

Money Management Behavior According to Consumption Value for Adolescent Consumer

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Abstract : The purpose of this study is to investigate the money management behavior according to the consumption value for consumers, especially for adolescents.

Using 502 samples of middle school adolescents, a survey was conducted from May 10 to May 20, 2004. The main results were as follows:

1) The consumption value for adolescent consumers was categorized conspicuous-consumption value, brand-oriented value, mental-oriented value and advertising-dependent value.

2) Female adolescent, with more private spending money, with mobile phone, with importance on brand when purchasing mobile phone, paying more for using mobile phone, having conspicuous-consumption value, with more importance for brand when purchasing mobile phone and having more advertising-oriented value. Adolescent consumers with less private spending money, less payment for mobile phone and having mental-oriented value.

3) Female, with more educated mother, with less spending private money and having better money management behavior.

4) With less conspicuous-consumption value, more mental-oriented value, adolescent consumers have better for money management behavior.

Key Words : adolescents consumer, consumption value, money management behavior

I. Introduction

In Korea, people have increased their spending amid a booming economy. And conspicuous consumption sparks concern as many people seemingly try to show off their wealth.

Conspicuous consumption growth has become obvious in adolescent and young adult consumption. In an economic downturn, demand

for teenage products such as fashion, cosmetics and mobile phones was still strong (Chosun Daily, 2003). While publishers of IT-related periodicals are scrambling to cope with the reduced advertising revenue, publishers of teenage magazines see their business flourishing (Kim & Lee, 2003).

Adolescent consumption are seen to rise due to a combination of several factors including

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aggressive media campaigns for advertising, impulsive buying influenced by friends and young celebrities and unhealthy financial habits. Their conspicuous spending habits along with their materialistic values pose a weighty issue in society, while adverse effects of multi-media programs including advertising is partly blamed for encouraging adolescent consumption. Separately, news articles reported that many adolescent crimes are motivated by the desire to entertain themselves.

The lack of experience and knowledge on healthy financial management, teens tend to pick up bad spending habits easily in today's consumption-oriented society. Their non-discretionary spending can be a significant factor in shaping their belief systems.

In addition, the adult lifestyle and consumption also have an impact on adolescent consumption. The excessive lifestyle and spending that prevails in the society stimulates adolescent' interest in materialism during their immature and vulnerable life stage, leading to unsocial behaviors among some adolescents (Lee & Kim, 1997). Adolescent consumption is encouraged by the dominant materialistic culture and extravagant consumption spree undertaken by the affluent class of the society.

Considering the immaturity and inexperience of adolescents and the impact of sound consumption value on their future, it is therefore crucial to instill the importance of a healthy money management behavior in young people.

The study aimed to determine consumption value for adolescent consumer and their money management behavior based on economic, demographic data and increased usage of mobile

phones. The ultimate purpose of this study was to provide insight what guidelines are useful to help adolescents develop healthy consumption value and good money management behavior.

II. Theoretical background

1. Nature of Adolescents Consumption

Adolescence is the period of transition between puberty and adulthood and begins when a child is 12 years old and ends between the ages between 23 and 24. But junior high school and high school students between 13 and 18 years old are usually are seen as adolescents (Yoo, 1984).

Although adolescents are immature, vulnerable and inexperienced, adolescents constitute a significant segment of consumers in today's market. Lee (2000) claimed that adolescents tend to be easily manipulated by advertising as they are sensitive to fad and trend and experience internal conflict and confusion as a result of their incomplete position in the society and sudden physical and psychological changes.

Today's adolescents have witnessed the pleasure of consumption while living in the age of "consumption as a virtue." Their consumption is heavily motivated by commercial advertising and marketing blitz delivered through all kinds of media. Their consumption pattern is separately defined and managed by marketers from that of adult consumption. Adolescents tend to consider brand, design and color more than price, quality and durability when making purchases, thereby, differentiating themselves from other segments of

consumers. Most adolescents are financially dependent on parents to purchase high-priced goods and manage their allowance in an ineffective manner. Many adolescents are obsessed with brand name goods by saying “it’s good to be recognized by friends” or “feel proud” when they possess any luxury items while saying “feel envious” or “feel sorry for myself” in the opposite situation.

Mobile phones mean everything to adolescents nowadays (2001, Adolescents Protection Committee). In other words, mobile phones are a “must-have” product for adolescents. According to a statistic report, the penetration of mobile phones among teens in their 10s reached approximately 79.4% in 2000. The frequency of mobile phone replacement is fairly short among teen users. Mobile phone charges incurred by adolescents users are so high that telephone charges have become an issue of conflict between parents and adolescents.

Teaching adolescents how to use their mobile phones effectively is therefore likely to help adolescents establish healthy consumption value.

2. Consumption Value for Adolescent Consumers

There are not many studies on adolescent consumption value in Korea. Adolescent consumers appear to put more emphasis in design, style, brand than quality and function when purchasing. They have a tendency to be very conscious about brand names, favor foreign products-especially major designer brands-and take pride in possessing those products, signaling their showing-off attitude in a psychological sense.

Kwon & Rhee (1998) stressed the need for educating mothers that their children follow their mothers’ example for their consumption value and suggesting an ideal role model of mothers in establishing healthy consumption value for adolescents.

There is a study claiming that consumption value vary with culture and economic growth (Seo & Lee, 2001). The prevalence of materialism in today’s world heavily influence people’s life style and inspire them to develop unhealthy habits such as conspicuous consumption (Park et al, 2001).

Kim (1996), Kim (1996) & Lee et al. (1998) pointed out that those adolescents who receive a large amount of allowance showed a higher tendency of conspicuous consumption. Still, conspicuous consumption by adolescents is positively correlated with household income (Mammen & Whan, 1987; Lee, 1999). On the other hand, Baik (1995) stated that adolescents who think their family is not rich enough were involved in conspicuous consumption as a way of offsetting the feeling of dissatisfaction. Song (1997) and Lee (1999) reported that those with highly educated parents spend more on luxurious.

Seo and Suk (1998) revealed a strong correlation between the size of allowance and conspicuous consumption.

There are other studies that analyzed various types of consumption value or consumption value, which included impulsive purchasing, materialism and rational consumption (Park & Yoon, 2000; Kwon & Lee, 2000; Seo & Lee, 2001).

Based on these studies, there was a significant positive correlation between materialistic value and impulsive purchasing (Song, 1993) or

conspicuous consumption (Seo & Suk, 1998; Paik, 1996). There was no significant relationship between materialistic value and gender, whereas those with lower income showed a higher level of attachment to materialistic values, compared with their counterparts. As they are more materialistic, they tend to develop unhealthy habits such as conspicuous consumption (Park et al, 2001). Those who showed a higher level of attachment to materialistic values have a different lifestyle and spending pattern when compared with their counterparts. And they tend to be more snobbish (Kim & Kim, 2000). There was a strong positive correlation between the level of attachment to materialistic values and age, allowance amount or the levels of household income and household consumption (Seo & Cho, 1997).

Kwon and Rhee (2000) cited age, grade, mother's education level, allowance amount, advertising and influence people (friends, parents and young celebrities) as factors shaping consumption value among adolescents.

It is assumed that adolescents have a different criteria when purchasing and using mobile phones, depending on their spending habits. There has been a few studies dealing with the relationship between teen spending and their purchase and usage of mobile phones.

The purpose of the study was to determine the effects of economic and demographic characteristics and mobile phone usage on motivational attributes of adolescents when making purchases, which are categorized into conspicuous consumption value, brand-oriented consumption value, mental-oriented consumption value and advertising dependent consumption

value. The relationship between consumption value and money management behavior was also investigated.

3. Money Management Behavior For Adolescents

Financial management means the use of financial resources in a bid to achieve anticipated satisfaction.

Chi (1999) said that money management behavior for teens vary with age and allowance amount. Teens in rural areas and female students had better money management skills than their counterparts (Baek, 1990). Money management behavior for adolescents are decided by their knowledge and experience rather than inborn ability (Troelstrup, 1978). Frequent family discussions about finance could improve money management behavior of adolescents (Smith, 1971). Siblings in a family showed fairly similar behavioral aspects for consumption, underscoring the importance of family role in helping children spend their money well (Phelan and Schvaneveldt, 1969).

Based on the literature, there was a significant difference between genders for money management behavior. More female students were doing something as a means of planning and managing their allowance than male students (Min, 1995; Kim, 1996).

Also, adolescents who receive less amount of allowance demonstrated better money management behavior in the same study abovementioned, indicating that giving an appropriate amount of allowance is an important factor in teaching adolescents how money should be spent.

Some adolescents can get involved in criminal behaviors when their financial needs are not fully satisfied (Chi, 1999). Those with more than enough allowance also pose a serious problem associated with reckless spending and easy money, raising the possibility of unhealthy consumption habits. It is therefore important to help adolescents develop a healthy attitude toward managing financial resources. Adolescents whose families openly discuss financial matters showed better money management behavior (Min, 1995; Kim, 1995).

Thus, there are various variables that affect money management behavior among adolescents and the way they manage their allowance can remain throughout their adult lives.

The study aimed to determine the effects consumption value for adolescent consumer on their money management behavior, which are characterized by allowance spending, savings, expenditure payment and tracking of money they spent.

III. Methods and Procedures

1. Research Topics

To determine the relationship between consumption value and their money management behavior, the following topics were investigated:

- 1) How to define consumption value for adolescent consumer?
- 2) How do variables affect consumption value for adolescent consumer?
- 3) What impact do consumption value have on

money management behavior?

- 4) How are variables that affect adolescent' money management behavior correlated?

2. Materials and Data Collection

Junior high school students living in Gyeonggi province were recruited using a purposive sampling method on the basis of age and location. A total of 502 questionnaires were collected during the period from May 10, 2004 through May 20, 2004 and analyzed for the study. The assessment instrument used in the study to measure motivational attributes of teens completed by combining and revising existing instruments developed by Kwon and Rhee (2000), Lee (1998) and Jung (1997). The assessment instrument for money management practices of adolescents was completed by combining and revising existing instruments developed by Hong (2004) and Chi (1999).

3. Scaling Factors and Assessment Methods

Economic and demographical data of subjects included age, grade, monthly allowance, parents' education level, parents' occupation and type of housing. As for mobile phone-related variables, mobile phone usage, mobile phone charges and deciding factors when purchasing a mobile phone were investigated.

Scale of adolescents' consumption value was developing using 13 items and measured on the 5 points Likert's scale, where 1 means 'strongly disagree' and 5 'strongly agree'. Scale of money management practices was developed using 16

items to measure whether they plan prior to spending, whether they put aside part of their allowance for savings, whether they spend money in a rational manner and whether they keep track of consumption. Answers were measured using the 5 points Likert's scale, where 1 means 'strongly disagree' and 5 'strongly agree'.

A SPSS 10.0 program was employed for statistical analysis. Frequencies and percentage scores were utilized to measure economic and demographical data of subjects. Factor analysis was used to uncover dimensions of a set of variables related to adolescents' consumption value. T-test and one-way ANOVA were employed to analyze the difference between the means of consumption value and money management behavior for each variable. The means were compared by Duncun's Multiple Range Test (DMR).

Correlation analysis and multiple regional analysis were performed to determine the degree of relationship between variables affecting money management behavior.

IV. Results and Analysis

1. Economic and Demographic Data

Economic and demographic data of subjects is presented in <Table 1>.

2. Consumption Value for Adolescent Consumer

Consumption value that are most commonly

sought by adolescent consumer were identified using 13 items and appropriateness of variables was verified using factor analysis. Factors with eigenvalues of 1.0 or higher were extracted. Principal Components Analysis was performed to extract factors in a principal factor analysis in an attempt to minimize the number of factors and data loss. Orthogonal Rotation and varimax criteria were performed to rotate the factors. Factor analysis was performed to present 14 items in fewer factors, if possible. As one of these items turned out to be independent, factor analysis was performed again for 13 items.

As presented in <Table 2>, the factor analysis procedures produced four factors that explain consumption value for adolescents consumer. Factor I was labeled "conspicuous consumption value." Factor II was labeled "brand-oriented consumption value." Factor III was labeled "mental-oriented consumption value." Factor IV was labeled "advertising-dependent purchase." The mean value of each item was calculated for each factor, representing the degree of correlation with each lower level factor. The sum of four factors explained 59.8% of total variance. The overall mean of motivational attributes was 2.45. By factor, "brand-oriented consumption value" factor had a mean value of 2.95, which was higher than 2.85 of "conspicuous consumption value" factor, 2.28 of "advertising-dependent consumption value" factor and 1.38 of "mental-oriented consumption value" factor. The high mean value of brand-oriented consumption value factor implies the possibility that teens are much influenced by reference groups or various media.

Cronbach's α was 0.62 for factor I (conspicuous

<Table 1> Economic and Demographic Characteristics

(N=502)

Description		Subset of Respondents	N	%
Economic, Demo- graphic Data	Gender	Male	198	39.44
		Female	236	47.0
	Grade	Junior High School (grade 7)	113	22.5
		Junior High School (grade 8)	141	28.1
		Junior High School (grade 9)	244	48.6
	Monthly Allowance	Less than 10,000 won	105	20.9
		10,000 - less than 30,000	200	39.8
		30,000 - less than 50,000	134	26.7
		50,000 - less than 70,000	29	5.8
		70,000 or more	22	4.4
	Father's Education Level	Junior High School or Lower	40	8
		High School	273	54.4
		College	136	27.1
		Graduate School or Higher	29	5.8
	Mother's Education Level	Junior High School or Lower	39	7.8
		High School	337	67.1
		College	90	17.9
		Graduate School or Higher	12	2.4
	Father's Occupation	Professional, Office, Salary Worker	217	43.2
		Sales/Service. Skilled	228	45.4
		Unskilled, Unemployed, Others	57	11.4
	Mother's Occupation	Professional, Office, Salary Worker	107	21.3
		Sales/service. skilled	131	26.1
Housewife, Unskilled, Unemployed and Others		264	52.6	
Type of Housing	House	94	18.7	
	Villa	106	21.1	
	Apartment	280	55.8	
	Others	16	3.2	
Mobile Phone Related Data	Use of Mobile Phone	Yes	248	49.4
		No	244	48.6
	Mobile Phone Charges	Less than 30,000 won	127	25.3
		30,000 - less than 50,000	72	14.3
		50,000 - less than 70,000	33	6.6
		70,000 - less than 90,000	22	4.4
		90,000 or more	12	2.4

<Table 1> Continue

(N=502)

Description		Subset of Respondents	N	%
Deciding Factors when Purchasing a Mobile Phone		Quality	108	21.5
		Price	51	10.2
		Fashion	31	6.2
		Brand	10	2.0
		Color. Design	116	23.1
		Others	15	3.0

<Table 2> Factor Loadings of Consumption Value for Adolescent Consumer

Description	Factor I (Conspicuous consumption value)	Factor II (Brand-oriented consumption value)	Factor III (Mental-oriented consumption value)	Factor IV (Advertising-dependent consumption value)	h ²
Men can use perfume and accessories, if they like	.7485	.0170	.0167	.0670	.5653
I don't mind spending money to look better	.7162	.0941	-.0142	.2151	.5683
Feel retarded if I don't keep or use trendy goods	.6653	.3168	.0193	.1823	.5767
Friends appreciate my taste when I buy brand products	.6413	.3106	.0327	-.0394	.5104
I have faith in quality of goods sold at well-known department stores	.1290	.8194	-.0968	.1721	.7271
The well-known brands are more reliable	.1885	.8126	-.0345	.0688	.7018
Foreign products are more expensive but have better quality	.1752	.7207	.0396	.1044	.5627
Materialistic affluence is not that important to be happy	-.0126	-.0415	.7554	.1607	.5985
Financial condition is not that important for living	-.0224	-.1101	.7150	.0588	.5273
Highly paid job is not always rewarding	.0138	.1792	.5927	-.4088	.5508
More TV advertising for a product makes me think it has a good quality	.1052	.2205	.0984	.7448	.6242
I have interested in watching advertising because I think advertising guides our consumption choices	.2309	.1229	.0126	.7195	.5863
Eigenvalue	3.7930	1.4646	1.4057	1.1118	
Total Variance	29.1	11.3	10.8	8.6	
Cumulative Variance	29.1	40.4	51.2	59.8	
Mean	2.85	2.95	1.38	2.28	2.45(overall)
Cronbach's α	0.62	0.66	0.78	0.70	0.54(overall)

consumption value), 0.66 for factor II (brand-oriented consumption value), 0.78 for factor III (mental-oriented consumption value) and 0.70 for

factor IV (advertising-dependent consumption value).

3. Consumption Value Based on Economic and Demographic Characteristics

As presented in <Table 3>, the most influential variables are age, grade, monthly allowance, father's education level, use of mobile phone, mobile phone charges and deciding factors when purchasing a mobile phone for Factor I (conspicuous consumption value). In detail, female students are more prone to conspicuous consumption value than male students. And 7th graders showed a higher level of conspicuous consumption value than 8th and 9th graders. Subjects with a larger amount of allowance, highly educated father, a mobile phone or higher mobile phone charges exhibited a higher level of conspicuous consumption value along with those who considered brand the most important factor when purchasing a mobile phone.

The higher level of conspicuous consumption observed in female students is not consistent with the findings of studies of Seo and Suk (1998) and Kim (1995) but consistent with findings of studies of Kim (2003) and Pyun (1997). A positive correlation between the amount of allowance and the level of conspicuous consumption is in agreement with the findings of studies of Cho, (2003), Pyun, (1997) and Kim, (1995).

Father's education level was one of the variables that strengthen children's conspicuous consumption value. The reason for this correlation is due to the fact that those highly educated fathers are more likely to provide a better financial environment for their children and allow their children to buy high-priced goods.

The important variables that affect "brand-oriented consumption value" factor included monthly allowance, father's education level, use of mobile phone, mobile phone charges and deciding factors when purchasing a mobile phone. Subjects with a larger amount of monthly allowance, highly educated parents, a mobile phone or higher mobile phone charges tend to be more brand-oriented shoppers along with those who considered brand to be the most important factor when purchasing a mobile phone, compared with other subjects.

Monthly allowance and mobile phone charges are closely related to "mental-oriented consumption value" factor. There was a negative correlation between "mental-oriented consumption value" and the amount of monthly allowance or mobile phone charges.

Gender and mother's education level have the most significant impact on "advertising-dependent consumption value" factor. Female students and those with a highly educated mother were more dependent on advertising when making purchases.

Advertising plays a major role in marketing and in our daily lives, forging a specific culture of consumption for adolescents (Sung, 1994).

It is therefore necessary for those involved in educating consumers, creating advertisements and operating media outfits to be considerate to deliver advertising that is useful and valuable to the society.

4. Money Management Behavior Among Adolescents

Scale of money management behavior among adolescents was developed using 16 items to

<Table 3> Consumption Value Based on Economic and Demographic Characteristics

Description	Subset of Respondents	Consumption Value							
		Factor I		Factor II		Factor III		Factor IV	
		mean	D ^{a)}	mean	D ^{a)}	mean	D ^{a)}	mean	D ^{a)}
Gender	Male	2.55		2.73		1.33		2.03	
	Female	3.11		2.90		1.34		2.28	
	T-Value	-7.32***		-1.72		-0.36		-2.51*	
Grade	Junior High School (grade 7)	2.54	B	2.80		1.39		2.19	
	Junior High School (grade 8)	3.03	A	2.98		1.36		2.33	
	Junior High School (grade 9)	2.90	A	3.01		1.38		2.29	
	F-Value	10.64***		2.30		0.18		0.83	
Monthly Allowance	Less than 10,000 won	2.60	C	2.84	B	1.40	A	2.16	
	10,000 - less than 30,000	2.74	BC	2.81	B	1.40	A	2.30	
	30,000 - less than 50,000	3.07	AB	3.09	AB	1.39	A	2.31	
	50,000 - less than 70,000	3.32	A	3.36	A	1.35	A	2.58	
	70,000 or more	3.03	AB	3.19	AB	1.16	B	2.20	
	F-value	7.99***		4.52**		2.62*		1.49	
Father's Education Level	Junior High School or Lower	2.59	B	2.61	B	1.38		2.07	
	High School	2.94	A	2.97	A	1.36		2.25	
	College	2.75	AB	3.07	A	1.39		2.37	
	Graduate School or Higher	2.96	A	2.94	A	1.40		2.53	
	F-Value	3.63*		4.08**		0.30		2.55	
Mother's Education Level	Junior High School or Lower	2.64		2.66	B	1.40		2.04	
	High school	2.90		2.97	AB	1.38		2.28	
	College	2.75		3.05	AB	1.35		2.43	
	Graduate School or Higher	3.20		3.13	A	1.41		2.45	
	F-value	2.57		2.85*		0.31		2.66*	
Father's Occupation	Professional, Office, Salary Worker	2.85		2.99		1.34		2.30	
	Sales/Service. Skilled	2.90		2.94		1.40		2.28	
	Unskilled, Unemployed, Others	2.64		2.84		1.41		2.19	
	F-Value	2.13		0.71		1.95		0.36	
Mother's Occupation	Professional, Office, Salary Worker	2.72		2.87		1.33		2.18	
	Sales/Service. Skilled	2.96		2.88		1.37		2.31	
	Housewife, Unskilled, Unemployed and Others	2.85		3.02		1.40		2.30	
	F-Value	2.16		1.51		1.58		0.82	

<Table 3> Continue

Description	Subset of Respondents	Consumption Value							
		Factor I		Factor II		Factor III		Factor IV	
		mean	D ^{a)}	mean	D ^{a)}	mean	D ^{a)}	mean	D ^{a)}
Type of Housing	House	2.79		2.93		1.37		2.16	
	Villa	2.75		2.92		1.42		2.23	
	Apartment	2.91		2.99		1.37		2.35	
	Others	2.95		2.82		1.31		2.34	
	F-Value	1.20		0.37		1.01		1.31	
Use of Mobile Phone	Yes	2.96		2.95		1.34		2.22	
	No	2.51		2.72		1.33		2.11	
	T-Value	5.66***		2.69**		0.34		1.28	
Mobile Phone Charges	Less than 30,000 won	2.72	C	2.86	B	1.39	A	2.25	
	30,000 - less than 50,000	3.11	ABC	3.10	AB	1.39	A	2.22	
	50,000 - less than 70,000	3.27	AB	3.28	AB	1.32	A	2.43	
	70,000 - less than 90,000	3.51	A	3.15	AB	1.33	A	2.65	
	90,000 or more	2.80	BC	3.48	A	1.11	B	2.27	
	F-Value	9.17***		3.97**		2.55*		1.44	
Deciding Factors When Purchasing a Mobile Phone	Quality	2.84	AB	3.03	AB	1.38		2.34	
	Price	2.73	AB	2.89	AB	1.40		2.41	
	Fashion	3.12	A	3.38	A	1.35		2.43	
	Brand	3.17	A	3.40	A	1.30		2.75	
	Color. Design	3.22	A	3.07	AB	1.39		2.35	
	Others	2.57	B	2.62	B	1.35		2.14	
	F-Value	4.51***		2.51*		0.25		0.65	

* Factor I: conspicuous consumption value, Factor II: brand-orient consumption value, Factor III: mental-oriented consumption value, Factor IV: advertising-dependent conspicuous consumption

*p<.05 **p<.01 ***p<.001 D^{a)}: Duncan's Multiple Range Test

measure whether they plan prior to spending, whether they put aside part of their allowance for savings, whether they spend money in a rational manner and whether they keep track of spending. Answers were measured using the 5 points Likert's scale, where 1 means 'strongly disagree' and 5 'strongly agree'. The total score computed from the sum of the 16 items was used as a dependent

variable for the analysis.

1) **Money management behavior based on economic and demographic characteristics**

Money management behavior had the mean value of 3.21, which is greater than the median. Among economic and demographic characteristics,

age, mother’s education level and use of mobile phone had a significant impact on money management skills (Table 4). That is, female students showed a higher level of money management behavior than male students. And subjects with highly educated mother also demonstrated better money management performance than their counterparts.

The higher level of money management performance observed in female subjects is consistent with the findings of earlier studies (Chi, 1999; Kim, 1995; Min, 1995). Since the mother is usually responsible for household consumption and the mother is a primary role model for daughters, female children are likely to pick up healthy money management skills from their mothers.

Still, adolescents learn how to manage money through parents as role models. They mirror what they learn from their parents. And the role of mothers seems more important to pass on healthy money management skills to their children.

2) Effects of Consumption Value on Money Management Behavior

Money management behavior based on the type of consumption value are presented in <Table 5>.

Subjects who had a lower level of “conspicuous consumption” motivation showed better money management performance, compared with their counterparts. Subjects who had a low-and middle-level of “brand-oriented consumption value” motivation manage their allowance more effectively than those with a high level of consumption value. Subjects who had a middle-and high level of “self-centered” motivation

<Table 4> Money Management Behavior Based on Economic and Demographic Characteristics

Description	Subset of Respondents	Money Management Behavior	
		mean	D ^{a)}
Gender	Male	3.03	
	Female	3.25	
	T-Value	-2.99**	
Grade	Junior High School (grade 7)	3.23	
	Junior High School (grade 8)	3.13	
	Junior High School (grade 9)	3.24	
	F-Value	1.35	
Monthly Allowance	Less than 10,000 won	3.28	
	10,000 - less than 30,000	3.22	
	30,000 - less than 50,000	3.15	
	50,000 - less than 70,000	3.33	
	70,000 or more	3.00	
	F-value	1.44	
Father’s Education Level	Junior High School or Lower	3.06	
	High School	3.19	
	College	3.27	
	Graduate School or Higher	3.37	
	F-Value	2.12	
Mother’s Education Level	Junior High School or Lower	3.01	C
	High School	3.19	BC
	College	3.34	AB
	Graduate School or Higher	3.53	A
	F-Value	4.11**	
Father’s Occupation	Professional, Office, Salary Worker	3.26	
	Sales/Service. Skilled	3.19	
	Unskilled, Unemployed, Others	3.08	
	F-Value	2.10	
Mother’s Occupation	Professional, Office, Salary Worker	3.16	
	Sales/Service. Skilled	3.25	
	Housewife, Unskilled, Unemployed and Others	3.20	
	F-Value	0.62	

<Table 4> Continue

Description	Subset of Respondents	Money Management Behavior	
		mean	D ^{a)}
Type of Housing	House	3.24	
	Villa	3.11	
	Apartment	3.23	
	Others	3.24	
	F-Value	1.01	
Use of Mobile Phone	Yes	3.22	
	No	3.02	
	T-Value	3.14**	
Mobile Phone Charges	Less than 30,000 won	3.18	
	30,000 - less than 50,000	3.28	
	50,000 - less than 70,000	3.24	
	70,000 - less than 90,000	3.30	
	90,000 or more	3.36	
	F-value	0.77	
Deciding Factors When Purchasing a Mobile Phone	Quality	3.27	
	Price	3.27	
	Fashion	3.28	
	Brand	3.21	
Purchasing a Mobile Phone	Color. Design	3.23	
	Others	3.02	
	F-Value	0.41	

*p<.05 **p<.01 ***p<.001

D^{a)}: Duncan's Multiple Range Test

demonstrated better money management skills than those with a low level of consumption value. Subjects who had a low-and middle-level of "advertising dependent" consumption value exhibited better performance in money management than those with a high level of consumption value.

Thus conspicuous consumption, brand-oriented consumption and advertising-dependent

<Table 5> Effects of Consumption Value on Money Management Behavior

Description	Subset of Respondents	Money Management Behavior	
		mean	D ^{a)}
Factor I: Conspicuous Consumption Value	High	3.09	B
	Middle	3.21	B
	Low	3.45	A
	F-Value	5.52**	
Factor II: Brand-Oriented Consumption Value	High	2.92	B
	Middle	3.25	A
	Low	3.35	A
	F-Value	11.25***	
Factor III: Mental-Oriented Consumption Value	High	3.35	A
	Middle	3.26	A
	Low	3.11	B
	F-Value	3.15*	
Factor IV: Advertising-Dependent Consumption Value	High	3.14	B
	Middle	3.27	A
	Low	3.36	A
	F-Value	3.11*	

*p<.05 **p<.01 ***p<.001

D^{a)}: Duncan's Multiple Range Test

consumption showed a negative impact on money management behavior. Therefore, effective strategies aimed at teaching adolescents skills with good money management are essential to guide adolescents toward healthful lifestyle.

3) Correlation Between Variables Related to Money Management Behavior

In order to measure the degree of relationship between variables affecting money management behavior, correlation analysis was performed prior to the multiple regression analysis. The correlations between variables suggested that multi-collinearity

is unlikely to be significant because there were no variables with correlation coefficient of 0.5 or higher. Therefore, all variables were used as independent variables in multiple regression analysis. Dummy variables are used for age, monthly allowance, father's education level and mother's education level, father's occupation and mother's occupation, type of housing, use of mobile phone, mobile phone charges and deciding factor when purchasing a mobile phone. Results of a multiple regression analysis is shown in <Table 6>.

Subjects who received allowance less than 10,000 won or the amount between 10,000 and 30,000 won showed better money management behavior than those who received more than 70,000 won. There was a strong negative correlation between "conspicuous consumption value" and money management behavior, whereas a strong positive correlation was found with "mental-oriented consumption value".

The results coincide closely with the findings that students with less amount of allowance and less materialistic value manage their allowance in a more rational manner (Chi, 1999).

It is necessary to inspire adolescents to develop a positive attitude toward money and help them make sure that money can be a means of achieving their goals but not the purpose of life. Adolescents need to learn how to efficiently manage financial resources.

By teaching adolescents the role of money in their life and good money management skills, we can assist them in shaping a healthy attitude toward money and eventually good spending habits.

V. Conclusion and Suggestions

The study aimed to determine consumption value for adolescent consumer and their money management behavior based on economic, demographic data and increased usage of mobile phones. The relationship between consumption value for adolescent consumer and money management behavior was also investigated. The results of the study are summarized as follows.

First, the factor analysis of consumption value for adolescent consumer produced four factors-conspicuous consumption value, brand-oriented consumption value, mental-oriented consumption value and advertising-dependent consumption value. The brand-oriented purchase factor had a higher mean value, followed by conspicuous consumption value, advertising-dependent consumption value and mental-oriented consumption value.

Secondly, age, grade, monthly allowance, father's education level, use of mobile phone, mobile phone charges and deciding factors when purchasing a mobile phone are the most influential variables affecting conspicuous consumption value. In details, female students are more prone to conspicuous mental-oriented consumption value than male students. And seventh graders showed a higher level of conspicuous consumption than 8th and 9th graders. Subjects with a larger amount of allowance, highly educated father, a mobile phone or higher mobile phone charges exhibited a higher level of conspicuous mental-oriented consumption value along with those who considered brand the most important factor when purchasing a mobile phone.

<Table 6> Correlation Between Variables Related to Money Management Behavior

Independent Variable		Dependent Variable	Money Management Behavior
			B(β)
Gender	Male		-0.06(-0.05)
	Grade		0.00(0.01)
Monthly Allowance	Less than 10,000 won		0.44(0.29)**
	10,000-less than 30,000		0.30(0.24)*
	30,000-less than 50,000		0.19(0.14)
	50,000-less than 70,000		0.28(0.11)
Father's Education Level	High School		0.00(0.00)
	College		0.02(0.01)
	Graduate school or higher		-0.11(-0.09)
Mother's Education Level	High School		0.01(0.00)
	College		0.00(0.00)
	Graduate School or Higher		0.00(0.00)
Father's Occupation	Professional, Office, Salary Worker		0.14(0.11)
	Sales/Service, Skilled		0.07(0.06)
Mother's Occupation	Professional, Office, Salary Worker		-0.04(-0.03)
	Sales/Service, Skilled		0.04(0.03)
Type of Housing	House		-0.02(-0.01)
	Villa		-0.13(-0.08)
	Apartment		-0.05(-0.04)
Use of Mobile Phone	No		-0.13(-0.10)
Mobile Phone Charges	Less than 30,000 won		-0.04(-0.03)
	30,000-less than 50,000		-0.03(-0.02)
	50,000-less than 70,000		-0.01(-0.00)
	70,000-less than 90,000		-0.05(-0.02)
Deciding Factors when Purchasing a Mobile Phone	Quality		0.00(0.00)
	Price		0.01(0.00)
	Fashion		0.04(0.01)
	Brand		-0.08(-0.01)
	Color. Design		-0.04(-0.03)
Consumption Value	Factor I(Conspicuous Consumption Value)		-0.11(-0.16)**
	Factor II(Brand-Oriented Consumption Value)		0.11(0.15)
	Factor III(Mental-Oriented Consumption Value)		0.09(0.05)**
	Factor IV (Advertising-Dependent Consumption Value)		-0.00(-0.01)
Constant			2.54***
R ²			0.14
F-value			2.37

*p<.05 **p<.01 ***p<.001

*Standard: Gender(Female), Monthly allowance (70,000 or more), Father's education level (Junior high school or lower), Father's education level (Junior high school or lower), Father's occupation (Unskilled, unemployed, others), Mother's occupation (Housewife, Unskilled unemployed and others), Type of housing (others), Use of mobile phone (Yes), Mobile phone charges (90,000 or more), Deciding factors when purchasing a mobile phone (others)

The important variables that affect brand-oriented consumption value included monthly allowance, father's education level, use of mobile phone, mobile phone charges and deciding factors when purchasing a mobile phone. Subjects with a larger amount of monthly allowance, highly educated parents, a mobile phone or higher mobile phone charges tend to be more brand-oriented shoppers along with those who considered brand to be the most important factor when purchasing a mobile phone, compared with other subjects.

Monthly allowance and mobile phone charges are closely related to mental-oriented consumption value. There was a negative correlation between mental-oriented consumption value and the amount of monthly allowance or mobile phone charges.

Gender and mother's education level have the most significant impact on advertising-dependent consumption value. Female students and those with a highly educated mother were more advertising-dependent consumption value.

Thirdly, subjects who had a lower level of conspicuous consumption value showed better money management performance, compared with their counterparts. Subjects who had a low- and middle level of brand-oriented consumption value manage their allowance more effectively than those with a high level of brand-oriented consumption value. Subjects who had a middle- and high level of mental-oriented consumption value demonstrated better money management skills than those with a low level of mental-oriented consumption value. Subjects who had a low- and middle-level of advertising-dependent consumption value exhibited better performance in

money management than those with a high level of advertising-dependent consumption value.

Lastly, subjects who received allowance less than 10,000 won or the amount between 10,000 and 30,000 won showed better money management performance than those who received more than 70,000 won. Thus money management behavior was negatively correlated with the amount of allowance. There was a strong negative correlation between conspicuous consumption value and money management behavior, whereas a strong positive correlation was found with mental-oriented consumption value.

Based on the results, the following conclusion and suggestions can be drawn.

First, the higher mean score of brand-oriented consumption value reflects the likelihood that subjects like to show off by purchasing name brand goods or high-priced items. Effective education programs are required to help students build healthy spending habits.

Secondly, subjects who received a larger amount of allowance were more motivated to be brand-oriented or engaged in conspicuous consumption value. It is likely that those students follow the examples set by their parents in the upper class of society. Family plays a critical role in establishing healthy spending habits for adolescents. Any education programs could be more effective, if they are used for family members of students as well.

Thus those subjects with a larger amount of allowance have a tendency of favoring famous brands, high-priced and imported goods while their counterparts showed the opposite tendency.

Given a low level of money management

performance among male students, they particularly need to be taught about money management skills.

Thirdly, adolescents tend to replace their mobile phone with the latest model on average frequency of one and half years, despite an expensive price tag of the new phone (Korea Consumer Protection Board, 2004). It is imminently necessary to instill students with health and safety issues related to mobile phone usage.

Lastly, when adolescents develop healthy consumption value, their skills with money management will be also improved.

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