

The Students Spending Pattern On Non-Academic Items Towards Food And Beverage Lead To Poor Financial Management

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ABSTRACT

Spending habits of students nowadays has become the primary concern in our society given risen in bankruptcy cases. Meanwhile, the spending pattern has become social problems among the younger generation in Malaysia especially in university. These situation of financial not wise manage are often related with poor knowledge in budgeting and financial management for themselves. Therefore, this survey was done on 27 responses. The responses are from students in UTM through a google link questionnaire. This study gather the information from the survey. From the survey information are aims to know the factors influencing the spending habits of students spending. From the survey, the main factor deciding on the spending pattern of students on the non-academic item is the students' spend itself while food and beverage are the ones that most students spend their money.

Keywords: Financial, spending habits, factors

1. INTRODUCTION

According to 'Ow (2016), finance is the science of managing the sum of money for a particular purpose, and management investment (Alli, 2016). Financing is a crucial thing that cannot be taken quickly or ignored by any individual. The strong knowledge of finance will affect the future of financial management in everyone's life. Financial management has been a concern of many investors to invest and choose the best substitute to support regarding the possible risk and return trade (Wahab et al., 2016).

According to the previous scholar, Holland (2016), most of the college students are unsure of managing the money wisely. The spending behaviour influences them more and has difficulty in managing money wisely (Andriani et al., 2018).

Spending behaviour is unstable, especially towards among university students. Student living from a wealthy background family has no problem with experiencing being budgeting in their money spent as the family will support them well. While, living in a university is a big change from childhood into adulthood. This change has makes student life more challenging and more robust. Generally, book stationeries, clothes, and other similar items for the study were bought by the students. Therefore,

students' needs have risen drastically. Meanwhile, there is no financial aid for laptops and other gadgets are needed for assignments and the necessities that a student should own during their study.

Therefore, this study focus to examine the spending behaviours and financial literacy levels among university students in managing the financial. Assessing students' financial literacy level, create better understand about the students' spending habits. The detail about the design of the study is described further in this research.

2. LITERATURE REVIEW

Many groups of students spent their money differently, especially among gender. It looks at how students manage their education's money that they get, whether from scholarship, a loan or by a parent. According to previous research, females tended to spend more money on clothes, while men spent more money on entertainment and eating out. According to (Jalil et al. 2020), women are more likely to having a wise budget than men. However, women more frequently accumulate a higher amount of credit card debt and total debt [1].

Another research state that early exposure to financial management is essential for the younger generation because they have various obligations such as paying back the loans, they used for their university education even before they graduated [2]. All students, not just students receiving financial aid like business students, need to establish good spending habits. The educational background seems to have an impact on university student spending habits. They find that non-business majors are more likely to be less knowledgeable about personal finance than business majors, particularly banking and accounting.

3. METHODOLOGY

For this project, an online survey was set up to acquire feedback from participants. Using an online survey is much more efficient than a formal study as more feedback can be obtained in a short time. Through this online survey, the spending pattern among students is gathered. In the questionnaire, the question being asked is:

1. Age.
2. Gender.
3. Source of income.
4. Amount of money students receive every semester.
5. Student's mode of transportation.
6. Business (if any).
7. Student's awareness of financial planning
8. Do students apply financial planning?
9. Students' spending per day.
10. How they will spend their money if given extra money.
11. Students' preference in monthly expenditure

Through these questions, the relationship between age and gender with their expenditure pattern is discussed in results and discussion. Based on a study by Blumberg in 1988, a study was carried out from numerous Third World countries suggest that men and women spend their income differently. In contrast, women spending less on themselves but spends more on child nutrition and family basic human needs [3]. Guyer in 1988 found that women spent fully 74% of their cash income on supplements to the family food supply, while men spent only 22% of their income on food for the family. This situation was the result obtained from an investigation carried out amongst farmers in Cameroon, Africa. In an article published by Wolf in 1988 focused on a case study suggesting that factory women she interviewed saved on average of 30% of their income and then redistributed to families in time of distress. But she also found that women also overspent their wages by 40%.

Which describe monthly spending the most?

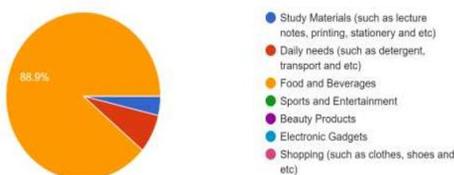


Figure 1 Pie chart of monthly spending

4. RESULTS AND FINDINGS

In figure 1 shows the pie chart of the responses obtained from the students on the average amount of money spending daily. The majority of the respondents, 51.9 per cent of students spent between rm 11 to rm 20 per day and followed by 44.4 per cent of students from the survey, paid less than rm 10. Most of these respondents combined used educational loan money as their primary sources. The published study conducted by the Muslim Volunteer Malaysia Association [4], found that even though the students received the educational loan money for a semester.

However, it is still insufficient for them to use for their living expenses throughout the semester after the tuition fees have been paid. Therefore, the students have to save up their money by spending carefully and wisely. On the other hand, figure 2 shows the students spending money on activities where most of the respondents spent money on food and beverages. This study shows it is natural since eating food and drinking water is basic human needs. Besides, from the survey, male students were more likely than females to spend money on food and beverages. This finding happens because probably men like to go out to eat.

How much did spending per day?

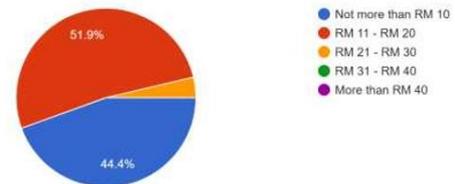


Figure 2 Pie chart of spending per day

Have you ever heard about financial planning?



Figure 3 Pie chart of financial planning

Next, Figure 3 shows the pie chart of the desired activities in spending money. Hence, the majority of the respondents still choosing food and beverages as their preferred activities, and most of them were male students.

However, unlike in figure 2, in this figure shows various activities patterns for the students in spending money because, in figure 2, the students have to be thrifty. Therefore, male students indicate the highest number of spending money on sport and entertainment and electronic gadgets such as gaming laptops, mobile phones and others. Female students have the highest numbers of buying beauty products and shopping for clothes, shoes, and others. Female students were more focusing on spending money on their appearance while male students were attracted to playing games, either indoor or outdoor. Lastly, the numbers of male and female students spent on books were equal in numbers from the survey conducted.

If you are given extra money, what will you do?



Figure 4 Pie chart of extra money given

5. CONCLUSION

In conclusion, the spending pattern of students on non-academic's items shows that it depends on the student's gender itself. It offers different things to be spent based on their desire. As for male students, they tend to spend their money to fulfil their desire towards entertainment while female students tend to spend their money on their appearance. On the other hand, spending money on food and beverages are the most important for student life as they need to consume to stay healthy.

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