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### Abstract

#### AN EMPIRICAL CONSUMER BEHAVIOR STUDY OF FAMILIAL/PARENTAL INFLUENCES ON THE DEGREE OF FRUGALITY OF UNDERGRADUATE STUDENTS

Undergraduate students are often reported to have poor consumer behavior and money management practices. During these critical years, consumer traits and habits such as compulsive buying and materialism may be formed leading to excessive credit card debt and financial difficulties after graduation. Although many authorities are concerned with such issues, little research has been done to determine factors which influence more desirable consumer behaviors within college students. Tactical solutions, such as providing allowances and improving shopping practices, have been suggested; however, more conceptual approaches are limited. This research examines underlying familial/parental factors which may increase degrees of frugality, an opposite behavior to that of compulsive buying. Essentially, what influences do parents and family have in promoting more responsible consumer behaviors in their children?

Using surveys administered at seven universities within the United States, data were collected to measure the degree of frugality of students, familial/parental influences, and several demographic variables. The strengths, directions, and relationships of the variables were analyzed using multiple regression, correlation analyses, and ANOVAs. Results indicated the proposed model significantly predicted the degree of undergraduate frugality and that the following four familial/parental influences are conducive to raising more conscientious consumer- and consumption-minded students: 1) the perceived degree of frugal behaviors *of the family* in which a student was raised (positively related),

2) intergeneration communication relating to consumer skills (positively related), 3) intangible family resources such as time and attention, discipline, life skills and instruction, emotional support and love, and role modeling and guidance (positively related), and 4) family socioeconomic status including perceived family financial status, parental education levels, and home ownership status (negatively related). Independent variables not significantly related were tangible resources, parental financial support for college, family stressors, gender, age, and parental marital status. The results were used to discuss potential directions for this addition to the body of consumer behavior research.