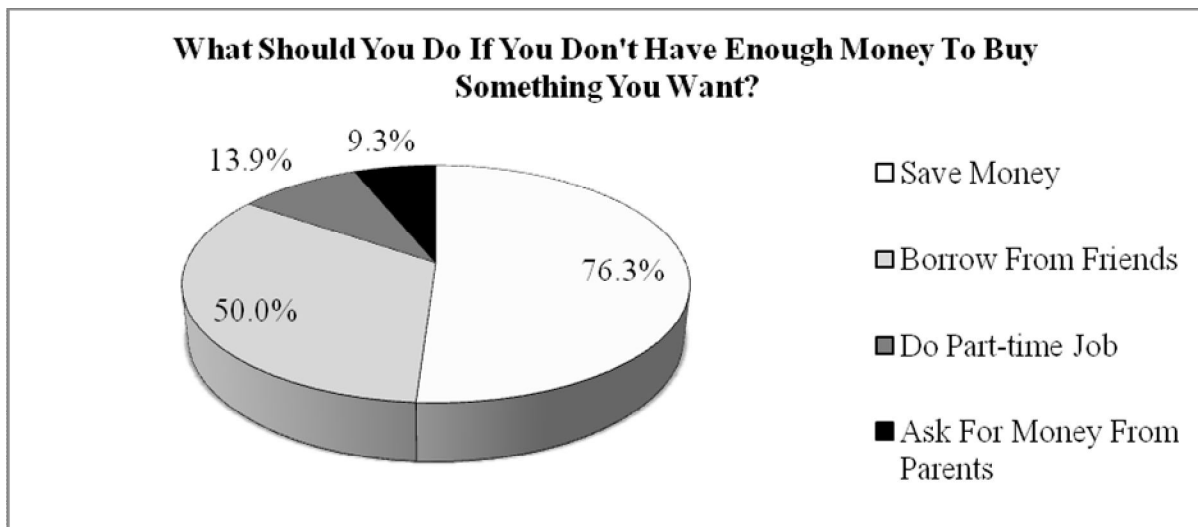


Figure 7: Things To Do In Order To Buy Desired Item

A question of general knowledge also being asked to the students during this study namely, 'If a person has a high rank in his or her work, does he or she also have a high salary?' Test results revealed that more than half of the students answered Yes (67%), while 28.9% said Do Not Know and the rest said No (4.1%).

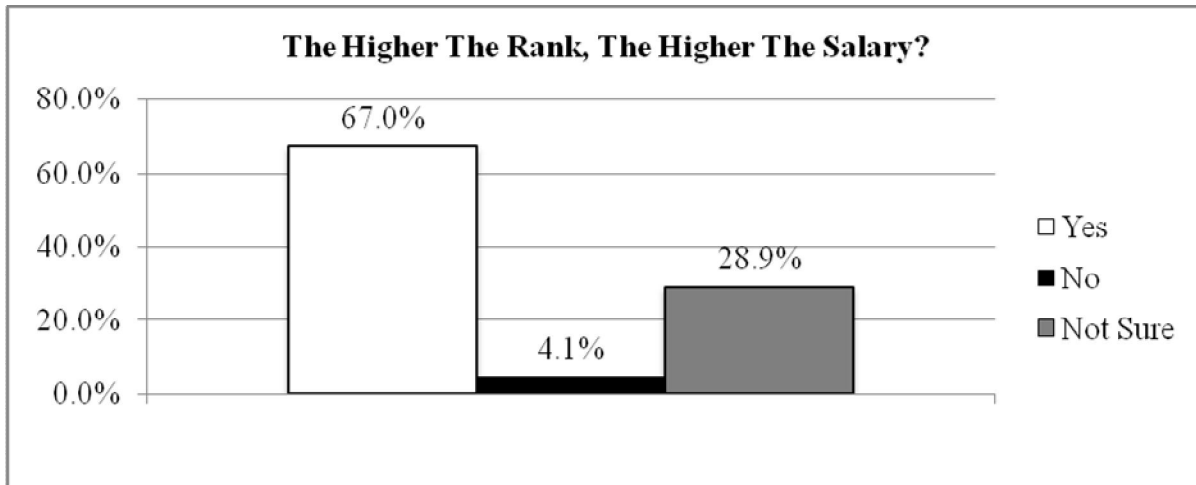


Figure 8: General Knowledge Regarding Salary

The following bar chart (Figure 9) shows the students understanding level regarding items that they need and want. The study found that the majority of students knew that food (97.2%), beverages (96.3%) and housing (94.5%) is a necessity in life. More than half of the students (52.6%) also chose books as their needs. This may be due to factors the students are still in primary school and the book is a necessity for them. However, there is a rather interesting findings regarding this topic. There are more than one-third of students classify mobile phones as one of the requirements they need to have (35.7%). As the students are among primary school students that are as young as 10 and 11 years old, having thought that mobile phone is a necessity for them is quite surprising. Even so, most students can still distinguish the needs and wants where most of them said toys (94.9%), video games (92.8%) and watches (65.2%) were among the items categorized as a wants.

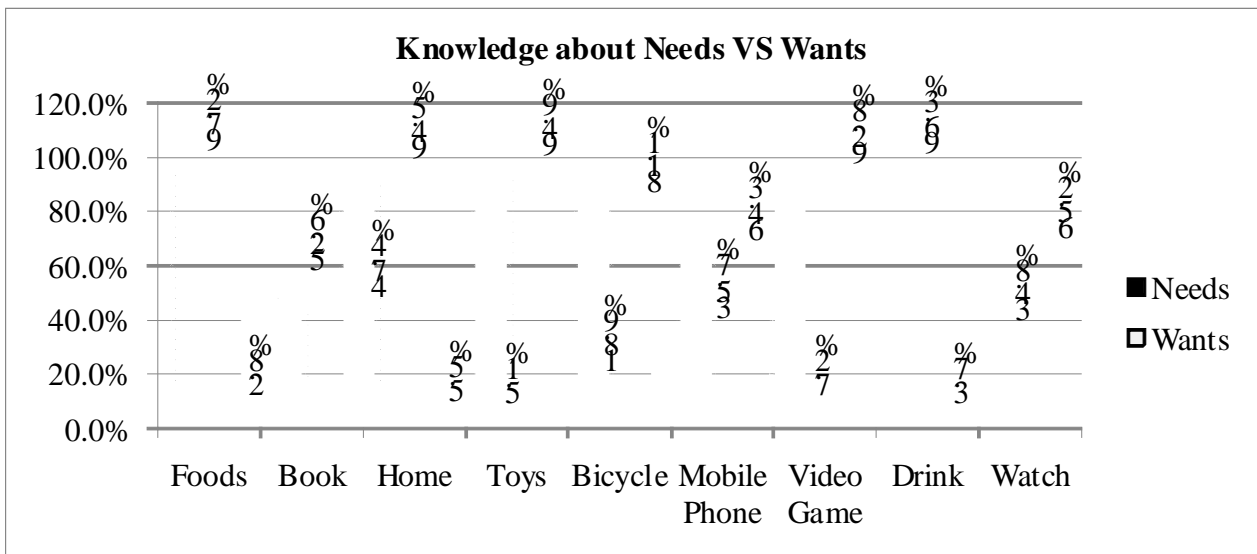


Figure 9: Needs Vs. Wants

Spending and Purchases Patterns

Table 4 shows the pattern of spending of pocket money and purchases made by the students. This study found that most of the students spend their pocket money on food (77.4%), beverages (66.1%) and over half of the students (52.3%) spend their pocket money to buy stationery. For the ownership of goods, the table shows that more than half of the students have a watch (69.8%), bicycle (63.1%) and mobile phone (56.3%). While a small portion of the students stated that they have a laptop (44%), video games (29%), Ipad (27.1%), and also MP3/MP4 (Media Player) (16%). Next, the data also shows information on the main purpose of students saving money.

The main goal stated was to buy school supplies (73.3%), besides to purchase books (67.1%), clothing (45%), mobile phones (24.1%) and few other items.

Table 4: Spending Patterns

Spending Patterns	Frequency (n)	Percentage (%)
Spending Patterns of Pocket Money		
Bus Fee	65	8.1
Food	619	77.4
Drink	529	66.1
Stationery	418	52.3
Toys	52	6.5
Book/ Magazine	162	20.3
Others (i.e: Clothes)	18	2.3
Belongings		
Mobile Phone	450	56.3
MP3/MP4	128	16.0
Video Games	232	29.0
Bicycle	505	63.1
Notebook	352	44.0
Ipad	217	27.1
Watch	558	69.8
Reasons For Saving Money		
Book	537	67.1
Magazine	105	13.1
Toys	100	12.5
Sport Shoes	189	23.6
Mobile Phone	193	24.1
Stationery	586	73.3
Clothes	360	45.0
Others (i.e: School Bag & Camera)	39	4.9

Figure 10 shows data on the purchases patterns practiced by parents according to students observations. Nearly half of students (48.5%) informed that their parents have provided a list of items before going out to buy essential items, while 28.3% of students said that their parents had never provided a list of items before going out shopping. There are also students (23.2%) who did not know whether their parents have provided a list of items or not.

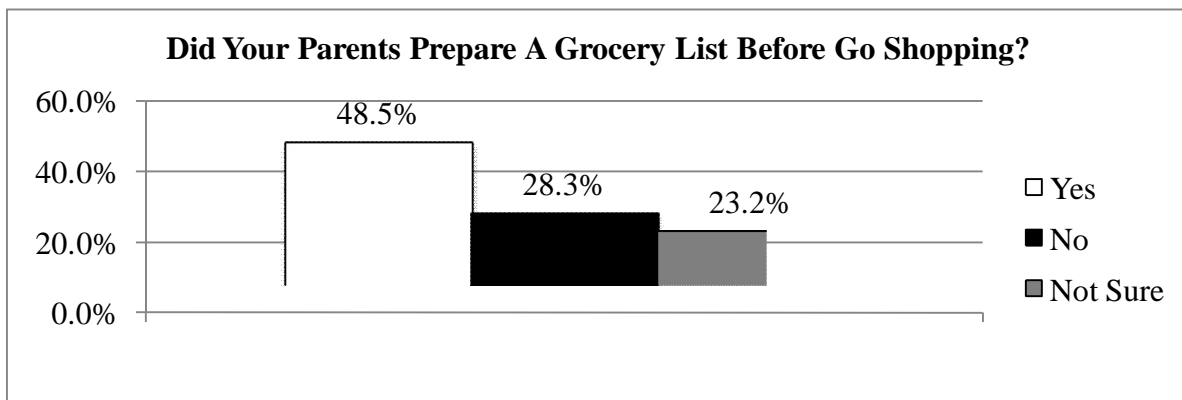


Figure 10: List of Items To Be Bought

In addition, the criteria which should be considered before selecting and purchasing items in the view of students were examined in this study. Figure 11 shows that the students stated that the criteria for the selection and purchase of items should be made based on the quality (78.9%), price (54.1%), and brands (41.4%). Only a small group of students (15.8%) states that consumers just need to spend based on their budget.

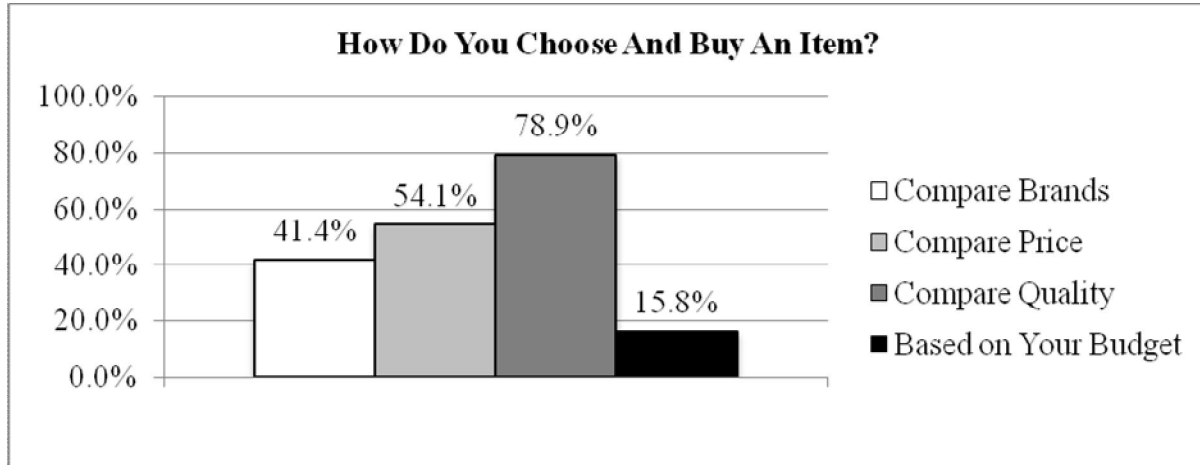


Figure 11: Criteria Need To Be Considered In Choosing And Purchasing Items

Table 5 on the other hand shows the socialization agents that affect students purchases. The analysis showed that the main figure is the mother (82.4%) followed by fathers (79%), the religion (51.9%) and teachers (50.1%). While less than half stated that the socialization agents which influence their purchases are internet (47.9%), friends (45.6%), brother (44.9%), print media (44.5%), sister (43.1%) and electronic media (42.9%). In terms of priority of resources, the study found that students agree that mother is the primary socialization agent (48.4%), followed by fathers (31.5%), religion (15.4%), teachers (7.51%), sister (4.6%), internet (4.6%), electronic media (4.1%), brother (3.8%), friends (3.4%) and lastly the print media (2.8%).

Table 5: Socialization Agents and Their Priority In Influencing Purchases

	Yes		Priority	
	n	(%)	(1 ----- 10)	(%)
Mother	659	82.4	1	48.4
Father	632	79.0	2	31.5
Sister	345	43.1	5	15.4
Brother	359	44.9	8	7.5
Friend	365	45.6	9	4.6
Teacher	401	50.1	4	4.6
Religion	415	51.9	3	4.1
Internet	383	47.9	10	3.8
Print media (Book, Magazine)	356	44.5	6	3.4
Electronic media (Radio, TV)	343	42.9	7	2.8

Figure 12 shows the percentage of individuals who discussed with parents before spending. More than half of students (50.3%) said they only occasionally discussed with parents before spending, while only 27.5% are regularly discussed with parents before making any purchase. There are also 14.9% of students stated that they had never talked about spending with their parents before making any purchase.

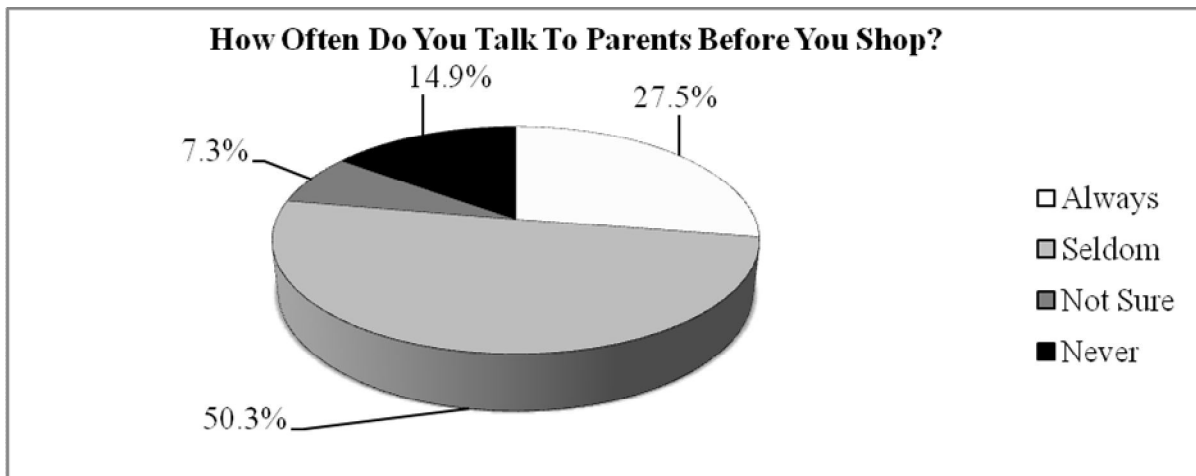


Figure 12: Discussion With Parents Before Shopping

Meanwhile, Figure 13 shows the data of frequency of discussion of subjects relating to finance with parents within a month. Results showed that more than half of the students (65.4%) discussed with parents regarding financial less than thrice per month. There are a number of students (28.8%) that have discussion with their parents between four to six times a month and only (5.7%) which discussed between seven to eleven times a month.

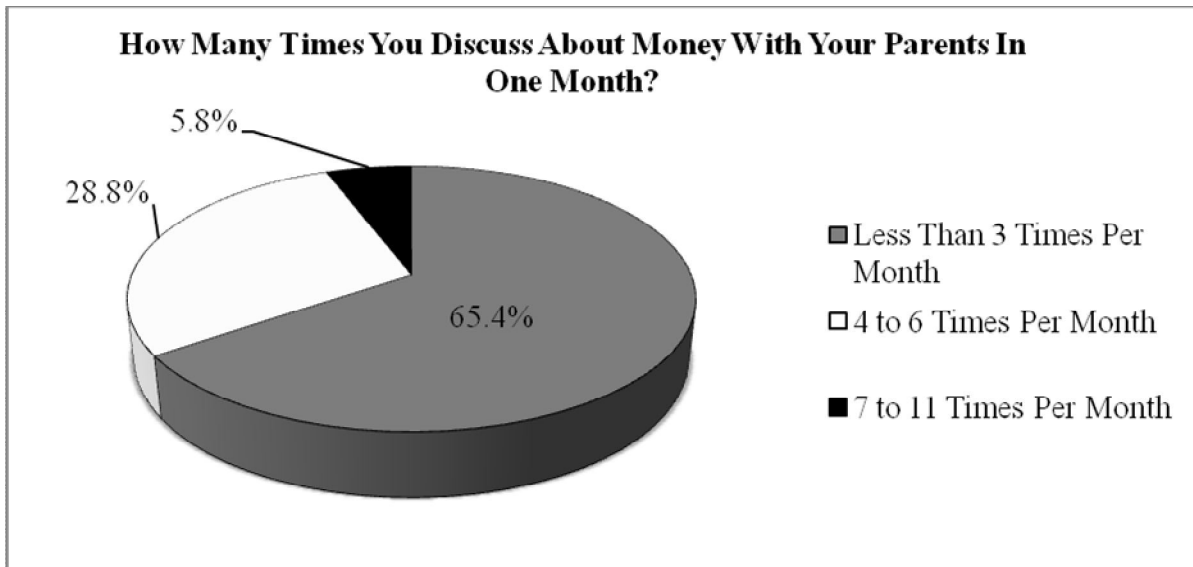


Figure 13: Frequency of Discussion

Table 6 shows the results of analysis for in-debts practice among students. Most of the students stated that they had lent money to a friend (80.1%). However, based on the percentage of students who claimed to have debt, there are 13.5% of students who reported that the money is not returned by their counterparts until the time of this study. More than half (66.8%) of the students involved in this study also admitted that they had also borrowed money from friends. While the percentage of students who pay back the money is high (97.7%), there is also a small group (2.3%) students who do not pay the debt. In addition, over one-half of students (53.1%) admitted that they do buy non-essential items even though they are aware of the matter. More surprisingly, the study also found that there are 11.5% of students that admit they took money without the knowledge of their parents. Although this percentage is not very big but it was a shocking discovery.

Table 6: In-debts Practices

	Yes		No	
	n	%	n	%
Buying unnecessary items	425	53.1	375	46.9
Taking parents' money without permission	92	11.5	708	88.5
Lending money to friends	641	80.1	159	19.9
Do you get back that money?	Yes		No	
	n	%	n	%
	554	86.5	87	13.5
Borrowing money from friends	534	66.8	266	33.2
Do you pay back that money?	Yes		No	
	n	%	n	%
	522	97.7	12	2.3

Discussion

This research purposely focuses only on the descriptive analyses to get the in-depth understandings regarding knowledge of students about money and the spending and purchasing patterns of primary school students in Malaysia. Finding in this study showed that the level of understanding of elementary school students about the basic concepts related to money is at a moderate level. Although the majority of students know that their family income or their parents' wages are from their occupations, but there is also a handful or a small group of students who do not understand about this and thought that their parents obtain money each month from the credit card or bank. There are also students who assume that their parents get money from the store. Moreover, almost one-third of students reported that they did not understand about the relationship between the concepts of salaries and position of adults in employment.

The students also still less familiar with the use of ATM cards belonging to their parents or adults. The majority of students only know that the card can be used at the bank but they do not know any other use of the card can be used like a debit card to purchase necessities at the supermarket, for example. Students' understanding on the function of banking institutions is also fairly limited. Most students only know that the bank serves as a place to deposit and withdraw money but they do not know the other functions like the bank can act as a place to lend to consumers or in some instances can also function as a car or house seller in consumers' stead. In fact, students still do not fully understand the factors that cause people prefer to keep money in the bank than elsewhere. Based on the results of this study, it can be seen that the main weakness of students in matters of finance shall include financial concepts that do not involve in their daily lives. Therefore, parents should do their part to educate and expose children on basic financial matters such as the concept of salary, introduction of banking institutions, usage of credit cards and ATM cards. This misunderstanding can be avoided if the students were given explanation or exposure on daily financial matters by the adults in their family casually. Dahari and Khurshid (2013) in their study on awareness about money among Malay children also agree that the duty to give an understanding of financial subjects should be shouldered by the parents and assisted by teachers or other adults in family like siblings or other family members.

The knowledge level of primary school students related to banknotes and the Malaysian currency is also very surprising. Considering that students who participated in this study are those that are in between 10 and 11 years and had experience for almost four or five years of managing and using their own pocket money given by parents for expenditures at the school, they should have been familiar to the banknotes and currency values of their own country. The results show that there are students who still do not know the currency of Malaysia banknotes. They do not know that Malaysian Ringgit (MYR) 3 banknotes did not exist and there are also students who were not aware the banknotes MYR 1, MYR 5 and MYR 20 notes are frequently used daily by Malaysian. Past studies agree that children should have been disclose to the value of money from the kindergarten level (Dahari & Khurshid, 2013), beginning with coin-related learning proceeding to primary school, where at this level, students should not be having any difficulties in recognizing and differentiating the value of money be it coins or banknotes (Tyre, 2009).

Students' knowledge related to functions of money is also weak, of all students surveyed; only a small group of students know that money can be used for various uses, not only for buying goods and services, but it can be also used to buy accessories or be given as a gift for others.

Most students think that money is limited for purchasing goods and services only. Therefore, lessons related to the value of money and money management starting at an early stage is crucial for children so that they have a solid foundation to help them manage their own expenses more wisely (Torres & Mitchell, 2003). In fact, according to Ironico (2012), an intuitive understanding regarding the practice of buying supposed starting to develop within the child begins between age's four to seven. At this age, they should have started to identify the uses of money and store functions, in addition to discovering the basic things of buying such as price and branding.

Through the study, the researchers were able to identify that the practice of borrowing or debt among primary school students has certainly existed. As evidence, when asked about what should be done if there is no enough money if they want to buy something, there are some students who feel that they have to borrow money from friends. In fact, when being asked about owing practices among them, the majority of students admitted they gave loans to friends and more than half said they had also owe or borrow from friends. More surprisingly, there is also the percentage of students who claim they do not pay the loan made. The practice of giving and taking loans in fact has long existed and not only in Malaysia. According to a study conducted by Furnham (1999) in Britain, it was found that children aged between seven and 12 years old had long engaged in 'economic activity' as lending and borrowing money with peers. However, that study also found that the parents think that this 'economic activity' should not be encouraged and they strongly opposed to this practice. Among the factors that can affect practice in debt and to debt among students is family socioeconomic status, gender and lack of knowledge related to debt. Students from families with a higher socioeconomic status and girls are reported to have less involvement in debt than students from families with low socioeconomic status and boys (Xiao et al., 2014).

The research also shows the results of analysis of spending and purchase patterns among primary school students in Malaysia. Most of them report they use pocket money to buy food and drinks. However, there are also students who admit that they use daily spending money to buy toys. The findings also show that more than half of primary school students admitted they already have their own mobile phone. In fact, half of the students who do not have a mobile phone admitted they are in the process of saving money to buy one. This situation indirectly reflects that these primary school students consider mobile phones as a need that must be possessed by them even though the reality is, at the age of 10 to 11 years, they do not need a cell phone. Moreover, mobile phone ownership is one of the unhealthy cultures among children that should be taken seriously by the parents. Ownership and usage of mobile phones among students, particularly those at the school level can give more negative effects than positive effects (Nathan & Zeitzer, 2013; Anboucarassy & Begum, 2014; Lepp, Barkley & Karpinski, 2015). According to the study, the majority of parents and teachers agree that students who possess and use mobile phones regularly commit more disciplinary offense, regularly misbehave and show lower academic achievement than students who do not have a mobile phone (Kihwele & Bali, 2013).

The primary school students also do not have the clear picture of their family daily expenses. Less than half of students know that their parents have provided a list of essential items that need to be purchased before going to the shop. These results directly demonstrate the lack of financial discussions between the two parties, namely between parents and children. In fact, not only about half of the students reported that they only talk occasionally to their parents before going shopping. There are also students who had never talked to their parents about expenses. Actually, an open discussion between parents and children regarding financial subjects mainly involving household expenditure should be implemented in all families because these actions are very important for the financial wellbeing of families. Through discussion, students can have the better understanding about the financial status of the family (Dahari & Khursif, 2013) and they will be wiser in managing their own finances due to their understanding and the influence of parents (Toye, 2007). In fact, according to the results of this study, most students felt that parents were among those main individuals that influence their purchases. Other than teachers and peers, parents are the important agents of socialization in children's micro systems. Teaching and guidances from the parents regarding wise spending and purchasing patterns to the children are very important because at this young age they still do not have extensive knowledge on this financial subject. The standard of living and spending patterns practiced by parents also made a huge impact on children's perception of money (Dahari & Khurshid, 2013). Therefore, it is very important for the parents to practice wise spending patterns if they want to see their children to follow their financial practices. If the parents' smart financial behavior promotes smart financial behavior among children, and so is vice versa.

Parents wasteful and unwise spending will give the same effect on their children. Baker et al. (2013) also agree that all financial-related experience that individuals went through previously will affect their buying behavior and finance structure at present and in the future.

Conclusion

The primary school students in Malaysia have moderate understanding regarding money. Most of the students are more knowledgeable on the subject that only involves their daily routines. They are lacking in knowledges related to ATM cards, credit cards, financial institutions such as banks function and the source of an adult salary because it is neither related directly nor experienced by them. This clearly shows that primary school students in Malaysia only learn money-related matters through everyday experience traversed by them alone. They do not received lessons about money in more details and holistic by the party who should be responsible for this duty, such as their parents, teachers or other adult figures in their macro system environment.

The results also show that the pattern of spending and purchases of primary school students in Malaysia still need changes for the better. In terms of the expenses, although most students spend on their needs such as food, beverages and schooling, but they also use pocket money to buy other stuffs which are not essential for them like toys. In fact, it is quite surprising that the study found that more than half of the students which is only 10 to 11 years has had its own mobile phone, and nearly half of the students who still do not have a mobile phone admit that they are saving money to buy this gadget, Parental involvement or influence in the purchase of the students is also low, plus the results also showed less discussions about expenses between the two sides; parents and students. More surprisingly, the survey results showed that there were already indebted among the students who are still in primary school and it is at high percentages. This situation is very worrying because if this bad habit has started to be practiced by students from an early age, is not impossible that this practice will continue until late adulthood.

Looking at the results of this study, it is clear that adults such as parents and teachers need to give more exposure to students on knowledge and financial concepts that are relevant to their growth. Programs that are interactive and interesting should be undertaken by responsible organizations such as the Ministry of Education, the bank or financial institutions in the country to encourage students to be more interested in learning about finances. The parents need to play an important role here to give exposure to their children in relation to financial concepts that indirectly involved in student life like ATM cards, credit cards, cheques management and business with the bank. Parents are also encouraged to be more open with the kids about withdrawals of family expenses by having a discussion session or a casual talk with their children. Financial matters such as shopping, banking activities and money savings can be done with the children to provide direct exposure to them. Early exposure to students regarding financial concept is very good although the matter has not been involved directly in their daily lives. This additional knowledge could enhance the self-esteem of students in financial matters (Grable & Joo, 2004).

Even at an early age, exposure to financial concepts to students need to be more focused on the financial concepts involving their daily lives directly like currencies, pocket money and savings for example, but early exposure of other financial concepts is an added value they require. Knowledge related to credit cards and loans, for example, can serve as a lesson and a reminder to the children. As for the ministry, finance should have been made as a specific subject starting at primary school to secondary school. Nowadays, the subject is taught in the syllabus of mathematics and only involves students in standard four and standard five only (refer Official Website of the Ministry of Education). However, given the country's current financial situation and coupled with the findings of this study and the previous study, finance-related knowledge is something that is very important and is needed by all students (Lucey & Giannangelo, 2006). Therefore, the ministry of education should make the subject as one of the compulsory subjects that need to be taught in schools, the same level of importance as other subjects such as science, languages, mathematics or religious education. This is because knowledge of finance also involves an application that needs to be done every day by each student and is one of the key elements for a good life. Furthermore, according to previous studies, the subject of individual financial or any other finance-related subjects that are taught in a structured and detailed in the school can raise the level of financial literacy of students, thereby making the students capable of practicing financial behavior better and are less involved in symptoms of risky financial future (Xiao et al., 2014; Bowen, 2002; Grable & Joo, 2001). So, it is very natural that financial knowledge must be made as one of the additional subjects and exposed to the students starting from the early of their age.

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