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A Study on Parental Financial Socialisation and Fintech Reverse Socialisation

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ABSTRACT

In the current climate, parents know very little about environmental technological breakthroughs. They therefore learn a great deal from their kids. This article examines the Fintech reverse socialisation that happens from kids to parents as well as how kids are socialised by their parents.

KEYWORDS: Socialisation- Learning how to behave and live in a society. Financial Socialisation- How people learn to manage money through family and social influences. Parental Financial Socialisation- Process through which parents teach their children how to manage money. Fintech Reverse Socialisation- Young people teaching older people how to use fintech tools.

INTRODUCTION

Children and adults learn from others through the process of socialisation, which also involves internalizing social rules and ideas. Financial socialisation is the process of learning about money and money management as well as obtaining skills in a variety of financial activities, such as banking, budgeting, using credit cards, etc. Children assisted their parents in gaining financial technology such as QR code scanning, Google Payments, online banking, etc. by teaching them about money matters. These responsibilities might not be as distinct and might even be reversible. Reverse socialisation refers to techniques through which children influence and alter the views and behaviour of their elders, especially if the parent is willing to learn from the youngster. In the current climate, parents know very little about environmental technological breakthroughs. They therefore learn a great deal from their kids. This article examines the fintech reverse socialisation that happens from kids to parents as well as how kids are socialised by their parents.

STATEMENT OF THE PROBLEM

It is typical for parents to instruct their children and aid in their learning. This process of passing money from parent to child is known as financial socialisation. But occasionally, the order is reversed. Why does this occur, and why does information move in the opposite direction? It happens because these parents occasionally lack knowledge of new technology and cutting-edge methods, making them hesitant to conduct online transactions. Nowadays, most people rely on the internet to complete transactions rather than going to a traditional bank. Graduate students' parents (UG & PG) are usually older individuals who have more difficulty using these internet banking facilities. Therefore, the banking confidence of the parent and his or her child is discovered and evaluated in this study. The study examines the fintech reverse socialisation that happens from kids to parents as well as how kids are socialised by their parents.

OBJECTIVES

1. To measure parental financial socialisation of graduate students (UG & PG).
2. To measure FinTech reverse socialisation among parents of graduate students.

METHODOLOGY

The article is conducted on the basis of primary data collected through questionnaire from a population of UG & PG students & their parents in Changanassery Taluk.

POPULATION

The population of the article includes UG & PG students & their parents from the Taluk of Changanassery, Kerala.

SOURCES OF DATA

The article makes use of both primary and secondary data. Primary data required for the article are collected from samples using a structured questionnaire. The secondary data were obtained from various websites, journals and blogs.

SAMPLING METHOD

Data were collected from respondents using non probabilistic method of sampling. Convenience sampling method was applied by distributing the questionnaire among people of Changanassery Taluk who were easily reachable, to get the required data.

TOOLS USED

For analysing the data, simple mean and standard deviation were used and interpretations were drawn accordingly. ANOVA was used to test the hypotheses. The data collected were analysed with the help of SPSS software.

The following references were made for the research paper-

- **Drever et al., (2015)** stress the importance of parents for financial socialisation from childhood, noting that although children are not overseeing household finances they are "apprenticing" as they learn from parents.
- **Othman (2013**) in his study opined that reverse influence occur because children possess greater knowledge and expertise than their parents. This arises because when the children grow up they are exposed to new knowledge and the study reveals that the parents value their knowledge.
- **Hira et al. (2013)** states that parent-child financial discussion during childhood was positively associated with a habit of regular investing starting early in life and with household net worth in adulthood, over and above gender, age, race, marital status, family size, education, employment, occupation, household income, and investments.

ANALYSIS OF DATA

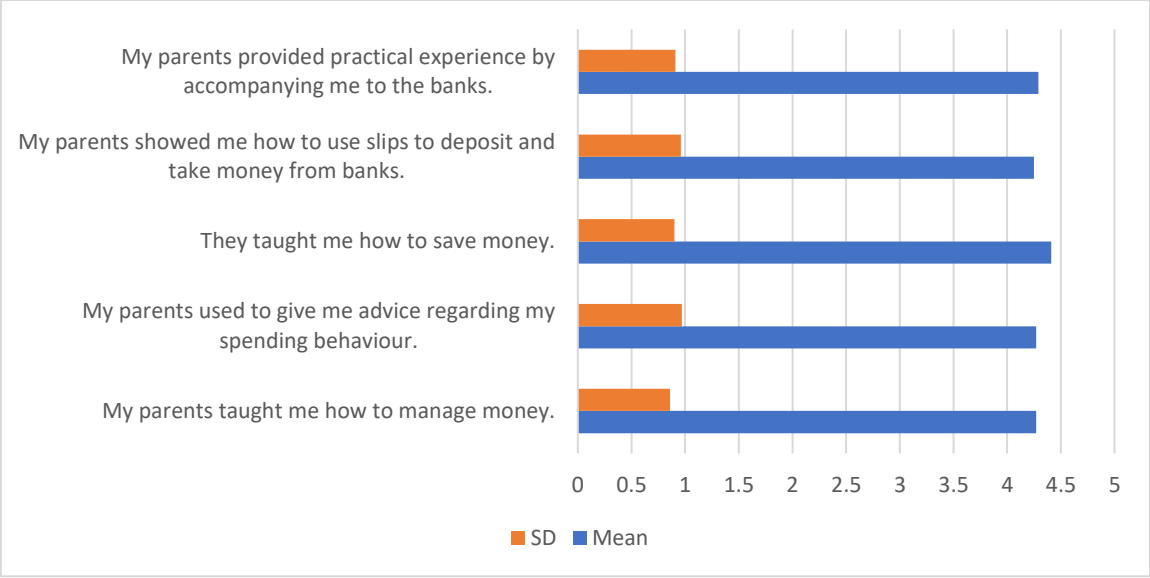
Analysis of objective 1: To measure parental financial socialisation of graduate students (UG & PG).

Table 1 Parental Financial Socialisation of Child

Statements measuring the parental financial socialization of child	Mean	Standard deviation
My parents taught me how to manage money.	4.27	0.86
My parents used to give me advice regarding my spending behaviour.	4.27	0.97
They taught me how to save money.	4.41	0.90
My parents showed me how to use slips to deposit and take money from banks.	4.25	0.96
My parents provided practical experience by accompanying me to the banks.	4.29	0.91

Source: Primary data

Figure 1 Parental Financial Socialisation of Child



The data reveals that respondents generally agree that their parents played an active role in their financial socialisation. The highest mean score (4.41) corresponds to the statement "They taught me how to save money," indicating that saving was a key focus in parental guidance. Similarly, statements about teaching money management and giving spending advice both scored a mean of 4.27, suggesting consistent parental involvement in shaping financial habits. Practical exposure, such as being shown how to use bank slips (mean = 4.25) and being accompanied to the bank (mean = 4.29), also received strong agreement. The standard deviations across the statements range from 0.86 to 0.97, indicating relatively low variability and a general consensus among respondents. Overall, the interpretation suggests that parents played a significant and consistent role in educating their children about financial practices.

Table 2 Average level of Parental Financial Socialisation based on the educational qualification of parent

Educational qualification of parent	Mean	Standard deviation
SSLC	4.3123	0.9289
Plus Two	4.4696	0.7713
Undergraduate	4.3268	0.9234
Postgraduate	4.3622	0.8873

Source: Primary Data

The table above presents the descriptive data on parental financial socialisation based on parent's educational background. It is obvious that parents who qualify as plus two have the highest average score for parental socialisation. Their standard deviation is 0.7713 and their mean is 4.4696 on a five-point scale, which suggests that the children of this particular group of parents receive higher parental financial socialisation.

HYPOTHESIS TESTING

H0: There is no significant difference in the mean score of parental financial socialisation based on the educational qualification of parent.

H1: There is significant difference in the mean score of parental financial socialisation based on the educational qualification of parent.

Table 3 ANOVA analysis on the basis of Educational qualification of parent

Parental financial Socialisation	Sum of squares	df	Mean squares	F	p-value
Between groups	18.62871	3	6.209569	7.586648	5.72e-05
Within groups	405.9693	496	0.818486		
Total	424.598	499			

Source: Calculated value

Since the significance value is less than 0.05, it is clear that the null hypothesis is rejected with a significance value of 5.72e-05 and hence the level of parental financial socialisation differ on the basis of educational qualification of parent.

Table 4 Average level of Parental financial socialisation based on the age of parent

Age group of parent	Mean	Standard deviation
Below 40	4.4547	0.7336
40–50	4.3290	0.9234
50–60	4.3113	0.9920
Above 60	4.4240	0.8046

Source: Primary data

In the table above, descriptive statistics of parental financial socialisation based on age of parent are provided. It is obvious that parents in the age group below 40 have the highest average score in terms of parental socialisation. With a standard deviation of 0.7336 and an average of 4.4547 out of 5, the children of this set of parents are more financially socialised than the children of other parents.

HYPOTHESIS TESTING

H0: There is no significant difference in the mean score of parental financial socialisation based on the age of parent.

H1: There is significant difference in the mean score of parental financial socialisation based on the age of parent.

Table 5 ANOVA analysis on the basis of age of parent

Parental financial Socialization	Sum of squares	df	Mean squares	F	p-value
Between groups	11.99236	3	3.997453	4.811806	0.002599
Within groups	399.5953	481	0.830759		
Total	411.5876	484			

Source: Calculated value

Since the significance value is less than 0.05, it is clear that the null hypothesis is rejected with a significance value of 0.002599 and hence the level of parental socialisation differ on the basis of age of parent..

Analysis of objective 2: To measure FinTech reverse socialisation among parents of graduate (UG & PG) students.

Table 6 FinTech reverse socialisation among parents

Statements	Mean	Standard deviation
I ask my child for any information regarding ATMs and their purposes.	4.27	1.04
My child showed me how to pay for things online when shopping online.	4.36	0.93
I learned how to send money electronically from my child.	4.32	1.01
My child taught me how to use a credit card, debit card, and online banking for various purposes.	4.27	1.05

Source: Primary data

Figure 2 FinTech reverse socialisation among parents

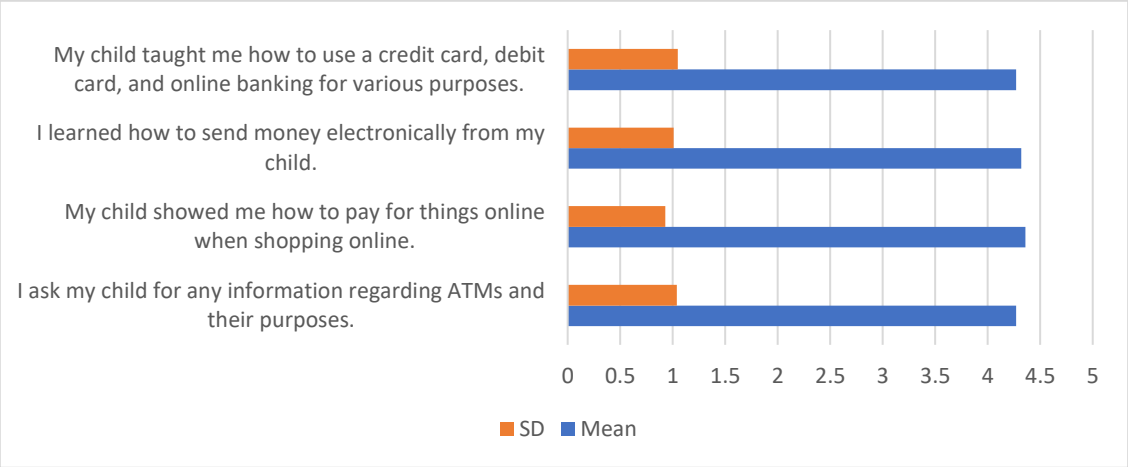


Table 7 Average level of Fin tech Reverse Socialisation based on Educational Qualification of Child

Educational qualification of child	Mean	Standard deviation
UG	4.305	1.011
PG	4.31	1.03

Source: Primary data

In the table above, descriptive statistics of FinTech reverse socialisation based on the educational qualification of child are provided. It is obvious that children who possess UG & PG degree equally provide FinTech reverse socialisation to their parents.

HYPOTHESIS TESTING

H0: There is no significant difference in the mean score of Fintech reverse socialisation based on the educational qualification of child.

H1: There is significant difference in the mean score of Fintech reverse socialisation based on the educational qualification of child.

Table 8 ANOVA analysis on the basis of educational qualification of child

Fintech reverse socialisation	Sum of Squares	df	Mean Square	F	P-value
Between Groups	0.340493	1	0.340493	0.333414	0.563982
Within Groups	406.4495	398	1.02123		
Total	406.79	399			

Source: Calculated value

Since the significance value is more than 0.05, it is clear that the null hypothesis is accepted. Therefore, it indicates that the difference between the educational qualification of children in respect of Fintech reverse socialisation is not significant. Hence, the level of FinTech reverse socialisation do not differ on the basis of educational qualification of children.

FINDINGS, SUGGESTIONS AND CONCLUSIONS

FINDINGS

- Parents who possess Plus Two as qualification pass on more parental financial socialisation to their children.
- The level of parental socialisation differ on the basis of educational qualification of parent. Therefore, we cannot say that a parent teaches his/her child how to save money, spend money and provide them with real time banking experience irrespective of the educational qualification she/he holds.
- As per the responses obtained, Parent respondents belonging to the age category below 40 provide more parental financial socialisation to their children.
- The level of parental socialisation differ on the basis of age of parent. Therefore, we cannot say that a parent teaches his/her child how to save money, spend money and provide them with real time banking experience irrespective of the age. The degree of parental socialisation depends upon the age of the parent.
- The children who possess UG & PG degree equally provide FinTech reverse socialisation to their parents.

- The level of Fin -Tech reverse socialisation do not differ on the basis of educational qualification of children.

SUGGESTIONS AND CONCLUSIONS

- The newest banking technology and cyber security measures should be acquainted to parents so they can do online transactions, fund transfers, and other tasks on their own while taking care of their duties.
- The government should host awareness and education sessions for parents on the technical facets of the banking industry.
- The efforts made by parents will be ineffective without the implementation of what has been studied in real-world situations. They should therefore take the initiative to put what they have learned so far into daily practice.
- Kudumbashree organisations ought to take the effort to instruct parents in the use of mobile banking.
- Children should introduce new Fintech methods to parents in simple and accessible manner and motivate them to adopt and use them efficiently and confidently.
- It is advised that Children should follow the savings habits and money management values instilled in them by their parents.
- The younger generation tends to take on a large role as socialisation agents for parents in the changing environment since there is a bi-directional flow of knowledge and information.

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