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AN ANALYSIS OF MONEY ACQUISITION AND USAGE AMONG PRE-ADOLESCENT CHILDREN

A Thesis

Presented for the

Master of Science

Degree

The University of Tennessee, Knoxville

Amy Joan Judd Fellhoelter

May 1990

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ABSTRACT

Current information indicates that children today have a large discretionary income. This research attempts to analyze the sources of pre-adolescent children's income and their utilization of this income. Furthermore, an attempt was made to determine if differences existed in money acquisition and usage among pre-adolescent children based on age, grade in school, sex, rural or urban place of residence, enrollment or non-enrollment in a 4-H Money Management project, and socio-economic status. Data for 134 children from eight Tennessee counties were analyzed.

Results indicated that older children received more money from parents each week that was not part of an allowance, and use babysitting, odd jobs at home, and odd jobs away from home as sources of income. They received more money from sources of income other than parents, had more money to spend as they chose, were more likely to have a savings account at a bank, and spent more money each week for activities such as concerts, sports contests, skating, movies, or bowling, and for church-related activities. Similar results were found for grade in school. Females were more likely to identify babysitting, gifts from family members, gifts from friends, and housework at home as a source of income.

Males were more likely to identify odd jobs away from home, farm chores away from home, and yardwork away from home as a source of income. Males were also more likely to use their own money for fun activities, save a higher amount of money, and spend more for games, game machines in stores, and home video games, as well as sports or exercise equipment.

Children from rural counties were more likely to spend money for cameras, computers, radios, televisions, vcr's, and similar items, as well as hair care products, haircuts, make-up, and other grooming expenses. Those enrolled in the 4-H Management project reported receiving more money from parents each week that was not part of an allowance, and were spent more for church-related activities. Children from higher and mid-level professional socio-economic backgrounds were more likely to have a savings account at a bank, more likely to borrow money, and spent more on jewelry each week than children from lower-level professionals and skilled laborer socio-economic backgrounds and unskilled laborer and welfare dependent socio-economic backgrounds.

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CHAPTER I

INTRODUCTION

In today's society there is a growing concern about the amount of money being spent by children. This concern can be attributed at least in part to some of the societal trends that have altered the way consumers utilize their monetary resources.

Many consumers in today's society are no longer following historical family budgeting practices. Children who are a part of dual-earner or single, female headed households may assume consumer roles that are very different from their counterparts of the past. Many take responsibility for family errands such as grocery shopping, and may influence family decisions about major purchases such as automobiles and high-technology electronic devices.

The study of money usage among children is an issue about which surprisingly little has been written. Areas of study which have not been thoroughly explored are sources of and allocation of money among children. Professionals in both academic and applied fields as varied as consumer education, consumer affairs, sociology, home economics, marketing, advertising, and government are

understandably interested in determining how children obtain and/or utilize resources, as well as the amount of money these children are actually spending.

The increased interest in the consumer behavior of children may stem from the large amount of money that is being spent by them in the marketplace. Children spent approximately $30 billion of their own money and an estimated $40 billion of the family's budget in 1987 (Graham,1988). Such figures lead one to question the consumer socialization of these children in terms of whether they are making educated purchasing decisions.

CHAPTER II

REVIEW OF RELATED LITERATURE

An examination was made of professional writings and journals that discuss the consumer behavior of children. Related literature was organized according to these headings:

a. Societal Trends and Influences Affecting Consumer Behavior of Children
b. Sources of Income for Children
c. Monetary Handling Practices of Children
d. Children as a Market
e. Effective Consumer Education
f. Social Implications Related to Resource Utilization

Societal Trends and Influences Affecting Utilization of Resources by Youth

As the baby boom generation, born between the end of World War II through 1964, moves through the adult stages of development, the population of children in the United States is declining. The number of children has declined by six million since 1975 (Trachtenberg, 1986). McNeal predicts that this number will increase by ten percent by

the year 2000, as baby boomers themselves begin families. The child/youth market is expected to remain at 25% of the total market through the beginning of the next century (Samli and Zimmer, 1981). As the number of children per household decreases, however, the amount of discretionary income youth have to spend will continue to increase (McNeal,1987).

Although the population totals for youth may not equal those of baby boom days, the amount of money they are spending far surpasses that of previous generations (Hauser, 1986.) In the United States, children are currently spending $30 billion worth of discretionary income. Beyond this, $40 billion of family expenditures are thought to be impacted by the youth market, as more and more youth are being called upon to do the family shopping and/or to add input regarding the purchase of technological products such as VCR's and stereos.

Many researchers (Eskin,1988; McNeal, 1987; Trachtenberg, 1986; Graham, 1988a; and Scholastic Update, 1988) have reported similar figures to those listed above for children's expenditures. Several trends may be related to the increase in children's discretionary income. An increase in the number of mothers who work has made it necessary for youth to assume certain household chores previously done by parents (Graham, 1982a; McNeal,

Trachtenberg, Cogle and Tasker, 1982;). Thus, many youth are assuming the task of shopping for the family.

The recent trend towards instant gratification has also affected the consumer behavior of youth. Young people are no longer encouraged to save their money. Trachtenberg's writings (1986) reflect that children are very disciplined about obtaining money, but are likely to spend it rather than save it. McNeal's (1987) writings mirror this sentiment, as he found parents no longer give money to their children for the purpose of saving. Children are expected, instead, to spend this unending reserve of discretionary income. The figures McNeal uses reflect the average income of children aged 4-12. He found that of the average $157.56 per year these children report as discretionary income, they spend $141.44 and save only $16.12. These expenditures do not include the amounts spent on school lunches, supplies, etc., and thus support his thought that children today spend based on the premise of self-gratification.

The socio-economic status of youth also plays a key role in determining their consumer behavior patterns. Lower and middle class youth have a higher discretionary income until they reach the age of twelve. After this, upper class youth have a slight edge, both in the amount of discretionary income and the amount they save (McNeal,

1987). Similar findings were also found by Ward, Wackman, and Wartella (1981). Socio-economic status is also a concern due to the increasing number of families headed by single females. A sharp drop in the socio-economic status of such families following a divorce is noted by Corcoran, Duncan, and Hill (1984). Children who had a large discretionery income may suddenly be forced to accept a lower standard of living.

Sources of Income

In McNeal's extensive study of children as consumers, he found about half of their discretionary income comes from an allowance. The other half comes through gifts from parents and relatives and payment for household chores and odd jobs.

Heinzerling and Chandler (1989) investigated sources of income in their study of 296 children aged 10 to 14 from rural and suburban neighborhoods in Ohio. They reported that 73% of the participants in their study received allowances. Of those, 56% received their allowances once a week, sixteen percent received their allowances bi-weekly, and 6.4% received their allowances once a month. Eighty-eight percent of those received their allowance in conjunction with chores. Heinzerling

and Chandler's findings reported that boys were more likely than girls to receive an allowance.

According to Heinzerling and Chadler (1989), 49% of their subjects also earned additional income through alternative sources. Odd jobs such as snow shoveling, yard work, babysitting, and paper routes were means through which additional income was obtained. These odd jobs often reflect sex-role stereo-typing, as boys more frequently did yard work and maintenance activities and girls usually earned money through babysitting. Boys also gained income from odd jobs more frequently than did girls. More than three-fourths of the participants borrowed money from parents and siblings. A similar study by Hollinger, Rapp, and Goldsmith (1986) found 60% of their sixth grade sample received an allowance, with girls more likely than boys to receive an allowance.

Monetary Handling Practices of Youth

Due to the large amount of discretionary income youth have, it is important that they develop solid monetary handling practices. This can be accomplished through providing them with hands-on experience in handling money on a daily basis. Data from an early survey by Marshall and Magruder (1960) supported the following

recommendations that child development and money specialists often advocate:

1. If children are given experience in the use of money, they will have more knowledge about it.
2. Children will have more knowledge of money use if they are given money to spend.
3. Children will have more knowledge of the use of money if they save money.
4. Children will have more knowledge of and experience with money if parents handle the family's income wisely.

Heinzerling and Chadler (1989) found that three-fourths of teenagers used the money management practice of borrowing from parents, siblings, other relatives, teachers, and peers. Eighty-two percent reported that they saved money. Eighty-nine percent reported that their savings are kept at home. Fifty-five percent of their survey population had a savings account. A higher percentage of ten and eleven year olds maintained a savings account than any other age group. Less than one-third of participants prepared a budget and even fewer actually used a budget.

McNeal's (1987) research found only one-half of the youth polled who save part of their income kept their savings in an account (including bonds). The others kept

theirs in some other "safe" place at home, such as a piggy bank. He also found that the percentage of income saved was highest among ten year olds, after which the percentage of income saved declined.

Greenberger, Steinberg, Vaux, and McAuliffe (1980) indicated that those who work are more likely to have checking accounts, savings accounts, and charge cards. They are more likely to pay for items that were previously purchased by parents, and often saved to purchase items, such as cars and stereo equipment that parents did not purchase for them. Hollinger, Rapp, and Goldsmith (1986) also found that those who earn their own money are different in their savings practices. Eskin revealed that 72% of the twelve to nineteen year olds surveyed had their own savings account, while 15% had their own checking account, and 12% had access to credit cards. Furthermore, 15% owned stocks and bonds and they saved an average of $11.62 of their average weekly allowance of $26.37.

Children as a Market

According to McNeal, as well as Heinzerling and Chandler, there is little research available about the child/youth market. They agree there is little information about how much money children have to spend, how they use their money, their knowledge of money

management concepts and their feelings about money and its management. McNeal notes most research in this area was generated in the era of the fifties and the sixties. Shopping patterns include not only the products purchased by children in the market, but also where they shop and with whom. Heinzerling and Chandler reported 57% of the children they surveyed shopped at discount stores, 48% shopped at specialty stores, 47% shopped at department stores, 43% shopped at drug stores, and about 1/3 shopped at novelty, convenience, and/or grocery stores. Fifty-nine percent of their respondents shopped regularly with their parents, 25% shopped with friends, 9% shopped alone, and 7% shopped with siblings.

Heinzerling and Chandler found 45% of their survey population spent money for clothing, 43% for food snacks, 42% for records and tapes, 41% for gifts, and 30% for hobbies, movies, books, magazines, skating, and/or arcades. Age is a relevant factor in the amount spent on clothing. Eighty-three percent of the fourteen year olds spent money on clothing, as compared to 32% of the ten year olds. Girls spent more on clothing, jewelry, and cosmetics, while boys spent more on sports equipment and arcade/video games. Children who received an allowance were more likely to purchase books and magazines.

McNeal, reporting from a marketer's perspective, discovered that children as a market spend the following amounts on various products annually:

snacks and sweets	$ 1,440,600,000
toys/games/crafts	1,104,100,000
fun machines	765,900,000
movies and sports	771,200,000
gifts	262,300,000
clothing	40,000,000

He also reported that other miscellaneous categories accounted for products purchased by children.

Teens across the country are currently spending more hours in shopping malls (Graham, 1988b). Hollinger, Rapp and Goldsmith (1986) found most children do not keep a record of their expenditures. They also found no significant differences in the consumer spending habits of those who received an allowance, those who did not, those who earned their money, and boys versus girls. Their survey found skating and records were the largest items of expenditure.

Effective Consumer Education

Based on research by Anderson and McNeal (1981), some of the concerns parents have about children making knowledgeable purchasing decisions may be justified. Their

research indicated that children perceive problems in making a specific purchase decision at the point of purchase because of difficulty in 1) ascertaining product quality, 2) trying out products before buying, 3) relating price to a product's worth, and 4) determining the total price. Children reported they often did not have enough money to purchase the desired product because of poor information, poor planning, or because of variations in quality that resulted in them being unable to afford the preferred brand. They were concerned about product performance and adult approval of their purchase and their purchasing abilities. Furthermore, many expected to be "ripped off" or misled by stores, packaging, advertising, and sales people.

McNeal chose to see consumer education as an ongoing process. He proposed that consumer practices are learned through observation, participation and intentional instruction. Consumer education, according to McNeal, is the responsibility of educators, parents, and businesses. He defined the process of consumer socialization as the process by which individuals acquire the knowledge, skills, and dispositions that enable them to participate as more or less effective members of groups and the society. Moschis and Churchill (1978) defined this process more specifically as the process by which young

people develop consumer-related skills, knowledge, and attitudes. They mentioned several groups who are interested in how children acquire such socialization, including public policy-makers, marketers, educators, and students of socialization and consumer behavior. Ward (1974) added that these skills, knowledge, and attitudes are relevant to their functioning in the marketplace.

Samli and Zimmer (1981) see consumer behavior as a second order consequence of fundamental aspects of social learning. Such behavior results from learning new roles, through which children acquire attitudes, knowledge, and values that affect their roles as consumers.

Gruenberg and Krech (1958) report that a child learns about money by being free to make choices, decisions, and mistakes of his/her own. Thus, it is necessary to expose the child to purchasing experiences where they have their own money and are free to spend it as they choose. Marshall and Magruder (1960) found a basis for this assumption, but did not find evidence to support the practice of giving an allowance.

Social Implications Related to Resource Utilization

Learning effective money management practices is a developmental task that all individuals must master. Samli and Zimmer (1981) report seven cultural factors that

influence children's buying behaviors. These include family, peers, marketing, outside adults, community members, teachers, and community organizations. They stress that children learn the consumer role through actual participation, observation, and training.

McNeal's definition of consumer socialization requires that educators, parents, and marketers all cooperate to socialize children as consumers. He based his assumptions on self-gratification and self-sufficiency theories, but emphasizes that his ideas fit socialization, social interaction, developmental, information processing, demographics, and situational variables, as well.

Samli and Zimmer conclude that through learning new roles, children acquire various attitudes, knowledge, and values that affect their roles as consumers. Consumer behavior through their eyes is a second order consequence of the fundamental aspects of social learning.

A recurring question researchers have been asking is what are the implications stemming from children participating in the economy through jobs. Some have questioned whether positive social outcomes were related to employment. Steinberg, Greenberger, Jacobi, and Garduque (1981) found that the development of social understanding through work is related to the cognitive behavioral demands of the workplace and work specific

patterns of rewards and punishments that encourage socially competent behavior.

Summary

Several themes arise from an examination of the literature surveying money management practices of youth. Children as consumers have not been studied extensively, and thus, new information is needed to support current data, as well as to broaden knowledge in this area. Determining the how youth obtain their income and how they utilize this income are issues which bear further examination.

The lack of data examining age, gender, rural/urban residence, and socio-economic status and their relationship to the development of resource management practices among youth supports the need to examine these variables. An examination of these variables would help reveal patterns educators and others should be aware of when dealing with money and youth. Differences that exist among children based on these traits will serve as a basis for explaining the phenomenon of the child consumer, and will benefit all who are interested in children whether from a parent's, educator's, or marketer's perspective.

CHAPTER III

STATEMENT OF THE PROBLEM

The purpose of this study was to identify (1)the sources of, (2) the amount of, and (3) the usage of money among children aged nine to fourteen. Children in this age group will be referred to as pre-adolescent. Additionally, an attempt was made to determine if differences existed relative to these areas based on the age, grade, sex, rural or urban place of residence, enrollment in a 4-H money management project, and socio-economic status of the children. Furthermore, this study is an attempt to provide baseline data for Cooperative Extension personnel who will be developing money management curricula for children in this age group.

Questions to be Addressed

In this study the following questions were addressed:

1. What are the primary sources of pre-adolescent children's income?
2. Are there differences in how pre-adolescent children obtain and use money based on their age?

3. Are there differences in how pre-adolescent children obtain and use money based on their grade in school?
4. Are there differences in how pre-adolescent children obtain and use money based on sex?
5. Are there differences in how pre-adolescent children obtain and use money based on rural or urban place of residence?
6. Are there differences in how pre-adolescent children obtain and use money based on their enrollment or non-enrollment in a 4-H money Management Project?
7. Are there differences in how pre-adolescent children obtain and use money based on their socio-economic status?

CHAPTER IV

METHODS AND PROCEDURES

This study was designed to describe differences in money utilization practices among children aged nine to fourteen based on age, grade, sex, rural or urban place of residence, enrollment in a 4-H money management project, and socio-economic status. The sample was obtained from 4-H Club members from Cannon, DeKalb, Hancock, Knox, Loudon, Roane, and White counties in the State of Tennessee.

The procedures are presented in this chapter under the following headings:

a) Sample

b) Instrumentation

c) Data collection

d) Data analysis

Sample

Participants in the study included a total of 185 4-H Club members in the State of Tennessee who attended 4-H Club camps in their respective districts during the summer of 1989. In order to maintain a more homogeneous sample, the surveys of any non-whites were deleted, as there were not enough non-white participants to make valid

comparisons of children from other racial groups. Of the 185 surveys filled out by 4-H Club members, 134 were used.

The structure of the Tennessee 4-H program is such that the 4-H members are representative of the general Tennessee youth population. The 4-H Clubs in Tennessee counties meet monthly as part of the students regular school day. All children who are in the classroom are usually enrolled in 4-H.

Survey participants included 93 (69%) fourth, fifth, and sixth graders and 41 (31%) seventh, eighth, and ninth graders. Of the 134 survey participants, 69 (52%) were nine, ten, or eleven years old and 65 (49%) were twelve, thirteen, or fourteen years old. Forty-seven (35%) were male and 86 (64%) were female. One subject did not identify his or her sex. Rural or urban place of residence was determined based upon the characteristics of the county each participant was from. Thirty-four (25%) were from an urban place of residence and 99 (74%) were from a rural place of residence. One subject did not identify his or her place of residence. Thirty-three (25%) were enrolled in the 4-H money management project and 101 (75%) were not enrolled in the project.

Socio-economic status was classified as Level 1 (middle level to high level professionals) families, Level 2 families (skilled labor to lower level professionals)

and Level 3 families (welfare dependent to unskilled labor). Eighty-six (54%) were identified as being from Level 1 families. Thirty-two subjects (24%) came from Level 2 families. Sixteen (12%) came from Level 3 families.

Instrumentation

The instrument (Appendix A) was a three-page pencil-paper survey consisting of fifty-six forced choice questions. The survey was developed to examine children's sources of income, the amount of money they have to spend, and the money management practices they use. It was a modified version of one developed by Heinzerling and Chandler (1988). Although the Heinzerling and Chandler instrument was field tested, reliability and validity data for the instrument were not availible.

The first seven questions asked for demographic information. The next section of the questionnaire was used to determine sources of money for children and how much money children have to spend. The third section of the questionnaire asked questions about money management practices such as maintaining a savings account and using a budget. The final section of the questionnaire asked the children how much money they usually spend for particular items, activities, or services during a week.

The survey was field-tested with 53 seventh, eighth, and ninth graders from four Tennessee counties and 13 fourth, fifth, and sixth graders from one Tennessee county. After field-testing, the survey was again modified to accommodate lower reading levels.

Parents were also given a short questionnaire (Appendix B) in conjunction with the parental consent form (Appendix C). This questionnaire asked for information about the occupation and educational levels of the parents in order to establish the socio-economic status of the family. Hollingshead's (1976) four factor socio-economic indicator was used to determine the socio-economic status of the family. The Hollingshead instrument used the educational level and the occupation of the parents to compute a socio-economic score that fit in a certain category. For the purpose of running chi-square analysis, however, his original groupings were pooled, resulting in the three levels mentioned on page 20.

Data Collection Procedures

Permission to conduct the study was obtained from the University of Tennessee Agricultural Extension Service by Etta Mae Westbrook, Family Economics Extension Specialist. In order to meet requirements by the University of Tennessee regarding research involving human subjects, the

research proposal was submitted to and approved by the Committee on Research Participation. The letter of approval from the committee is included in Appendix B.

The 4-H summer camps for eight counties in Tennessee were chosen as the sites for data collection. The participating counties were chosen to insure a cross-section of both rural and urban children. The 4-H agents in these counties were contacted by phone to discuss the purpose and procedures to be followed. A follow-up mailing was sent to confirm the phone conversation.

The informed consent letter (Appendix B) and short questionnaire (Appendix C) used to determine the socio-economic status of the child's family were mailed to parents or guardians of the 4-H Club members. These forms were filled out by parents and returned to the 4-H agent when the child left to go to 4-H camp. The agent placed them in an envelope and gave them to the researcher upon her arrival at camp. After matching the proper participant with his/her socio-economic data, the sheets listing the names of the parents and children were removed by the researcher to insure confidentiality of participants.

The surveys of the 4-H members were administered after the child's arrival at camp, during the time established by the camp director. The surveys were administered by

the researcher, 4-H agents and volunteer leaders from each county involved in the survey. Each agent or leader who assisted was given an hour long training session by the researcher to educate them about the proper administration of research surveys. A script (Appendix D) was developed by the researcher to be used by those who assisted. The script included information relevant to the child's rights to decline participation and other directions for the survey participants to follow. A consent form (Appendix E) was signed by the 4-H member stating his or her agreement to participate based on these conditions read to him or her from the script before beginning the survey.

Data Analysis

The information received from the questionnaires was transferred to computer scan forms by the researcher. The scan forms were processed by the University of Tennessee's State Testing Facility. If a question was not answered by every participant, the analysis of data was done based on the total number of responses for the question.

A Pearson Correlation Co-efficient matrix was determined for the six independent variables listed above. Descriptive statistics were calculated for each of the items on the questionnaire. These statistics were used to run cross-tabulations with the variables of interest,

specifically, age, grade, sex, rural or urban place of residence, enrollment in a 4-H management project, and socio-economic status. Chi-square statistics were calculated from these cross-tabulations to determine if differences existed among the six sets of groups. The level of significance was set at .05. Each chi-square value was examined for significance, and significant chi-squares are recorded in Chapter V.

CHAPTER V

RESULTS

The results of this project offer important information for anyone who deals with children as consumers, whether they be parents, child educators, consumer educators, marketers, or anyone else who influences a child's monetary habits. Thus, it is important to define the monetary sources and management practices of children.

The data analysis results are organized into three groupings. Results for the Pearson Correlation Coefficients are reported first. Descriptive data are found under the second heading and chi-square analysis results are grouped under the third heading.

Pearson Correlation Coefficients

Pearson Correlation Coefficients were computed for the six variables of interest in order to determine if the answers for these variables were similar. A high correlation between two variables would make it necessary to examine only one of the variables.

An examination of the Pearson Correlation Coefficients reveals that grade and age had significant coefficient

(.65). However, because the correlation was not perfect, both variables were examined. Enrollment in the 4-H Management project and grade, and enrollment in the 4-H Management project and rural or urban place of residence also had significant negative coefficients (-.29 and -.20, respectively.) However, none of these variables had perfect correlations, so again each variable was examined separately. Table 5.1 lists the Pearson Correlation Coefficients and their significance.

Descriptive Data

The descriptive data are organized by the following categories: 1) Parental sources of income, 2) Other sources of income, 3) Amount of children's income, 4) Necessary expenses, 5) Money management habits, and 6) Spending patterns. In order to maintain the necessary five cases per cell required for the analysis of data using chi-square, it was necessary to pool some of the original response categories. Thus, frequency responses are reported using the data for these revised categories.

Sources of Income. Children were found to have several sources of income. However, parents were found to be the major source. Table 5.2 shows that 62% of the children received an allowance, and 52% of the children

Table 5.1 Pearson Correlation Coefficients for Age, Grade, Sex, Rural or Urban Place of Residence, Enrollment in the 4-H Management Project, and Socio-Economic Status

	Age	Grade	Sex	Rural or Urban Place of Residence	Enrollment in the 4-H Management Project	Socio-Economic Status
Age	1.00 134 p= .	0.65 134 p= .00	0.09 133 p= .14	-0.02 133 p= .40	-0.10 134 p= .12	-0.08 134 p= .17
Grade	0.65 134 p= .00	1.0 134 p= .	0.08 133 p= .17	0.01 133 p= .05	-0.30 134 p= .00	-0.03 134 p= .37
Sex	0.094 133 p= .14	0.08 133 p= .17	1.00 133 p= .	-0.04 132 p= .32	-0.10 133 p= .013	-0.12 133 p= .08
Rural or Urban Place of Residence	-0.02 133 p= .40	0.01 133 p= .46	-0.04 132 p= .32	1.00 133 p= .	-0.21 133 p= .01	0.04 133 p= .03
Enrollment in the 4-H Management Project	-0.08 134 p= .12	-0.30 134 p= .30	-0.10 133 p= .13	-0.21 133 p= .01	1.00 134 p= .	-0.01 134 p= .47
Socio-Economic Status	-0.08 134 p= .17	-0.28 134 p= .37	-0.12 133 p= .08	0.04 133 p= .30	-0.01 134 p= .47	1.00 134 p= .

KEY: COEFFICIENT/
CASES/
1 - TAILED SIGNIFICANCE
"." IS PRINTED IF A COEFFICIENT CANNOT BE COMPUTED

Table 5.2 Parental Sources of Income

Question	n (134)	Percent
How often do you get an allowance?		
Do not receive an allowance	51	38
One or more times each week	60	45
Every 2 weeks to once a week	28	17
Do you receive money each week that is not part of an allowance?		
Do not receive any	45	34
Do receive some amount	89	66
Is the money you receive for your allowance connected to doing chores?		
Yes	70	52
No	62	46
Did not reply	2	2
Is money that you receive from parents which is not part of an allowance connected to doing chores?		
Yes	49	37
No	83	62
Did not reply	2	2

received their allowance in connection with doing chores. Some children were given money from their parents each week that was not an allowance. Two-thirds of the children (66%) answered that they received money from their parents each week that was not an allowance, and 70% 37% indicated that these monies were in connection with doing chores

Another source of income for children included money earned from performing certain tasks or services for others. Those sources which more than 40% of the respondents used as a source of income included gifts from family members, gifts from friends, housework at home, odd jobs at home, yard work at home and sources other than those included on the survey. Sources of income used by 20 - 40% of the respondents included babysitting, an individual's 4-H project, odd jobs away from home and yard work away from home. Sources of income used by fewer than 20% of the subject included farm chores at home, farm chores away from home, housework away from home, and a paper route. Table 5.3 summarizes the usage of these sources of income by children.

Amount of Children's Disposable Income. McNeal (1987) and Heinzerling and Chandler (1988) maintain children's income is chiefly disposable. Children have no real

Table 5.3 Other Sources of Income

Question	n (134)	Percent
Do you receive money from any of the following sources:		
Babysitting		
Yes	35	26
No	99	74
Farm Chores at Home		
Yes	19	14
No	115	86
Farm Chores away from Home		
Yes	12	9
No	122	91
4-H Project		
Yes	34	25
No	100	75
Gifts from Family Members		
Yes	93	69
No	41	31
Gifts from Friends		
Yes	70	52
No	64	48
Housework at Home		
Yes	77	58
No	57	42

Table 5.3 Other Sources of Income (Continued)

Question	n (134)	Percent
Do you receive money from any of the following sources:		
Housework away from Home		
Yes	25	19
No	108	81
Odd Jobs at Home		
Yes	64	48
No	70	52
Odd Jobs away from Home		
Yes	33	25
No	101	75
Paper Route		
Yes	5	4
No	129	96
Yard Work at Home		
Yes	65	49
No	69	51
Yard Work away from Home		
Yes	29	22
No	105	78
Other		
Yes	59	44
No	75	56

expenses, since parents and guardians assume the living expenses for the child. Thus, the child is usually free to spend his or her money for whatever he or she wants to spend it on. Determining how much money children have to spend involves determining how much money the child receives from his or her parents plus any other sources. Although the construction of the survey did not allow the researcher to combine all sources for each individual to determine a specific amount, the amount that children receive from different income sources was explored. Table 5.4 summarizes the money children have to spend.

Of those receiving an allowance, 34% reported their receiving an allowance of $5.00 or less, while 28% listed an allowance of $5.01 or more. Nearly one-third of the subjects (32%) received $5.00 or less from their parents each week that was not part of an allowance. Around 22% of the children received $5.01 to $15.00 each week that was not part of an allowance and 12% received more than $15.00 each week that was not part of an allowance.

The amount of money children received from additional sources also varied. Nearly half (45%) received $15.00 or less each month, while the other half (55%) received more than $15.00 each month from these other sources.

Half of the children (50%) had $5.00 or less to spend each week for whatever they chose. Of the other 50%, 27%

Table 5.4 Amount of Children's Income

Question	n (134)	Percent
How much do you receive for an allowance?		
Do not get any	51	38
$5.00 or less	46	34
$5.01 or more	37	28
How much money do you receive from parents each week that is not part of an allowance?		
Do not get any	45	34
$5.00 or less	43	32
$5.01 to $15.00	29	22
$15.01 or more	17	12
How much money do you receive monthly from sources including babysitting, farm chores, 4-H project, gifts, housework, odd jobs, paper routes, yard word, and other miscellaneous sources?		
Do not receive any	15	11
$5.00 or less	20	15
$5.01 to $15.00	26	19
$15.01 or more	73	55
How much money do you have each week to spend for whatever you wish?		
$5.00 or less	67	50
$5.01 to $10.00	36	27
$10.00 or more	31	23

had $5.01 to $10.00 to spend and 23% had $10.00 or more to spend.

Necessary Expenses. Many people feel that children who receive money should then assume the cost of some of their regular daily expenses. Thus, children were asked if they usually used their own money to pay for church activities, clothing, fun activities, school lunches, and school supplies. Table 5.5 lists the necessary expenses that the children incurred regularly. A little more than 25% of the children reported using their own money for church activities, one-fourth of the children used their own money regularly for clothing, and more than half spent their own money for fun activities. Some of the children (16%) paid for their own school lunches and nearly one-third paid for their own school supplies.

Money Management Habits. Children are often responsible for managing their money however they choose. Survey participants were asked to identify the money management practices they used. Many of the children (81%) indicated that they saved money each week for later usage. Two-thirds had a savings account at a bank, and 15% had a checking account. Only 5% of the subjects had a credit card in their own name, and only 7% were allowed to

Table 5.5 Money Managemment Practices - Normal Expenses

Question	n (134)	Percent
Do you use your own money to pay for church activities?		
Yes	37	28
No	97	72
Do you use your own money to pay for clothing?		
Yes	33	25
No	101	75
Do you use your own money to pay for fun activities?		
Yes	74	55
No	60	45
Do you use your own money to pay for school lunches?		
Yes	21	16
No	113	84
Do you use your own money to pay for school supplies?		
Yes	38	29
No	96	72

use a parent's credit card. While two-thirds of the children replied that they borrowed money from others, 76% said they sometimes lend money to others. Only about a fourth of the children had a budget or plan for spending. Table 5.6 lists the money management practices reported by the subjects.

Spending Patterns. Spending is also a part of money management behaviors. The children in the survey were asked how much of their own money they spent for specific items, services, or activities each week. Many of the categories for spending patterns were pooled to allow usage of chi-square analysis. Therefore some of the responses indicate only that the child did or did not purchase the item.

During an average school week, 58% of the children spent money for activities such as concerts, sports contests, skating, movies, or bowling. More than half also spent money weekly for books and magazines, while only one-fourth said they purchased cameras, computers, radios, stereos, televisions, vcr's, and other electronic items. However, more than 50% said they usually spent money on camera film, compact discs, records, tapes, or other needed supplies for the electronic equipment listed above. Most of the children (83%) spent money for candy, snacks,

Table 5.6 Money Management Practices

Question	n (134)	Percent
How much money do you save every week for later use?		
Do not save any	26	19
$5.00 or less	56	42
$5.01 to $12.50	27	20
$12.50 or more	25	19
Do you have a savings account at a bank?		
Yes	88	66
No	46	34
Do you have a checking account at a bank?		
Yes	20	15
No	114	85
Do you have a credit card in your own name?		
Yes	6	4
No	128	96
Do you get to use your parent's credit card?		
Yes	9	7
No	125	93
Do you ever borrow money from anyone?		
Yes	89	66
No	45	34
Do you ever lend money to anyone?		
Yes	102	76
No	32	23
Do you have a budget or plan for spending?		
Yes	35	26
No	99	74

and soft drinks each week. Slightly more than one-third said they spent money for church-related activities. About one-third spent money weekly on clothing, as well as eating meals at restaurants or fast food establishments. Slightly more than one-third spent money on their 4-H project. More than half usually spent money on games, game machines in stores, and home video games. Hair care products, haircuts, make-up, and other grooming expenses were purchased regularly by 41% of the children. Supplies were purchased for hobbies regularly by 39% of the children. Slightly more than one third of the children spent money on jewelry, nearly half spent money on school activities, and only about a third spent money on sports or exercise equipment. Table 5.7 illustrates the spending patterns of the respondents.

Chi-Square Analysis

A cross-tabulation was run with six variables, including age, grade, sex, rural or urban place of residence, enrollment or non-enrollment in the 4-H Management project, and socio-economic status and the responses to the other 49 questions on the survey. Results for the chi-square analysis of these variables is discussed below.

Table 5.7 Spending Patterns

Question	n (134)	Percent
How much money do you spend weekly on the following items:		
Activities such as concerts sports contests, skating, movies, or bowling		
Do not spend any	56	42
$5.00 or less	47	35
$5.01 or more	31	23
Books and magazines		
Do not spend any	55	41
Do purchase items	78	58
Cameras, computers, radios, stereos, televisions, vcr's, and other electronic items		
Do not spend any	98	73
Do purchase items	35	26
Camera film, compact discs, records, tapes, or other needed supplies for the previous category		
Do not spend any	63	47
$5.00 or less	35	26
$5.01 or more	35	26
Did not reply	1	1
Candy, snacks, and soft drinks		
Do not spend any	23	17
$1.00 or less	30	22
$1.01 to $2.50	30	22
$2.51 or more	51	38
Church-related activities		
Do not spend any	83	62
$5.00 or less	30	22
$5.01 or more	21	16

Table 5.7 Spending Patterns (Continued)

Question	n (134)	Percent
How much money do you spend weekly on the following items:		
Clothing and shoes		
Do not spend any	91	68
Do purchase items	43	32
Eating meals at restaurants or fast food places		
Do not spend any	92	69
Do purchase items	42	31
4-H project		
Do not spend any	84	63
Do invest money	50	37
Games, game machines in stores, and home video games		
Do not spend any	63	47
$2.50 or less	36	27
$2.50 or more	35	26
Hair care products, haircuts, make-up, and other grooming expenses		
Do not spend any	79	59
$5.00 or less	33	25
$5.01 or more	22	16
Hobbies such as painting, crafts, or models		
Do not spend any	82	61
Do purchase supplies	52	39

Table 5.7 Spending Patterns (Continued)

Question	n (134)	Percent
How much money do you spend weekly on the following items:		
Jewelry		
Do not spend any	86	64
Do purchase items	48	36
School activities		
Do not spend any	70	52
Spend on activities	64	48
Sports or exercise equipment		
Do not spend any	94	70
Do purchase items	40	30

Age. Significant differences which were found for age included the amount of money children received from parents that was not part of an allowance, babysitting as a source of income, odd jobs at home as a source of income, odd jobs away from home as a source of income, the amount of money earned each month from sources other than parents, the amount of money participants had each week to use for whatever they wanted, the amount of money spent each week on activities such as concerts, sports contests, skating, movies, or bowling, and the amount of money spent each week on church-related activities. Older children were found to receive more money from parents each week that was not part of an allowance. Additionally, a larger percentage of older children were found to babysit, perform odd jobs at home, and perform odd jobs away from home as a means of obtaining money. Furthermore, older children received more money from sources of income other than parents, had more money to spend for whatever they chose, spent more money weekly on activities such as concerts, sports contests, skating, movies, or bowling, and spent more money weekly for church-related activities. Table 5.8 lists the chi-squares, degrees of freedom, and significance level for each of the questions for which age was significant.

Table 5.8 Significant Chi-square Values for Age

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Amount of money received weekly from parents that is not part of an allowance	8.36	3	0.03
Babysitting as a source of income	6.59	1	0.01
Odd jobs at home as a source of income	8.56	1	0.00
Odd jobs away from home as a source of income	4.86	1	0.03
Amount of money received monthly from babysitting, farm chores, 4-H project, gifts, housework, odd jobs, a paper route, yard work, and other	12.85	3	0.01
Amount of money child has to spend each week for whatever he or she chooses	11.38	2	0.00
Amount of money spent weekly for activities such as concerts, sports contests, skating, movies, or bowling	11.15	2	0.00
Amount of money spent weekly on church-related activities	8.22	2	0.01

Grade. Significant differences were also found based on grade in school. Those which were significant for grade included 4-H project as a source of income, housework away from home as a source of income, odd jobs at home as a source of income, odd jobs away from home as a source of income, the amount of money earned each month from sources other than parents, the amount of money participants had each week to use for whatever they wanted, if the child had a savings account, and the amount of money spent each week on activities such as concerts, sports contests, skating, movies, or bowling. None of the other questions produced a significant chi-square for grade.

A higher percentage of seventh, eighth, and ninth graders reported that they used their 4-H project, housework away from home, odd jobs at home, and odd jobs away from home as a source of income. Seventh, eighth, and ninth graders also reported receiving more money each month from sources other than parents, as well as more money from their 4-H projects. They were also found to have more money to spend weekly for whatever they choose. A higher percentage of seventh, eighth, and ninth graders reported having a savings account at a bank. The seventh, eighth, and ninth grade group reported spending more money each week on activities such as concerts, sports events,

skating, movies, or bowling. Chi-square values, degrees of freedom, and significance levels are found for grade and those questions which had significant differences based on grade in Table 5.9.

Sex. The chi-square analysis for sex found several significant differences, as well, as found in Table 5.10. Significant differences were found for sex and babysitting as a source of income, farm chores away from home as a source of income, gifts from family members as a source of income, gifts from friends as a source of income, housework at home as a source of income, housework away from home as a source of income, odd jobs away from home as a source of income, yard work away from home as a source of income, use of the child's own money to pay for fun activities, the amount of money the child saved each week for later use, the amount of money spent weekly on games, game machines in stores, and home video games, and the amount spent weekly on sports or exercise equipment. The other questions did not have a significant chi-square with sex.

A larger percentage of girls indicated that they used babysitting, gifts from family members, gifts from friends, and housework at home as a source of income. A larger percentage of boys indicated that they used farm

Table 5.9 Significant Chi-Square Values for Grade

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
4-H project as a source of income	4.82	1	0.03
Housework away from home as a source of income	7.75	1	0.01
Odd jobs at home as a source of income	4.93	1	0.03
Odd jobs away from home as a source of income	7.76	1	0.01
Amount of money received monthly from babysitting, farm chores, 4-H project, gifts, housework, odd jobs, a paper route, yard work, and other	12.73	3	0.01
Amount earned annually from 4-H project	5.03	1	0.02
Amount of money a child has weekly to spend for whatever he or she chooses	10.25	2	0.01
Savings account at a bank	6.74	1	0.01
Amount of money spent weekl on activities such as concerts sports contests, skating, movies, or bowling	6.85	2	0.03

Table 5.10 Significant Chi-Square Values for Sex

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Babysitting as a source of income	13.35	1	0.00
Farm chores away from home as a source of income	7.27	1	0.01
Gifts from family members as a source of income	5.58	1	0.02
Gifts from friends as a source of income	5.13	1	0.02
Housework at home as a source of income	9.38	1	0.00
Odd jobs at home as a source of income	4.13	1	0.04
Odd jobs away from home as a source of income	16.52	1	0.00
Use of own money for fun activities	7.20	1	0.01
Amount of money saved each week for later use	14.62	3	0.00
Amount of money spent each week for games, game machines in stores, and home video games	8.40	2	0.02
Amount of money spent each week for sports or exercise equipment	4.50	1	0.03

chores away from home, odd jobs away from home, and yard work away from home as a source of income. Furthermore, a larger percentage of males rather than females were found to use their own money for fun activities. Males were also found to save a larger amount of money, although the percentage of males who saved money for later usage (70%) was smaller than the percentage of females who saved (86%). Additionally, males were found to spend more money each week for games, game machines in stores, and home video games, as well as sports or exercise equipment.

Rural or Urban Place of Residence. Rural or urban place of residence was found to have little impact on how children acquire and utilize money. Significant differences were found for only two questions. These included the amount spent on cameras, computers, radios, stereos, televisions, vcr's and other such items, as well as the amount of money spent on hair care products, haircuts, make-up, and other grooming expenses. Rural children were found to spend more each week for cameras, computers, radios, stereos, televisions, vcr's, and other such items. Furthermore, rural children reported spending more each week for hair care products, haircuts, make-up, and other grooming expenses. The chi-square results for the significant differences can be found in Table 5.11.

Table 5.11 Significant Chi-Square Values for Rural or Urban Place of Residence

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Amount of money spent weekly for cameras, computers, radios, stereos, televisions, vcr's, and other such items	4.14	1	0.04
Amount of money spent each week for hair care products, haircuts, make-up, and other grooming expenses	8.97	2	0.01

Enrollment in the 4-H Management Project. The 4-H Management project is designed to teach children enrolled about utilization of money resources. This would lead one to believe that significant differences would exist in the way children who are enrolled use money and the way those who are not enrolled use money. Significant differences found for enrollment in the management project included the amount of money children received from parents that was not part of an allowance and the amount of money spent weekly on church activities. Those enrolled in the Management project were found to receive more money from their parents each week that was not part of an allowance and they also reported spending more money each week on church-related activities. Table 5.12 lists the significant chi-squares.

Socio-economic Status. Socio-economic status may influence the way children use money. Socio-economic status was found to result in significant differences for three questions, including whether the pre-adolescent had a savings account, whether the child ever borrows money, and the amount of money spent weekly on jewelry. A larger percentage of children from Level 1 families were found to have a savings account, followed by children from Level 2 families, while the children from Level 1 families

Table 5.12 Significant Chi-Square Values for Enrollment in the 4-H Management Project

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Amount of money received weekly from parents that is not part of an allowance	12.61	3	0.01
Amount of money spent weekly on church-related activities	7.09	2	0.03

group had the lowest percentage with savings accounts. A higher percentage of the Level 1 group reported borrowing money from others, followed next by the children in the Level 3 group, with the Level 2 group reporting the lowest percentage of children who said they borrowed money. A higher percentage of children from Level 1 families reported spending money for jewelry, followed by children from Level 2 and Level 3 families respectively. Significant chi-square values for socio-economic status are found in Table 5.13.

Table 5.13 Significant Chi-Square Values for Socio-Economic Status

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Savings account at a bank	6.86	2	0.03
Borrow money from others	7.08	2	0.03
Amount of money spent weekly on jewelry	7.35	2	0.03

CHAPTER VI

DISCUSSION

Children's acquisition of and utilization of money resources is an important area that needs exploration, as there are few studies examining this area, and the results from research in this area are sometimes conflicting. Thus, it is important to examine the results found here in light of other research projects in order to further understand the concept of children's consumer behavior.

Heinzerling and Chadler's (1988) study found that 73% of their respondents received an allowance. This number is larger than the 62% of the children responding to this survey. However, the 62% finding is very much in line with Hollinger, Rapp, and Goldsmith's (1986) finding where 60% of the children they surveyed reported receiving an allowance.

Heinzerling and Chadler reported that 88% of their respondents received their allowance for doing chores. An 18% difference was reported in the number of children who received their allowance in connection with doing chores. Only 70% of those surveyed for this research reported receiving their allowance for doing chores.

Most of the other sources of income children listed were in line with the previous findings. Significant differences were found for sex, age, and grade with regards to the chores, tasks, or other sources such as gifts that children use to obtain money.

Differences in sources of income were expected based on the age of the child, as well. Differences were found, however, they did not always agree with previous research. For instance, differences were not found for age in regards to the receipt of an allowance. However, differences in sources other than parents were found for several sources, particularly those that required assuming a responsible role, such as babysitting and jobs away from home.

When differences in sources of income based on age are compared with differences in sources of income based on grade, many similar results are found. Differences exist in sources that require the child to assume a more responsible role. Additionally, but not surprisingly, differences were found to exist in the amount of money children had to spend for whatever they like. Based on these differences, then, it is logical to find significant differences for both age and grade and the amount of money that children spent each week on activities such as concerts, sports contests, skating, movies, or bowling.

Sex was related to sources of income. No evidence was found to support the findings of Heinzerling and Chandler (1988) that boys were more likely to receive an allowance, or Hollinger, Rapp, and Goldsmith (1986) that girls were more likely than boys to receive an allowance, as no significant differences were found among the two groups and whether or not they received an allowance.

Support was found for previous research regarding other sources of income, however. Significant chi-squares were found for traditionally gender-oriented jobs including babysitting, farm chores, housework, odd jobs away from home, and yard work away from home. Expected differences were not found for boys and girls regarding how they spend money, however, as differences were not found for traditional gender-oriented purchases such as clothing and jewelry. This finding is important as differences on similar items have been found by previous researchers.

Rural or urban place of residence was found to have little influence on children's acquisition of the consumer role, as significant differences were not found for most of the items examined. This is not surprising, as mass media and today's mobile society have brought the world in closer, making fashionable items more accessible for rural children. Because the mass media is often assumed

responsible for making rural and urban societies more similar, it is interesting to note that rural children spent more for the amount of money spent for cameras, computers, radios, stereos, televisions, and vcr's.

Enrollment in the 4-H Management project was not found to be related to any variables except the amount of money children received from parents that was not part of an allowance and the amount of money children use weekly for church activities. This leads one to wonder if the children, then, who are enrolled in the Management project are enrolled because they have more money to spend, and are thus aware of the need to manage it more wisely. A counter theory might be argued that the children who are enrolled in the management project receive less money and are therefore more interested in how to manage what they have wisely.

This leads to differences in socio-economic status and the differences found based on the socio-economic status of the child. McNeal (1987) and (Ward, Wackman, and Wartella, 1981) found that socio-economic status had little impact on discretionary income until children reach about the age of twelve. This study supports that there is little difference in money acquisition and management based on socio-economic status for nine to fourteen year olds.

CHAPTER VII

CONCLUSIONS

Children's acquisition of the consumer role through consumer socialization is part of a very complex process. Many social factors influence their behavior as consumers. However, according to this research project, factors associated with age/grade and sex seem to produce more differences in children's role in the marketplace than rural or urban place of residence, socio-economic status, or enrollment in the 4-H Management project.

Children were found to have many sources of income. Parents were found to be the major source of income, as 62% of the children received an allowance from parents, and 66.4% receive money from parents that is not part of an allowance. Other major sources of income include those sources from which at least 40% of the children received income. These included gifts from family members, gifts from friends, housework at home, odd jobs at home, and yardwork at home.

Differences in the sources of pre-adolescent children's income and saving practices suggest that society stresses money management more as children become older and more capable of assuming more responsibility for

handling money and understanding money concepts. However, using the underlying assumption that society stresses money management when children become more responsible leads us to question whether society encourages males and females to manage money in a different manner, as differences were found in their savings patterns.

Additionally, research leads to the conclusion that socio-economic status has very little impact on how pre-adolescent children acquire and manage their money. This information was surprising, as research has found that older adolescents spending patterns are affected by socio-economic status. However, other research supports that socio-economic status does not affect children's spending patterns and saving patterns until after the age of 12. Because this sample population had more children below 12, then we can assume that these findings support previous research.

Enrollment in the 4-H Management Project, as well as rural or urban place of residence were not found to be determinants of how children acquire and utilize money.

CHAPTER VIII

IMPLICATIONS

Research in home economics is generally conducted for the purpose of improving both existing and future quality of life for individuals. Therefore, implications are made regarding the application in the field and future research needs and questions stemming from the research. Implications from this research project are grouped below in these two categories.

Implications for Application of Findings

Several implications are applicable for those who attempt to improve the consumer behavior skills of pre-adolescent children. First of all, a need exists to educate children about the need to save money, rather than spending all of their income. Additionally, children need to be encouraged to use a budget as a management tool.

Additionally, differences were found for boys and girls and their savings behaviors. This suggests that boys are encouraged to save their money for larger purchases, while girls save money for smaller purchases. A conscientious effort should be made by those in consumer

education roles to encourage both long-range and short term savings goals among both groups.

The primary differences were found in sources of income according to age, grade, and sex. Although major differences were found for these groups, it is important to realize that these differences are not the major issue. What is critical is that children are attempting to obtain income. Thus, educators need to encourage children to find the sources of income that are comfortable for them, and to use these as a means of developing responsibility for their own financial growth.

The lack of differences in money management behaviors among those who are enrolled in the 4-H Management Project and those who are not implies that materials used for training project members may not be in line with the educational needs of children enrolled. Thus, updated project materials are needed that more adequately address the roles children assume as consumers. Furthermore, those involved in administering the educational materials that are part of this project may need to address more specific needs through programing.

Implications for Additional Research

Additional research is needed on how children acquire and manage money. This research could be strengthened by

adding other racial groups to the sample. Furthermore, a larger sample of both age groups would add to the generalizability of the results.

While this research attempted to discover if differences exist in money acquisition and management among the groups examined, it would extend the effort if the research was taken one step further. By examining why the existing differences were found, theorists and practitioners could determine specific areas to target in order to improve the consumer behavior skills of children.

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LIST OF REFERENCES

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APPENDIXES

APPENDIX A

4-H MANAGEMENT SURVEY

The first 6 questions of this survey ask for information about you. Please circle the answer that is most like you.

1. What grade did you just finish?

   a. 4th b. 5th c. 6th d. 7th e. 8th f. 9th

2. How old are you?

   a. 8 c. 10 e. 12 g. 14 i. 16
   b. 9 d. 11 f. 13 h. 15 j. 17

3. Are you a boy or a girl? a. Boy b. Girl

4. What is your race?

   a. White c. Oriental e. American Indian
   b. Black d. Hispanic f. Other

5. What county are you from?

   a. Davidson, Hamilton, Knox or Shelby b. Any other county

6. Are you enrolled in the 4-H Management project?

   a. Yes b. No

The next 5 questions are about where your money comes from. Please circle the answer that fits you best.

7. How often do you get an allowance?

   a. do not get an allowance d. once every two weeks
   b. two or more times a week e. once a month
   c. one time a week f. other

8. How much do you get for an allowance?

   a. do not get any d. $2.51 to $5 g. $10.01 to $12.50
   b. less than $ 1 e. $5.01 to $7.50 h. $12.51 to $15
   c. $ 1 to $2.50 f. $7.51 to $10.00 i. more than $15

9. Is this money connected to doing chores? a. Yes b. No

10. How much money do your parents or guardians give you each week that is <u>NOT</u> part of an allowance?

    a. do not get any d. $2.51 to $5 g. $10.01 to $12.50
    b. less than $ 1 e. $5.01 to $7.50 h. $12.51 to $15.00
    c. $ 1 to $2.50 f. $7.51 to $10.00 i. more than $15.00

11. Is money from question 10 connected to doing chores?
a. Yes b. No

The next 14 questions ask you how you get any other money besides what you listed in questions 7 - 11. Please circle a for yes if you get money this way. Please circle b for no if you do not get money this way.

12.	Babysitting	a. Yes	b. No
13.	Farm chores at home	a. Yes	b. No
14.	Farm chores away from home	a. Yes	b. No
15.	4-H project	a. Yes	b. No
16.	Gifts from family members	a. Yes	b. No
17.	Gifts from friends	a. Yes	b. No
18.	Housework at home	a. Yes	b. No
19.	Housework away from home	a. Yes	b. No
20.	Odd jobs at home	a. Yes	b. No
21.	Odd jobs away from home	a. Yes	b. No
22.	Paper route	a. Yes	b. No
23.	Yard work at home	a. Yes	b. No
24.	Yard work away from home	a. Yes	b. No
25.	Other	a. Yes	b. No

26. Please circle how much money you got from what you checked in questions 12 through 25 during the past month.

a. did not get any	d. $2.51 to $5	g. $10.01 to $12.50
b. less than $ 1	e. $5.01 to $7.50	h. $12.51 to $15
c. $ 1 to $2.50	f. $7.51 to $10.00	i. more than $15

27. Please circle how much money you earned from your 4-H project during the past year.

a. $ 0 to $ 1	d. $21 to $30	g. $ 50 to $100
b. $ 1 to $10	e. $31 to $40	h. $100 to $200
c. $11 to $20	f. $41 to $50	i. more than $200

For the next 6 questions, circle yes if you use your own money to pay for the following items most of the time. Circle no if these items are paid for by someone else for you most of the time.

28.	Church	a. yes	b. no
29.	Clothes	a. yes	b. no
30.	Fun activities	a. yes	b. no
31.	School lunches	a. yes	b. no
32.	School supplies	a. yes	b. no

33. How much money do you have to use for whatever you want each week?

a. did not have any	d. $2.51 to $5	g. $10.01 to $12.50
b. less than $ 1	e. $5.01 to $7.50	h. $12.51 to $15
c. $ 1 to $2.50	f. $7.51 to $10.00	i. more than $15

34. How much money do you save every week for later use?

a. did not save any	d. $2.51 to $5	g. $10.01 to $12.50
b. less than $ 1	e. $5.01 to $7.50	h. $12.51 to $15
c. $ 1 to $2.50	f. $7.51 to $10.00	i. more than $15

Please circle a for yes and b for no for the next 7 questions.

35.	Do you have a savings account at a bank?	a. yes	b. no
36.	Do you have a checking account at a bank?	a. yes	b. no
37.	Do you have a credit card in your own name?	a. yes	b. no
38.	Do you get to use your parent's credit card?	a. yes	b. no
39.	Do you ever borrow money from anyone?	a. yes	b. no
40.	Do you ever lend money to anyone?	a. yes	b. no
41.	Do you have a budget or a plan for spending?	a. yes	b. no

To answer the next 15 questions, use the answers listed below and then circle a, b, c, d, e, f, g, or h to show how much of <u>your own</u> money you usually spend on these items during a regular school week.

a. none	d. $2.51 to $5	g. $10.01 to $12.50
b. less than $ 1	e. $5.01 to $7.50	h. $12.51 to $15
c. $ 1 to $2.50	f. $7.51 to $10.00	i. more than $15

42.	Activities such as concerts, sports contests, skating, movies, or bowling	a. b. c. d. e. f. g. h. i.
43.	Books and magazines	a. b. c. d. e. f. g. h. i.
44.	Cameras, computers, radios, stereos, televisions, vcr's, and other such items	a. b. c. d. e. f. g. h. i.
45.	Camera film, compact discs, records, tapes, or other needed supplies for items in question 44	a. b. c. d. e. f. g. h. i.
46.	Candy, snacks and soft drinks	a. b. c. d. e. f. g. h. i.
47.	Church-related activities	a. b. c. d. e. f. g. h. i.
48.	Clothing and shoes	a. b. c. d. e. f. g. h. i.
49.	Eating meals at a restaurant or fast food place	a. b. c. d. e. f. g. h. i.
50.	4-H project	a. b. c. d. e. f. g. h. i.
51.	Games, game machines in stores and home video games	a. b. c. d. e. f. g. h. i.
52.	Hair care products, haircuts, make-up, and other grooming expenses	a. b. c. d. e. f. g. h. i.
53.	Hobbies such as painting, crafts, or models	a. b. c. d. e. f. g. h. i.
54.	Jewelry	a. b. c. d. e. f. g. h. i.
55.	School activities	a. b. c. d. e. f. g. h. i.
56.	Sports or exercise equipment	a. b. c. d. e. f. g. h. i.

APPENDIX B

PARENTS INFORMATION

Please answer the following questions regarding the occupation and education level of all the individuals who regularly provide support for your child. Use job titles that are as specific as possible. The lines after the question regarding job title should be used to write a description of what each individaul does on his or her job.

Mother's Job Title: _____

Description of Job: _____
_____
_____

Mother's Education Level:

___ 8 years of grammar school or less
___ Attended high school but did not finish
___ Completed high school
___ Attended and completed vocational or trade school
___ Attended college, 1 - 3 years
___ Earned 4 year college degree
___ Earned advanced degree

Step-mother's Job Title: _____

Description of Job: _____
_____
_____

Step-mother's Education Level:

___ 8 years of grammar school or less
___ Attended high school but did not finish
___ Completed high school
___ Attended and completed vocational or trade school
___ Attended college, 1 - 3 years
___ Earned 4 year college degree
___ Earned advanced degree

Father's Job Title: _____

Description of Job: _____
_____
_____

Please turn the page and complete the other questions.

Father's Education Level:

___ 8 years of grammar school or less
___ Attended high school but did not finish
___ Completed high school
___ Attended and completed vocational or trade school
___ Attended college, 1 - 3 years
___ Earned 4 year college degree
___ Earned advanced degree

Step-father's Job Title: _____

Description of Job: _____
_____
_____

Step-father's Education Level:

___ 8 years of grammar school or less
___ Attended high school but did not finish
___ Completed high school
___ Attended and completed vocational or trade school
___ Attended college, 1 - 3 years
___ Earned 4 year college degree
___ Earned advanced degree

If you are a single parent, please check the answer that best describes you.

___Single, never married ___Divorced ___Widowed

If either parent is a farmer, please indicate whether you own your farm, whether you manage a farm for someone else, or whether you work as a farmhand.

___Own my own farm ___Manage a farm for someone else ___Work as a farmhand

If you own your own farm, how many acres is this farm? _____

If you manage someone's farm, how many acres is this farm?_____

If you are a farmhand, how many acres is the farm you work on? _____

Please turn in the green copy of the consent form and the completed survey to your county 4-H office when your child leaves to go to camp.

APPENDIX C

PARENTAL CONSENT FORM

PROJECT: Money Usage Among 4-H Youth

RESEARCHER: Amy J. Judd, Graduate Student
Room 115, Jesse Harris Building
The University of Tennessee
Knoxville, TN 37996
Phone: (615) 974-5316

I understand that participation in this project is part of a research project to learn about how youth use money. This survey asks my child questions about how he or she uses money. The information obtained will allow the University of Tennessee Extension Service to improve the educational materials and programs offered through enrollment in the 4-H Management project. There are no direct risks to those being surveyed. A copy of this survey can be examined by me at my county 4-H office. I understand that any questions I have can be answered by contacting the researcher listed above.

I have been informed about the purpose of this study. I understand that all responses to the survey will be confidential. I understand that my child's participation, as well as my own participation is voluntary, and that neither my child nor I do not have to take part in the survey if either of us do not want to take part. I also understand that neither of us must answer any questions that make us uncomfortable. I understand that my child and I can withdraw from the survey at any time with no ill will felt by the researcher or the Extension Service. I have received a copy of this consent form to keep for my own records.

I have read and understand the explanation of this study. My agreement to participate is shown by returning the parents questionnaire form.

My child, (child's name) _____,

of (address) _____,

has my permission to participate in this research project.

Signed _____ Date_____

APPENDIX D

ORAL INSTRUCTIONS TO BE READ TO PARTICIPANTS BY VOLUNTEER LEADERS

From time to time, the staff in charge of developing projects for 4-H members try to update these programs. The questions you will be asked to answer today are part of a project to find out how 4-H'ers use money. This information will be used to develop 4-H programs to better meet the needs of 4-H club members. We hope that you will take part in this chance to improve the 4-H program for 4-H'ers all across the state.

Right now we are going to give you a survey to fill out. Please do not start on it until you are told to begin.

LEADERS WILL NOW HAND OUT SURVEYS

Before you begin, there are some things you need to know:

First of all, the decision to take part in this survey is up to you.

If you do chose to fill out the survey, it is important that you know that you do not have to answer any questions that make you feel uncomfortable.

It is important that you answer the questions as honestly as possible.

You may at any time chose to withdraw and not finish this survey without the researcher or anyone who is involved in 4-H feeling badly towards you.

One benefit of participating in this survey, in addition to helping develop new 4-H materials, is that you may include it in your 4-H record book. There are no known risks to your participation.

On the top sheet of your survey is a sentence stating that you agree to participate in the survey. This sheet of paper will be removed from the survey by the researcher after your survey is matched to the information given by your parents. This is being done so that nobody can tell who gave which answers.

After you receive your pencil, please write your name in the space beneath the sentence stating that you agree to participate, based on the conditions that have been read to you.

In order for us to match the information your parents gave and the information you give us, we want each of you to very neatly print your name and address in the space provided. This is the sheet that will be torn away from the survey after we match your survey with the information your parents gave. Do not unstaple this sheet from the survey at this time.

The survey itself is 3 pages long and will take about 30 minutes for you to fill out. The questions are multiple choice questions. You should circle the answer that best describes you. If you have any questions while you are filling out the survey, please raise your hand and wait for someone to come to you. Are there any questions now?

ANSWER ANY QUESTIONS

After everyone is finished with the coversheet, we will begin. If you finish before everyone else is through, please wait quietly for further instructions. Is everyone done with the coversheet?

AFTER EVERYONE IS FINISHED WITH THE COVERSHEET, READ EACH QUESTION ON THE SURVEY TO THE GROUP AND ALLOW TIME FOR THE CHILDREN TO ANSWER. WHEN YOU HAVE READ ALL OF THE QUESTIONS TO THE 4-H'ERS, ASK THE GROUP IF THERE ARE ANY QUESTIONS, AND ALLOW TIME FOR EVERYONE TO FINISH UP.

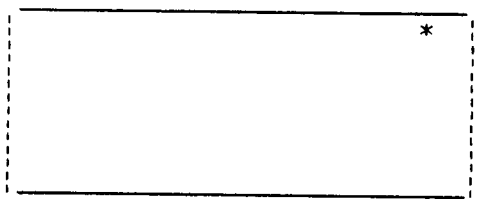
AFTER EVERYONE IS FINISHED WITH THE SURVEY, LEADERS SHOULD PROCEED WITH THE REST OF THE INSTRUCTIONS.

Now that everyone is finished there is one more thing we would like for you to do. After we pass out the answer sheets, you should put your answers on the answer sheet, using the answers you circled. Please do not start until after I give you further instructions.

PASS OUT THE ANSWER SHEETS

The first thing you need to do is find the number in the top corner of your survey. Has everyone found this number?

Write this number in the top, right corner of your answer sheet, right here:



HOLD UP ANSWER SHEET AND POINT TO AREA WHERE THE STAR IS INDICATED ABOVE.

After you have filled in the number, you are ready to begin.

Do not fill in your name or any of the other information that is asked for on the left side of the answer sheet. Point to the left side of the answer sheet.

To fill out the answer sheet, find the answer space for question number one. You will see little circles marked with letters of the alphabet. Fill in the circle that has the letter that matches your answer on the first question. For instance, if your answer to question number 1 is c. 6th grade, you would fill in the circle marked C. If your answer to number 1 is a. 4th grade, you would mark A. You will fill out the rest of the answer sheet this same way. Be sure to fill the circle in completely. If you make a mistake, please erase the wrong answer completely, and fill in the right circle. You should only have one answer for each question. You will use the top part and the bottom part of the answer sheet to fill in all 56 answers. Are there any questions?

ANSWER ANY QUESTIONS

After you complete this form, you should sit quietly until we tell you to leave. You may begin.

AFTER EVERYONE HAS COMPLETED THE ANSWER SHEET

Thank-you all for taking the time to help us develop better educational materials for 4-H. Now that you are finished, you should report to __ (place determined by the camp schedule.)

I, _____, was present when these
Name of Witness
instructions were read to the participants of the 4-H Management Survey at _____, on _____.
Name of Camp Location Date

_____
Signature of Witness

_____
Signature of Researcher

APPENDIX E

AGREEMENT TO PARTICIPATE

I, _____, agree to participate in this research project based on what has been read to me today.

Signature_____ Date_____

Witness
Signature_____ Date_____

PLEASE PRINT YOUR NAME AND ADDRESS AS NEATLY AS YOU CAN:

NAME _____

ADDRESS _____

_____

_____

Please write down your parents last name if it is not the same as yours. _____

APPENDIX F

THE UNIVERSITY OF TENNESSEE
KNOXVILLE

Office of the
Vice Provost
for Research

CRP #: 3042 B

DATE: 07/07/89

Title: Money sources and usage among 4-H Youth as Determined by Grade Level, Sex, Socio-Economic Status, and Rural or Urban ...

Judd, Amy J.
Child & Family Studies
115 Jessie Harris Bldg.
Campus

Blinn, Dr. Lynn
Child & Family Studies
115 Jessie Harris Bldg.
Campus

Dear Ms. Judd:

Your project listed above was reviewed. It qualified for expedited review and has been approved.

This approval is for a period ending one year from the date of this letter. Please make timely submission of renewal or prompt notification of project termination (see item #3 below).

Responsibilities of the investigator during the conduct of this project include the following:

1. To obtain prior approval from the Committee before instituting any changes in the project.

2. To retain signed consent forms from subjects for at least three years following completion of the project.

3. To submit a Form D to report termination, to renew approval, or to report changes in the project at 12-month or less intervals.

The Committee wishes you every success in your research endeavor.

Sincerely,

Edith M. Szathmary
Coordinator of Compliances

cc: Dr. Vey Nordquist
115 Jessie Harris Bldg.
CRP file

[redacted] On page 3 of your protocol you state that 4-H agents will be contacted by phone to inform them of the purpose of the project. To protect yourself, in addition to your phone call, provide the agents with a written copy of your information.

APPENDIX G

DRAFT OF ARTICLE TO BE SUBMITTED TO REFEREED JOURNAL

DIFFERENCES IN MONEY ACQUISITION AND MANAGEMENT AMONG PRE-ADOLOSCENT CHILDREN BASED ON SEX, AGE, AND SOCIO-ECONCOMIC STATUS

Abstract

Current research indicates that children today have a large discretionery income. Students of consumer behavior and consumer socialization have theorized that differences exist in the way children obtain and manage money based on their socio-economic status, age, and sex. This research attempted to determine if differences exist among 134 children from across Tennessee based on their age, sex, and socio-economic status. Results indicated that few differences exist among children from different socio-economic backgrounds. Differences were found to exist among children aged nine to eleven and children aged twelve to fourteen regarding the amount of money given to them by parents, sources of income other than parents, the amount of money they receive from sources of income other than parents, and the amount of money they have each week to use in any manner they choose. Differences that exist among males and females included sources of income other

than their parents, with no differences being found related to parents as a source of income. It is suggested that additional research be done to verify the findings of the study by broadening the survey to include subjects of other ethnic groups as well as examining in depth the differences found and discussing why these differences exist.

Introduction

Purchasing power is being allocated to an increasing audience of younger consumers. Thus, it has become more important for society to understand the influences of the consumer socialization of children. Consumer socialization is a process that many researchers are using as the basis of projecting differences in the consumer behaviors among children (McNeal, 1987; Moschis and Churchill, 1978; Samli and Zimmer, 1981; and Ward, Wackman, and Watella, 1977.) It is assumed that studying consumer socialization can further the theoretical concepts and frameworks developed by socialization research. Moschis and Churchill believe that the application of socialization theory to predict behavior and thinking patterns that constitute consumer behavior has implications for both the consumer behaviorists and the students of socialization. By applying a general

socialization framework to consumer behavior, the framework itself, as well as the understanding of consumer behavior, are mutually strengthened (Moschis and Churchill.)

The study of consumer behavior is encouraged as a means of developing an awareness of how young people acquire consumer skills through processing environmental stimuli (Moschis and Churchill, 1978; Ward, 1977; Ward, 1980; and Ward, Wackman, and Watella, 1977.) Thus, consumer educators can more adequately prepare young people for their role in the marketplace, through an increased awareness of the process by which children acquire consumer skills.

Consumer socialization can be viewed as a second order consequence of the fundamental aspects of social learning (Samli and Zimmer, 1981.) This theory contends that as children learn new roles, they acquire various attitudes, knowledge and values that affect their role as consumers. Other theorists see the concept of consumer socialization as a process by which individuals acquire the knowledge, skills, and dispostions that enable them to participate as effective members of groups and society (McNeal, 1987; Ward, Wachman, and Wartella, 1977; and Moschis and Moore, 1978.) It is further explained as being learned by observation, participation, and intentional instruction

from parents, peers, and teachers (McNeal, Moschis and Moore, Ward, Wachman, & Wartella.) As early as 1958, Gruenberg and Krech determined that "a child learns about money - what it does or does not buy - by being free to make choices, decisions, and mistakes of his or her own," (p. 9.)

Little research is available about children's use of money, money management concepts, and their feelings about money and its management. Expenditures by children have increased dramatically in the past two decades (McNeal, 1987; Samli and Zimmer, 1981; Trachtenburg, 1986). It is therefore logical that children's roles as consumers should be examined. Anyone who plays the role of consumer educator, whether it be a parent, a teacher, a government agency, or a marketer should be aware of the way children obtain and use money.

Research maintains that differences exist in sources of income among males and females (Heinzerling and Chandler, 1988.) According to Heinzerling and Chandler, males are more likely than females to receive an allowance. However, Hollinger, Rapp, and Goldsmith (1986) found that girls were more likely to receive an allowance. They found no significant differences in money management practices based on sex. Boys in the Hollinger, Rapp, and Goldsmith survey were more likely to earn money

from yard work, while girls were more likely to earn money from babysitting.

Research Questions

Research questions were formulated based on the need to strengthen research in the field of consumer behavior among children. Since social learning involves the assumption of new roles and behaviors, it stands to reason that as a child develops these roles, he or she will acquire new and different behaviors related to money and its management. The research questions were developed to examine whether socialization of children of different ages, socio-economic backgrounds, and sexes resulted in different sources of income or produced different money management behaviors. Research questions included:

1) Are there differences in sources of income related to age, sex, or socio-economic status?
2) Are there differences in how youth obtain and use money due to their age, sex or socio-economic status?

Methodology

Sample. The questionnaire was administered to 185 4-H club members in attendance at 4-H club summer camps from eight counties in Tennessee. Only those campers whose

parents signed a parental consent form allowing their child to participate were surveyed. Of those who filled out the survey, 158 surveys were usable. In order to make the sample homogeneous, those surveys completed by fifteen and sixteen year olds and non-whites were excluded due to their small percentage in the overall sample. Thus, only 134 surveys were analyzed.

Survey participants were grouped into two age categories. Sixty-nine (51%) of those surveyed were nine, ten, or eleven years old and 65 (49%) were twelve, thirteen, or fourteen years old. Forty-seven (35%) were male and 86 (64%) were female. Eighty-six participants (54%) were from families of higher professional to mid-level professional socio-economic backgrounds. Thirty-two (24%) came from families with a low-level professional to skilled labor socio-economic status. Sixteen participants (12%) were from families in the unskilled labor to welfare dependent socio-economic category.

Instrumentation. A survey questionnaire was adapted by the researcher to determine children's sources of income, the amount of this income, whether or not income is associated with doing chores, money management practices, and the items purchased. Different sections of

the survey were designed to determine how children acquire, use, and manage money.

The survey was a modified version of one used by Heinzerling and Chandler (1988). The questionnaire was field-tested by 53 seventh, eighth, and ninth grade children from four counties in Tennessee and 13 fourth, fifth, and sixth grade children from one county. The survey was then modified based on the findings of the field test. The resulting survey was a 56 item questionnaire that identified demographic information and asked children information about how they acquire, use, and manage money. A copy of the survey may be found in the appendix of this article.

Survey results were analyzed first for descriptive statistics. They were further analyzed using chi-square analysis to determine if differences existed based on the age and sex of the child, and socio-economic status of the child's family.

Results

The major purpose of this study was to determine differences in sources of income and the usage of money among children because of their age, sex, or socio-economic status. The data are useful to those who are interested in children as consumers, due to developmental,

educational, and marketing implications which can be made from the research.

Differences According To Age

Age was operationalized as either nine, ten, and eleven years old or 12, 13, and 14 year olds. Differences were found to exist for age in the amount of income from parents that is not part of an allowance and babysitting, odd jobs at home, and odd jobs away from home as sources of income. Older children reported receiving more money weekly from parents that was not considered part of an allowance. Table 1 reveals the chi-square values and the significance level for those sources found to be significant for age. Sources that were not significant by age included receipt of an allowance, amount of allowance, 4-H projects, gifts, housework, paper routes, and yard work.

INSERT TABLE 1 ABOUT HERE

When asked how much income children received from the combined sources of babysitting, farm chores at home, farm chores away from home, 4-H project, gifts from family members, gifts from friends, housework at home, housework away from home, odd jobs at home, odd jobs away from home,

paper route, yard work at home, yard work away from home, and other, a significant chi-square was found for age. A higher percentage of older children were found to use babysitting, odd jobs at home, and odd jobs away from home as a source of income. Older children were found to receive more money from theses sources than younger children. The chi-square value and its significance for this survey question are found in Table 1, also.

Participants were asked to indicate how much money they had each week to spend however they chose. Fifty percent reported that they had less than $5, 27% reported that they had between $5 and $10, and 23% reported that they had more than $10. Older children were found to have more money than younger children to spend as they chose. Table 1 lists the chi-square value and its significance for the amount of money children had to use for whatever they wanted to use it for each week.

Two of the questions on the survey dealing with the amount of money that children spend each week for specific items showed significant differences related to age. Those included the amount of money children spent weekly for activities such as concerts, sports contests, skating, movies, or bowling, and the amount of money spent weekly on church-related activities. Older children were found to spend more money each week for activities such as

concerts, sports contests, skating, movies, or bowling as well as more for church-related activities. Chi-square values and significance levels for these items may be found in Table 1.

Differences According To Sex

No significant differences were found among males and females regarding receipt of an allowance or the amount of an allowance, as well as the amount of money received each week that is not part of an allowance. However, several significant differences were found associated with other sources of income, including babysitting, farm chores away from home, gifts from family members, gifts from friends, housework at home, odd jobs at home, and odd jobs away from home. A higher percentage of females used babysitting, gifts from family members, gifts from friends, and housework away from home as a source of income, while a higher percentage of males reported farm chores away from home, odd jobs away from home, and yard work away from home as a source of income. Table 2 lists chi-square values and significance levels for these variables. Sources of income other than parents that did not have a significant chi-square calculation with sex included farm chores at home, 4-H project,

housework away from home, odd jobs at home, having a paper route, yard work at home.

INSERT TABLE 2 ABOUT HERE

Differences were found for sex and four of the other variables. Significant chi-square values were found for sex and the use of one's own money for fun activities, the amount of money saved each week for later use, the amount of money spent each week for games, game machines in stores, and home video games; and the amount of money spent each week for sports or exercise equipment. A higher percentage of males reported using their own money to pay for fun activities. Although a higher percentage of females (86%) than males (70%) reported saving money, the males who saved money were found to save larger amounts of money. In fact, 30% of the males who save their money for later use save $15.00 or more each week, compared to 13% of the females. Males were found to spend more each week for games, game machines in stores, and home video games, as well as sports or exercise equipment. Table 2 lists the chi-square values and the levels of significance for these as well.

Differences According To Socio-Economic Status

Few differences were found to exist based on the socio-economic level of the child. Differences were not found to exist for socio-economic level and any of the sources of income included on the questionnaire. The differences found for money management included savings account at a bank, borrowing money from others, and the amount of money spent weekly on jewelry. A higher percentage of the children from the higher to mid-level professional socio-economic status reported having a savings account at a bank, followed by the children with a lower-level professional to skilled laborer socio-economic status, and the children with a unskilled laborer to welfare dependent socio-economic status, respectively. A higher percentage of children from the higher socio-economic level were also found to borrow money, followed by the children from unskilled laborer to welfare dependent socio-economic backgrounds and the children from the lower-level professional to skilled laborer socio-economic backgrounds, respectively. The children from the higher level professional socio-economic backgrounds were found to spend more money each week on jewelry, followed by the children with a lower-level professional to skilled laborer socio-economic status, and the children with a unskilled laborer to welfare dependent socio-economic

status, respectively. Table 3 lists the chi-square values and the levels of significance found for these variables. None of the other survey items was found to be significant for socio-economic status.

INSERT TABLE 3 ABOUT HERE

Conclusions and Implications

The consumer behavior of children is a topic worthy of exploration. Differences among children of different ages were found to exist, thus strenghening the validity that consumer behavior is a learned social role that is part of a dynamic devolopmental process. Furthermore, differences found among boys and girls add to the theory that consumer behavior is one of the roles learned through the socialization process.

The research questions attempted to examine if differences existed according to age, sex, and socio-economic status, and the sources of income and money management behaviors of pre-adolescent children. Survey results indicated some differences did exist in these areas, especially for sources of income and both age and sex. These findings are not surprising, as they uphold much of the previous research in this field.

The lack of differences found for socio-economic status and the sources of income and money management behaviors of children is a more controversial finding. Logically, one would expect to find several differences for socio-economic status when examining money and its usage. Previous research with adolescents indicate that this should hold true. However, McNeal (1987) and Ward (1974) both concluded that obvious differences did not appear in money management practices until after the age of 12. Since the survey sample was pulled from a large proportion of nine, ten, and 11 year olds, results which agree with McNeal and Ward would hold true.

The findings of this research have several implications for parents, child educators, consumer education professionals, and marketers. First and foremost, children as consumers cannot be overlooked. Differences do exist in their money usage and management based on both age and sex. This implies that parents and educators must be aware of the different levels of needs for consumer education as a child progresses developmentally and is socialized for his or her role as a consumer. Because these differences occur based on age and sex, parents and child educators should realize that as a child matures he or she will obtain money in new and different ways and should be introduced to new and

different money management practices. Additionally, boys and girls seem to remain comfortable with traditional sex-role stereo-types in regards to sources of income.

The lack of differences found for socio-economic levels also leads to interesting implications. Although these findings do point to differences in saving and borrowing behaviors among children from different socio-economic statuses, this is, perhaps the one of the few areas that consumer educators need to address in relation to socio-economic level.

While this research does verify that children as consumers are a viable unique group, additional research is needed to interpret where the specific differences exist among children in the different groups. The research should be expanded to include children from different ethnic groups to establish if the same consumer behaviors are characteristic among them, as well. In order to obtain a more comprehensive understanding of the way children operate as consumers in society, research is needed to determine how children as a group are actually functioning using methods other than self-report.

Table 1. Significant Chi-Square Values for Age

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Amount of money received weekly from parents that is not part of an allowance	8.36290	3	0.04
Babysitting as a source of income	6.58661	1	0.01
Odd jobs at home as a source of income	8.56099	1	0.00
Odd jobs away from home as a source of income	4.85582	1	0.03
Amount of money received monthly from babysitting, farm chores, 4-H project, gifts, housework, odd jobs, a paper route, yard work, and other	12.85292	3	0.01
Amount of money child has to spend each week for whatever he or she chooses	11.37605	2	0.00
Amount of money spent weekly for activities such as concerts, sports contests, skating, movies, or bowling	11.14913	2	0.00
Amount of money spent weekly on church-related activities	8.21746	2	0.02

Table 2. Significant Chi-Square Values for Sex

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Babysitting as a source of income	13.34618	1	0.00
Farm chores away from home as a source of income	7.27258	1	0.01
Gifts from family members as a source of income	5.57597	1	0.02
Gifts from friends as a source of income	5.13393	1	0.02
Housework at home as a source of income	9.38395	1	0.00
Odd jobs at home as a source of income	4.12894	1	0.04
Odd jobs away from home as a source of income	16.5193	1	0.00
Use of own money for fun activities	7.20120	1	0.01
Amount of money saved each week for later use	14.61599	3	0.00
Amount of money spent each week for games, game machines in stores, and home video games	8.40476	2	0.02
Amount of money spent each week for sports or exercise equipment	4.50298	1	0.03

Table 3. Significant Chi-Square Values for Socio-Economic Status

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Savings account at a bank	6.86488	2	0.03
Borrow money from others	7.07688	2	0.03
Amount of money spent weekly on jewelry	7.35299	2	0.03

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APPENDIX H

DRAFT OF ARTICLE TO BE SUBMITTED TO THE

JOURNAL OF EXTENSION

SOURCES OF AND USAGE OF MONEY AMONG TENNESSEE 4-H CLUB MEMBERS: CURRICULUM IMPLICATIONS

The current set of national core programs for Extension personnel call for a committed effort to educate clientele in areas of family economics. Extension workers must be able to structure such programs and curriculum to reach a broad cross-section of audiences including both rural and urban 4-H members, as well as 4-H members from all socio-economic levels. Traditionally, Extension personnel have felt a need to structure their programs for these audiences based on assumed differences in needs and purchasing habits.

As part of a project to update curriculum and program planning for the 4-H management project in Tennessee, a survey was conducted to determine the nature of differences in both the sources of income and the usage of this income among children in the fourth through the ninth grades according to rural and urban differences and socio-economic level of the family.

The Survey

A sample of 4-H members from Tennessee who attended 4-H camp during the summer of 1989 was chosen from counties selected based on rural/urban 4-H enrollment. Prior to camp, their parents were sent a consent form, as well as a short questionnaire used to establish the socio-economic status of the family. 4-H members whose parents had completed the consent form and the questionnaire were asked to complete the survey. One-hundred fifty-eight of the 4-H members whose parents completed the consent form and questionnaire completed surveys which were usable.

The survey itself was a fifty-six item pencil/paper questionnaire. Questions about how often a child receives money from parents, the amount of money received, whether the money is connected to doing chores, other sources of money, money management practices including saving, borrowing, and lending money, and how much money the child spent on various items and activities were included in the survey.

The Results

Few differences were found among rural and urban 4-H members. Only three items revealed statistically different results among these groups, as determined by the

usage of the chi-square statistic. These variables included the amount of money the child spends per week on electronic equipment (i.e. cameras, computers, radios, stereos, etc.), the average amount spent per week on personal grooming expenses (i.e. hair care products, haircuts, make-up, etc.), and the amount of money spent on sports or exercise equipment. Chi-square values and significance levels for these variables may be found in Table 1.

INSERT TABLE 1 HERE

Differences in socio-ecnomic status likewise indicated few significant dependent variables. Those which were statistically different included: whether a child has a savings account at a bank, whether a child ever borrows money from others, and the amount a child spends on jewelry. Chi-square values and significance levels for these variables can be found in Table 2.

INSERT TABLE 2 HERE

Perhaps the most relevant findings for Extension personnel include all those variables which are not significant based on rural or urban place of residence, as

well as socio-economic status of the family. The appendix to this article is a copy of the questionnaire. From examining the questionnaire, it is evident that many expected differences do not exist.

Conclusions and Implications

It is important for Extension agents working with children to be aware of how these members spend money, as the research seems to indicate there are few real differences among children from different socio-economic backgrounds, as well as children from rural and urban backgrounds. Extension agents must be aware of the fact that children in today's society have a large discretionary income. The trend towards fewer children per household results in a higher discretionary income for these children.

Many times agents feel the need to develop individualized curriculum for children from different socio-economic backgrounds, as well as children from rural and urban homes. However, this research indicates that there are no real differences in money utilization and management practices because of different socio-economic levels or rural or urban places of residence. Thus, it is safe to conclude that Extension workers may quite adequately cover the needs of these children by developing

one program that addresses money resources, rather than having to develop several different programs for children from different backgrounds.

Table 1. Significant Chi-Square Values for Rural or Urban Place of Residence

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Amount of money spent weekly for cameras, computers, radios, stereos, televisions, vcr's, and other such items	4.14497	1	0.04
Amount of money spent each week for hair care products, haircuts, make-up, and other grooming expenses	8.96839	2	0.01

Table 2. Significant Chi-Square Values for Socio-Economic Status

Variable	Chi-Square Value	Degrees of Freedom	Significance Level
Savings account at a bank	6.86488	2	0.03
Borrow money from others	7.07688	2	0.03
Amount of money spent weekly on jewelry	7.35299	2	0.03

VITA

Amy Joan Judd Fellhoelter was born in Sparta, Tennessee on September 7, 1965. She attended Doyle Elementary School, and White County Junior High School, respectively, before graduating from White County High School in May, 1983. The following fall, she enrolled as an undergraduate at the University of Tennessee, Knoxville, where she received her Bachelor of Science degree in Human Ecology, with a major in Child and Family Studies at the June, 1987 commencement. While studying at the University of Tennessee, she worked in the State 4-H Office. Duties there included assisting the Tennessee 4-H specialist staff with supervision and administration of the Tennessee 4-H programs. Additionally, she completed an internship with the Greene County Agricultural Extension Service during the summer of 1986. In the fall of 1987, she enrolled as a graduate student in the Master of Science program in Home Economics at the University of Tennessee, Knoxville. While working on her Master's degree, she also accepted a one year appointment as a graduate teaching assistant with the College of Human Ecology. Her master's degree was completed in April, 1990.

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