

Research on the Impacts for College Students' Financial Management Behaviors

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Abstract—With the development of social economy, financial management has gradually become a national activity. Investment and financial management are indispensable for everyone, including college students who are active in the campus of college. The aim of this essay is to study the influence College Students' financial management behavior based on the characteristics of Yu' E Bao. The conclusion of this paper is that there is no significant relationship between the choice of risk and return of college students and the amount of investment they are willing to invest in Yu' E Bao, so the choice of risk and profit of college students has little relationship with their financial management behavior. And the financial habits of college students themselves are the mainly factors affecting their financial behavior.

Keywords: college students' financial management, financial management behavior, impact factors

I. INTRODUCTION

Since the reform and opening up, China has become the second largest economy in the world. In the process of opening up to the outside world, China is constantly learning from foreign advanced technologies and making innovations.

With the further development of China's economy and the reform of enrollment expansion in Colleges and universities, the group of college students is becoming larger and larger, and it has become an indispensable consumer group. The financial psychology and ideas of the new generation of post-90s college students will have an important impact on the sustainable development of social economy. In the information age, this part of the group will be more deeply affected by Internet finance. College students living on campus have less idle funds because their funds mainly come from their parents, and they don't have a strong sense of financial management. Therefore, we must cultivate high-quality talents and stable first-line property staffs, and to attract, cultivate and retain high-quality property management staffs, we must establish a sound compensation system. However, the established compensation system must be reasonable. The goal set by the compensation system should not be too high or too low, which must be achieved by the property staffs, but it is also challenging at the same time.

II. LITERATURE REVIEW

The word "financial management" first appeared in China in the early 1990s and was not officially launched until the

beginning of the century. For the definition of personal finance, there is no unified statement at home and abroad. The China Financial Planning Standards Committee refers to personal wealth management services as financial management. It believes that financial management is a comprehensive financial service. It refers to professional financial management personnel to collect and analyze and evaluate the comprehensive financial situation of customers and jointly develop financial goals with customers. We will formulate appropriate financial solutions for our clients and implement them in a timely manner, supervise and adjust them to meet the financial needs of customers in different periods of life (Huang & Wei, 2010)[1].

Many other countries have studied the field of investment and financial management of college students at an early stage, which may be related to the Western countries paying attention to cultivating college students' financial awareness. Volpe and Chen (1998)[2] surveyed college students in more than 900 colleges and universities, and assessed college students' personal financial management knowledge, investment and insurance base. They found that college students' investment and financial management knowledge is relatively low. In 2001, Roberts & Jones (2001)[3] analyzed the investment behavior of American college students, pointing out that money attitude, power, prestige and trust and anxiety are closely related, usually reflected in the forced use of credit and the frequent use of credit cards. Ozlen and Aysel (2005)[4] conducted a survey of 300 Turkish college students from three different universities, pointing out that there are some differences in the financial attitudes of college students, especially in terms of gender and age. Tew (2014)[5] surveyed 513 students from 10 different universities across the United States. They found that male and non-white students had a weak investment and financial management concept, and this concept was obviously abnormal. They also found that they exceeded 25% of freshmen are ignorant of their financial situation and have no financial ideas, but this situation will change after the senior year. Fan (2011)[6] and Chen (2013)[7] believe that college students have limited risk-taking ability, pay attention to the security of investment, pursue the stability of income and security of funds, and dare not rush to carry out high-risk investment in stock market funds. Subject Group of Guangxi Institute of Finance and Economics (Gao, 2013)[8] found that the grade, gender, place of origin, monthly living expenses and the degree of understanding of financial investment have an important influence on the financial

investment behavior of college students. In 2008, Sun & Ma (2008)[9] found through investigation that financial education helps to improve the financial management level of college students.

III. RESEARCH DESIGN ON INFLUENCING FACTORS OF COLLEGE STUDENTS' FINANCIAL BEHAVIOR

Under the advocacy of China's vigorous development of the economy, internet finance has been developing vigorously in China. On the basis of Alipay's great success, Alipay has made the right time to cooperate with the Tianhong fund, aiming at Alipay's reserve business to launch a new value-added business called 'YU'E Bao'. In June 2013, Tianhong Foundation as fund manager was launched by Ant Gold Clothes, which was officially market-oriented. With its rapid development, Yu' E Bao has triggered a research boom in academia. On November 14, 2013, the latest scale of Yu' E Bao has exceeded 100 billion yuan, becoming the first fund in the history of Chinese funds to exceed 100 billion yuan. On May 26, 2017, Tianhong Fund announced that since 00:00 on May 27, the maximum amount of personal holding balance Yu' E Bao has been adjusted to 250,000 yuan. Starting from February 1st, 2018, Yu' E Bao set the daily subscription amount, that is, when the actual purchase reaches the set quota on a single day, the application will not be accepted on the same day, and the daily subscription amount will be adjusted periodically. As one of the most noticeable financial products, Yu' E Bao has brought new influences on the financial habits of Yunnan college students who are familiar with the operation of the Internet. Based on the above reasons, this research will take Yu' E Bao as the object of study. The main aim of this essay is to study the financial management ability of college students and how to choose financial products correctly based on the characteristics of Yu' E Bao. Under the huge driving force of the market, the endless stream of Internet financial products have different adaptability to different groups of people. The research steps are as follows:

A. Establishing Research Hypothesis

As one of the many financial products widely used by Yunnan college students, Yu' E Bao is characterized by low risk and high returns (compared to bank time deposits of similar nature). Tang & Jiang (2018)[10] mentioned in the literature that a risk management course is needed to help college students establish financial security management, which shows the importance of risk factors in university physical finance. According to the general characteristics of investment, the author knows that risks and benefits are not available. For the split, there is a risk associated with the risk, and the risk factors are related to the physiological behavior of Yunnan University. The risk factors that exist simultaneously with the risk will also be related to the physiological behavior of Yunnan University. In addition to the above mentioned risks and profits, some scholars also mentioned the financial management habits of college students and other factors. For example, Wang & Zheng (2017)[11] used the AHP method to study the financial habits of college students. Internet finance has a great influence on the three aspects of wealth management product loyalty, financial management and

financial management frequency. Based on the above, this essay makes the following hypothesis Influencing factors of financial management behavior, in addition to wealth management products such as Yu' E Bao from the outside world, some factors come from college students themselves.

H1: The choice of risk and profits for college students will affect the amount of savings that college students invest in Yu' E Bao.

H2: The financial habits, financial willingness, and financial management concepts of college students will have an impact on the amount of savings that college students have invested in Yu' E Bao.

B. Issuance and Recycling of Questionnaires

Considering the availability of data, this study selected college students in Yunnan Province as samples. In this survey, distributing 200 questionnaires to Yunnan college students via the Internet, and the invalid questionnaires were eliminated. Finally, 198 valid questionnaires were collected and the duration of the questionnaire was one month. There are three main parts in the design of the questionnaire: The first part is the basic information of the sample, which covers the basic situation of the gender, age, major, source of living expenses and surplus of Yunnan college students. The second part is about the investigation of the financial awareness of Yunnan college students, which mainly includes two aspects of financial willingness and financial management concept. The last part is the current financial management status of Yunnan college students, including the investigation of Yunnan college students' financial habits and the use of Yu' E Bao. After collecting the questionnaire, the data was sorted out. There are three main parts in the design of the questionnaire: the first part is the basic information of the sample, which covers the basic situation of the gender, age, major, source of living expenses and surplus of Yunnan college students. The second part is about the investigation of the financial awareness of Yunnan college students, which mainly includes two aspects of financial willingness and financial management concept. The last part is the current financial management status of Yunnan college students, including the investigation of Yunnan college students' financial habits and the use of Yu' E Bao. After collecting the questionnaire, the data was sorted out. The questionnaires with comprehensive answers and following reasonable rules were regarded as valid questionnaires, meanwhile the questionnaires with incomplete answers and non-logical rules were excluded, and the data was recorded into SPSS25 statistical analysis software.

C. Characteristics of Data Analysis Process

The data selected in this essay is the primary data collected through the questionnaire survey. According to the selection of sample variables and the research content of this essay, this essay will select SPSS25 software as a research tool to analyze the data. First, describe the data, and then set the variables. The savings amount of Yu' E Bao and the choice of risk and income of Yunnan college students are used as dependent variables, and other factors are used as independent variables. According to the results of the questionnaire, to draw cross charts, ANOVA charts and correlation coefficient maps. The data were analyzed by unary regression and multiple

regression model. After the results were obtained, the results were tested by the T test, F test, D-W test. After analyzing the significance between the dependent variable and the independent variable, the conclusion was drawn.

IV. CONCLUSION

A. Sample Basic Information Description

Display according to sample statistics, there were 142 female students, accounting for 71.72% of the total number, and 56 male students, accounting for 28.28% of the total number. Because most of the surveys are for economics and management students, and the proportion of female students in the economics and management majors is large, the number of female students in the survey sample is high. Second, there are 64.65% of the students in the survey, and the subject of this survey is related to financial management and investment. Therefore, the respondents have a certain understanding of the survey topics and related knowledge enhanced the effectiveness of this survey. Third, the number of students in seniors accounted for 66.67%, and that of juniors was second only to seniors, accounting for 20.2%. Senior students have been living in college for four years. Compared with the freshman and sophomore who have just entered the school, they have strong economic awareness and strong financial desires. Fourth, the monthly living expenses of Yunnan college students is the highest in the grade of 0-199 yuan, accounting for more than half, the second grade of 200 to 399 yuan, the least of 1,000 yuan, only accounted for 5.05%. The reason for this result may be that Yunnan college students do not have financial habits, and may also be related to the total

amount of living expenses. The specific data analysis is shown in the figure below:

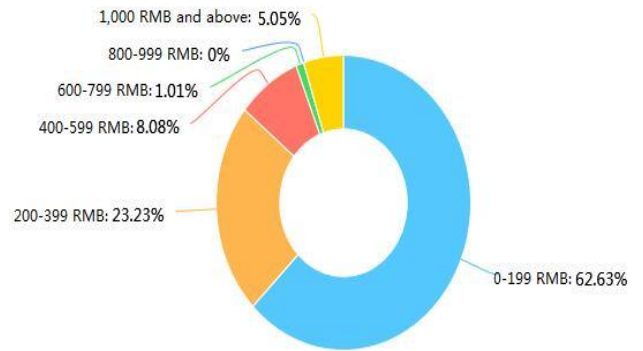


FIGURE 1 . THE MONTHLY LIVING SURPLUS RATIO

B. College Students' Choice of Risk and Profit

The choice of risk and benefit of college students is taken as the independent variable, and the highest amount of investment acceptable to college students is used as the dependent variable to establish a unary regression equation. The model's overall F test and regression coefficient t test are used to determine whether there is a significant relationship between the two. The results are shown in the table below.

TABLE I. ANOVA TABLE OF UNARY REGRESSION EQUATION

Model		Unnormalized Coefficient		Standardization Coefficient			
		B	Standard Error	Beta	T	Sig	Zero Order
1	Predictors	2.204	0.465		4.742	0	
	Choice of risk and return	-0.107	0.190	-0.057	-0.566	0.573	-0.570

From Table I , it can be seen that the significance index of the F-test is 0.573, which is much larger than the critical value of 0.05. From Table 5.4, it is seen that the T-test significance index for the β coefficient is far greater than 0.05. Therefore, it can be argued that the choice of risk and return as an

independent variable has no significant effect on the maximum amount of investment acceptable to Yunnan college students, and there is no significant relationship between the two.

TABLE II. UNARY REGRESSION EQUATION COEFFICIENT TABLE

Unary Regression Equation Coefficient Table							
Model		Unnormalized Coefficient		Standardization Coefficient		Sig	Zero Order
		B	Standard Error	Beta	T		
1	Predictors	2.204	0.465		4.742	0	
	Choice of risk and return	-0.107	0.190	-0.057	-0.566	0.573	-0.570

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C. Analysis of Factors Affecting the Savings of Yu' E Bao

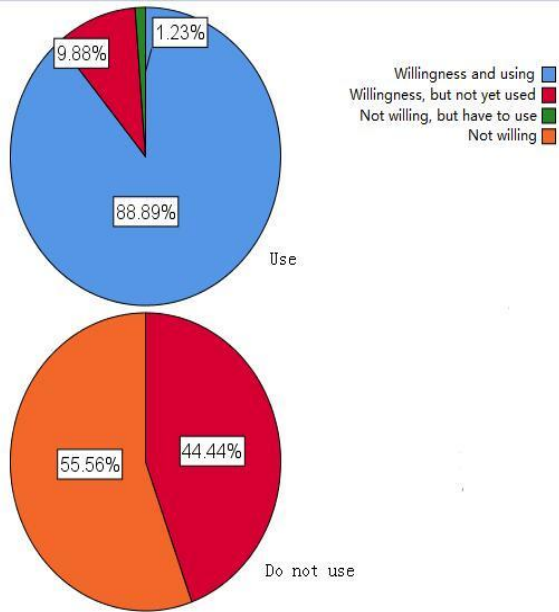


FIGURE II. THE MONTHLY LIVING SURPLUS RATIO

As showed form figure II, it is found that 88.89% of the people who are using Yu' E Bao are still willing to continue to use Yu' E Bao, of which 9.88% are willing but unwilling to take action, but they are classified among the people who are using it. Because this may be statistically used while they are

using, but the desire to use is not very strong, hesitant, do not rule out their tendency to change other financial products, just use Yu' E Bao as a transitional product.

Despite this, on the whole, only 1.23% of the Yunnan college students who are using Yu' E Bao are really forced to use Yu' E Bao, which is a very small proportion. Moreover, even among the students who did not use Yu' E Bao, 44.44% were at least willing to use Yu' E Bao, but they were not used due to certain factors. It can be seen that the overall impression of Yu' E Bao is good. Most of the people who use it are willing to continue to use it, some students who do not use it also want to use it.

In order to study the factors affecting the amount of money that Yunnan college students are willing to invest in Yu' E Bao, the author will use multiple linear regression to analyze and use the significant indicators after F-test and T- test to judge the size of each influencing factor.

Using the questions option answer in the questionnaire, the gradient assignments of 1, 2, 3, 4, and 5 are used as the dependent variable of the multiple linear stepwise regression.

D. Summary of Multiple Linear Regression Models

It can be seen in the table as following that the R square is small, but only for explanatory qualitative analysis, which can be ignored. From the table, the value of the Debin Watson test is 1.687, which is between 1.5 and 2.5, so it can be considered that the residual has no sequence correlation, and the regression equation does not belong to the pseudo-regression. It is also can see that the significance index of the model's overall F test is 0.004, less than 0.05, so it can be considered that there is a linear relationship between the independent variable and the dependent variable set by the author.

TABLE III. MULTIPLE LINEAR REGRESSION MODEL ANOVA TABLE

Multiple Linear Regression Model ANOVA Table						
Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	28.146	8	3.518	2.924	0.004
	Residual	227.41	189	1.203		
	Total	255.556	197			

E. Hypothesis Analysis

In order to verify H1, the author sets the risk-reward choice of Yunnan college students as an independent variable, and sets the maximum savings amount of Yunnan college students into Yu' E Bao as the dependent variable. The relationship between the two is used to establish a unary regression equation, and use F-test and T-test to determine whether there is a significant relationship between the independent variable and the dependent variable. The results show that there is no significant difference between the choice of risk and income of college students and the maximum savings of college students who invest in Yu' E Bao. There is no significant relationship between the two. The result is inconsistent with H1. The choice of risk and income of college students will not affect the amount of savings that college students invest in Yu' E Bao.

The author speculates that the reason for this result is that college students generally believe that the risk of Yu' E Bao is low, so the risk of investment and wealth management is neglected. Moreover, Yu' E Bao is a product of Alipay, and Alipay can now automatically transfer the deposited funds into Yu' E Bao and automatically generate revenue, operation is convenient, which may be the reason for the loss of college students. Combining the above two summaries, college students use Yu' E Bao to manage their wealth, which is not based on the low risk and high income of Yu' E Bao, but may be the flexibility and convenience of Yu' E Bao's use. This proves once again that the choice of risk and income of college students will not affect the amount of savings invested by college students in Yu' E Bao. The research results are inconsistent with H1.

In order to verify H2, the author takes the financial habits, financial willingness and financial management concepts of Yunnan college students as independent variables, at the same time, the amount of savings that Yunnan college students put into Yu' E Bao is used as the dependent variable. Then analyzes the relationship between the dependent variables and the independent variables by using multiple regressions. Each index was judged using an F-test and a T-test. In Table 5.7 of Chapter 5, the author can see the T-test significance index value of all variables. Only the significant index value of Yunnan University's financial habits is less than 0.05, and the significant index values of other variables are significantly greater than 0.05. Therefore, it is concluded that the impact on the financial management behavior of Yunnan college students is the amount of savings that Yunnan college students has survived into Yu' E Bao. In this essay, the amount of idle funds of Yunnan college students.

In daily life, students who have good financial management habits are willing to spend money to actively participate in investment and financial management. Whether Yunnan University students use funds in a planned way also reflects that a person can only participate in financial management projects for a long time and only if they use funds in a planned way. If a person uses funds without rules and plans, then there may be a lack of funds, so that they can not follow up financial projects or investments.

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