

Examination of Influential Factors Shaping Savings Culture among Selected First-Year UoT Students in South Africa

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Abstract

Economies in the global South, especially in Southern Africa, are dealing with high unemployment, persistent inequality, and slow economic growth. This makes a strong savings culture vital for economic progress. South Africa, in particular, is facing the dual challenges of low savings rates and poor financial literacy, especially among its youth. This study delves into the factors that shape the savings habits of first-year university students in South Africa. By understanding their financial behaviour's, we can develop targeted interventions to promote a healthy savings culture. Using an explanatory research approach and a quantitative design, data were gathered from a representative sample of 103 first-year accounting students at a South African university through a survey questionnaire. coefficients of the regression model showed a strong link between students' saving behaviour and key factors like saving culture, financial education, and personal values & financial discipline. In contrast, income level showed a weak correlation, indicating that ingrained saving habits, financial knowledge, and personal values are more crucial in shaping students' saving habits. These findings offer valuable insights for policymakers and educators aiming to develop effective strategies to enhance financial literacy and build a stronger savings culture among young adults in South Africa, ultimately contributing to the region's long-term economic well-being.

Keywords: *Savings Culture, Financial Literacy, University Students, South Africa.*

Introduction

In the early stages of one's academic journey, while individuals are in the process of establishing their financial independence, it is very important to develop the habit of saving money (Sherraden, 2017). One of the most fundamental aspects of financial behaviour is the tendency to save money, which reflects the intricate interaction of a number of different circumstances. The development of a healthy culture of saving is of the utmost importance in South Africa, a country that is marked by huge economic inequities and high unemployment rates (Mama, 2020). This is especially true among the younger generation. Statistics South Africa (Yu, Botha & Nackerdien, 2023) reports that the unemployment rate is at an astounding 32.9%, while the South African Reserve Bank (SARB) stated that the household saving rate was just 0.5% of disposable income in 2022. Both of these figures are shockingly high. It is clear from these numbers that there is an urgent need to have a better understanding of and make improvements to the ways in which South African households save money. The promotion of a culture of saving, particularly among younger generations, is very necessary in order to cultivate long-term financial stability and overall economic expansion.

In light of the fact that the nation is also struggling with high levels of debt, it is believed that improving the national savings rate requires a significant increase in financial literacy (Owusu, Ossei Kwakye, & Duah, 2024). Despite the fact that there are encouraging indicators among pupils in their first year of school, this indicates

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that there is still a more widespread problem with the culture of saving in South Africa. According to Ontong and Mbonambi (2021) and Lep, Zupančič and Poredoš (2022), saving culture among university students, particularly first-year students, is an important field of research. This is because these individuals are in a transitional period, moving towards financial independence. Due to the fact that it has such a varied student body and the economic environment in which these students operate, the University of Technology (UoT) in South Africa provides a backdrop that is exceptionally well-suited to the investigation of this phenomena.

The saving behaviours of first-year university students are influenced by a combination of personal, social, and financial factors. Ali, Aslam, Majeed and Usman (2024) noted that personal values and discipline are quintessential in shaping saving behaviours. Prior research indicates that individuals who prioritize future needs and exhibit self-control are more likely to engage in saving (Kleingbiel, 2020; Davydenko, Kolbuszewska & Peetz, 2021; Baláž, 2023). Discipline, particularly in the form of financial self-efficacy, has been found to correlate positively with saving practices (Furrebøe & Nyhus, 2022). Peer influence is another pivotal factor that can either encourage or dissuade individuals from saving. Kadir, Shoukat, Naghavi and Jamaluddin (2021) notes that the influence of peers on financial behaviour is particularly pronounced during the university years, as students are often in close proximity to their peers and may adopt the prevailing financial habits. The social environment of university life can significantly impact a student's financial decisions. For instance, students who are surrounded by peers who prioritize, and practice saving are more likely to adopt similar behaviours. Conversely, if the prevalent behaviour among peers is to spend rather than save, students may find it challenging to develop and maintain a saving culture. Angela and Pamungkas (2022); Hartono and Isbanah (2022) support this view, indicating that peer influence plays a critical role in shaping financial behaviours during the formative university years.

Income level is a more tangible determinant of saving culture. Unsurprisingly, higher income levels have been associated with increased saving rates (Mian, Straub & Sufi, 2020). However, Killingsworth (2021) observed that the relationship is not purely linear, as even individuals with lower income levels can exhibit a strong saving culture if they possess the requisite values, knowledge, and skills. Widjaja, Arifin and Setini (2020); Dewi, Febrian, Effendi and Anwar (2020); Douissa (2020) emphasizes that the capability to save is not solely dependent on income but also on one's financial literacy and attitude towards saving. This suggests that targeted interventions aimed at improving financial literacy and attitudes towards saving can be effective in fostering a saving culture among students, regardless of their income levels.

Financial education has been heralded as a critical tool for improving saving habits. Studies such as Morgan and Long (2020); Hasan, Le and Hoque (2021); Mpaata, Koske and Saina (2023) have shown that individuals who receive financial education are more likely to engage in positive financial behaviours, such as saving. Bakar and Bakar (2020) found that financial education significantly enhances an individual's ability to manage finances and increases the likelihood of saving. This is particularly relevant for university students, who may be encountering financial independence for the first time and thus benefit greatly from structured financial education programs. In South Africa, the level of financial literacy among university students is an area of growing concern and research interest. Csorba (2020) highlights that improving financial literacy is crucial for enabling students to make informed financial decisions and develop a robust saving culture. Enhancing financial literacy through targeted educational programs can equip students with the knowledge and skills necessary to navigate financial challenges effectively.

Finally, budgeting skills are indispensable for effective saving (Despard, Friedline & Martin-West, 2020). The ability to plan, monitor, and control personal finances is closely linked to the propensity to save. Versal, Honchar, Balytska and Erastov (2023) assert that students who keep a budget are more likely to save regularly. Budgeting enables students to track their income and expenses, identify areas where they can cut costs, and allocate funds towards savings (Rashid & Ondiek, 2018).

For first-year students, who may be managing their finances independently for the first time, developing strong budgeting skills is particularly crucial. These skills help them establish a solid foundation for long-term financial stability and success.

Considering the aforementioned factors, this study aims to investigate the influential factors affecting the saving culture among selected first-year UoT students in South Africa. By analyzing the impact of personal values and financial discipline, peer influence, income level, financial education, and budgeting skills on saving behaviours, the study endeavors to provide insights that could inform targeted interventions to foster a robust saving culture within this demographic. The urgency of such research is underscored by statistics which indicate that the savings rate in South Africa remains comparatively low, with the gross saving rate reported at 15.9% of GDP in 2019 (World Bank, 2020), highlighting the need for improved saving behaviours at the individual level.

Literature Review

This literature review examines the multifaceted factors shaping savings culture among young adults, with a particular focus on first-year university students. Existing scholarship highlights a range of influences on the saving behaviours of this demographic, including personal values, financial discipline, peer influence, financial education, budgeting skills, and income level. This review delves into each of these factors, providing a comprehensive analysis of their individual impact. Furthermore, it explores the theoretical underpinnings that elucidate the interplay of these factors and their combined effect on the savings culture of first-year university students. Financial literacy, which is defined as the ability to understand and effectively use various financial skills, including personal financial management, budgeting, and investing, is increasingly recognized as a pivotal factor influencing the saving culture among first-year students (Abidin, Zainuddin & Rahim, 2023). Empirical studies underscore the interconnectedness of financial literacy and saving habits, emphasizing that a higher level of financial literacy often correlates with more robust saving behaviours. A study by Lusardi and Mitchell (2014) highlighted that financial literacy is a significant determinant of financial behaviour, including savings. The researchers found that individuals with higher financial literacy are more likely to engage in saving, investing, and planning for retirement. This pattern holds true for younger demographics, including first-year college students, who are at a critical juncture in developing lifelong financial habits.

Complementing this, a study by Thapa and Nepal (2015) focused on college students, revealing that those with higher financial literacy are better at managing their finances and more likely to save. The research indicated that students who participated in financial education programs displayed a greater propensity to save money regularly and demonstrated improved financial behaviours compared to their peers who did not receive such education. Furthermore, a survey conducted by Sinnewe and Nicholson (2023) found that first-year students with a higher understanding of financial concepts were more inclined to create and adhere to a budget, which is a fundamental step towards effective saving. This study also reported that these students showed a greater awareness of the importance of saving and were more likely to set aside funds for future needs, thus establishing a solid foundation for financial stability. In contrast, research by Pahlevan Sharif, Ahadzadeh and Turner (2020) suggested that the lack of financial literacy among young adults is a significant barrier to saving. The study findings indicated that many first-year students possess inadequate knowledge about basic financial principles, which hampers their ability to manage money effectively and save. This lack of financial acumen often leads to poor financial decisions, including insufficient savings and increased debt levels. Moreover, a longitudinal study by Zhu (2021) examined the financial behaviours of college students over time and found that early financial education positively influences their saving habits. Students who received financial literacy training in high school or early college years were more likely to practice prudent financial behaviours, including regular saving, throughout their college tenure.

The Influence of Financial Education on Savings culture

The impact of financial education on savings culture has been a subject of significant interest in economic and educational research. Mpaata, Koske and Saina (2023) asserts that financial education plays a pivotal role in shaping individuals' saving habits. They provide examples where individuals equipped with financial knowledge and skills are better able to understand the importance of saving, manage their finances effectively, and make informed decisions about saving for the future. This illustrates how access to financial education can empower individuals to develop and maintain a robust savings culture. Empirical evidence from Morgan and Long (2020); Hasan, Le and Hoque (2021) further supports this assertion, highlighting that individuals and households exposed to financial education initiatives tend to exhibit higher savings rates. They found that financial literacy programs and workshops significantly enhance participants' ability to plan their finances, set savings goals, and adhere to disciplined saving practices. This underscores the transformative impact of financial education in promoting prudent financial behaviour and increasing savings.

Morgan and Long (2020) corroborates these findings, noting a positive correlation between financial education and household savings. Their study demonstrates that households where members have received formal or informal financial education exhibit greater awareness of financial concepts, better financial management practices, and higher levels of savings. This suggests that investing in financial education can lead to improved financial security and resilience against economic uncertainties. Human capital theory posits that investments in education, including financial education, enhance individuals' skills, knowledge, and productivity in managing financial resources (Al-Shami, Damayanti, Adil & Farhi, 2024). As individuals acquire financial literacy and skills through education, they are better equipped to make informed decisions about savings, investments, and expenditure.

Conversely, a lack of financial education is often associated with poor savings habits. Individuals who lack understanding of basic financial principles may struggle to manage their finances effectively, leading to inadequate savings and financial instability (Challoumis, 2024). The absence of financial knowledge can also contribute to financial vulnerability and a cycle of low savings, particularly during economic downturns or unexpected expenses. Social factors, such as unequal access to financial education resources and cultural attitudes towards money management, further shape savings behavior (Shi, Ali & Leong, 2024). Efforts to promote financial education, particularly targeting vulnerable populations and underserved communities, are crucial for fostering a widespread savings culture (Bottazzi & Lusardi, 2021). By equipping individuals with the necessary financial knowledge and skills, societies can empower them to build secure financial futures, strengthen economic resilience, and contribute to overall financial well-being.

The Influence of Budgeting Skills on Savings culture

Despard, Friedline and Martin-West (2020) posits that proficient budgeting skills are a crucial determinant of effective saving habits. He provides an example where individuals who regularly practice detailed budgeting are better able to track their expenses and allocate funds towards savings. This illustrates how the systematic practice of budgeting can directly enhance an individual's ability to save efficiently. Further empirical evidence is provided by Versal, Honchar, Balytska and Erastov (2023), who found that strong budgeting skills significantly influence savings behaviour within families. They observed that households with members skilled in budgeting tended to have higher savings rates, as these individuals could effectively manage their finances and identify areas for cost-saving. This highlights the importance of budgeting as a tool for enhancing financial stability and savings. Rashid and Ondiek (2018) supports these findings, noting a strong positive correlation between effective budgeting and increased household savings. Their study demonstrated that households practicing meticulous budgeting saw a substantial rise in

their annual savings, suggesting that the ability to plan and monitor finances can lead to improved financial security and savings outcomes. Budgeting is a fundamental aspect of financial planning that influences both consumption and savings behaviour. The practice of budgeting involves setting financial goals, monitoring expenditures, and adjusting ensure that savings targets are met. As individuals and households develop stronger budgeting skills, they tend to increase their savings proportionately while maintaining controlled consumption patterns, thereby enhancing their overall financial health. Poor budgeting skills are often linked to ineffective saving habits, as highlighted by financial planning theories. Individuals who lack budgeting skills may struggle to track their expenses and allocate funds efficiently, leading to high expenditures relative to their income and reduced capacity to save. The absence of a structured budgeting approach can further exacerbate financial instability, creating a cycle of poor savings culture.

The Influence of Peer Influence on Savings culture

The relationship between peer influence and savings culture has been widely explored in both economic and sociological literature. Kadir, Shoukat, Naghavi and Jamaluddin (2021) argues that peer influence significantly impacts an individual's saving habits. The study illustrates this with an example where individuals surrounded by peers who prioritize saving are more likely to adopt similar behaviours, thereby enhancing their own savings culture. This example underscores how social interactions and peer behaviours can directly affect an individual's financial decisions and savings practices. Further empirical evidence is provided by Hartono and Isbanah (2022), who found that peer influence plays a crucial role in shaping savings behaviour within families and communities. They observed that individuals who are part of social groups that value saving, and financial prudence tend to have higher savings rates. This observation highlights the importance of positive peer influence in promoting healthy financial habits and increasing household savings.

Angela and Pamungkas (2022) corroborate these findings, highlighting a robust positive link between affirmative peer influence and augmented household savings. Their research indicated that those who frequently engage with peers exhibiting disciplined saving habits experience a notable enhancement in their own savings. This indicates that peer influence can serve as a significant incentive for the adoption and sustenance of a strong savings culture. Kadir, Shoukat, Naghavi, and Jamaluddin (2021) assert that peer influence significantly impacts essential economic behaviors, including spending and saving. Exposure to peers who emphasize saving increases the likelihood that individuals may adopt and incorporate these behaviors into their financial habits. Consequently, savings typically rise in direct correlation when individuals synchronize their financial behaviors with those of their contemporaries. On the other hand, detrimental peer influence may result in inadequate saving practices (Alshebami & Seraj, 2021). Individuals in the company of peers who emphasize consumption and display financial irresponsibility may adopt same behaviors, resulting in elevated spending compared to their income and diminished savings potential.

The Influence of Personal Values and Financial Discipline on Savings culture

The relationship between personal values, financial discipline, and savings culture has been widely explored in economic and behavioural finance literature. Ali, Aslam, Majeed and Usman (2024) argues that personal values and financial discipline significantly influence an individual's saving habits. They present a case where individuals with strong values of financial prudence and discipline are more likely to prioritize savings over immediate consumption, thus fostering a robust savings culture. This example illustrates how ingrained values and disciplines financial behaviour can directly impact an individual's ability to save effectively. Further empirical evidence is provided by Kleingbiel (2020), who found that personal values and financial discipline play a critical role in shaping savings behaviour in families. They noted that

families where individuals practiced disciplined financial management and upheld values of frugality tended to have higher savings rates. This observation underscores the importance of financial discipline and value-driven behaviour in enhancing household savings.

Davydenko, Kolbuszewska and Peetz (2021) supports these findings, noting a strong positive correlation between financial discipline, personal values, and household savings. Their study demonstrated that households where members adhered to strict financial discipline and valued savings saw a significant increase in their annual savings. This suggests that fostering a culture of financial prudence and discipline within households can lead to greater financial security and increased savings. A lack of financial discipline and values oriented towards immediate consumption is often associated with poor saving habits (Nanda & Banerjee, 2021). This is highlighted by behavioural finance theories which suggest that individuals who lack discipline in their financial management are prone to high expenditures relative to their income, reducing their capacity to save. The absence of strong financial values further exacerbates this situation, leading to a cycle of poor savings culture.

The Influence of Income Level on Savings culture

It is generally accepted in the field of economics that one of the most important factors that determines savings is one's level of income. In her article from 2020, Douissa highlights the fact that fluctuations in the job status of a household can directly affect overall income, which in turn effects the ability of a family to save money. As an illustration, a woman who quits her job after getting married in order to take care of her family immediately brings the overall income of the household down, which in turn affects the potential for persistent savings at the household level. In a similar vein, Dewi, Febrian, Effendi, and Anwar (2020) demonstrate that a loss of job by one partner in a household can result in a significant reduction in overall savings. This highlights the susceptibility of saving habits to modifications in income patterns. Moreover, Widjaja, Arifin, and Setini (2020) highlight the fact that there is a large positive association between the levels of household savings and the income levels of households. The results of their study indicate that households tend to save more money as their annual income increases, which in turn leads to increased financial security and prospects for future investments. This idea is investigated further by Tyagi, Bhatia, Sanwal, and Singh (2024), who differentiate between permanent income, which refers to earnings that are consistent and reliable, and lower or unstable income. They discover that households with permanent income demonstrate significantly different saving behaviors than those with lower or unstable income. These observations are supported by Friedman's perspective, which contends that although fluctuations in earnings over a short period of time may have an effect on immediate consumption, they do not inevitably change the behavior of a household with regard to its larger, long-term savings. Instead, economic factors such as consistent employment, adequate capital, and stable income play more important roles in defining patterns of consumption as well as patterns of saving. In addition, Shen and Zhao (2023) state that as income levels rise, individuals and households are more likely to save a portion of their discretionary income, which ultimately results in increased financial stability. However, unemployment and the consequent loss in income frequently result in a greater proportion of earnings being consumed, leaving little opportunity for savings. This is because there is less money available to save. Low or unpredictable income can have a multiplicative influence on social factors including a large number of dependents, high living costs, and poverty, which in turn can reinforce a culture of inadequate savings.

Prior Studies

Nomlala (2021) investigated the financial socialization of accounting students at South African universities, focusing on the various factors that influence this process. The study revealed that financial socialization agents such as relatives, friends, and social media exert minimal impact on the financial decisions of most students. Instead, it was found that immediate family members play a more substantial role in shaping the financial behaviours of accounting students. Regression analysis

further confirmed a statistically significant association between the parents' level of education and the students' financial socialization, underscoring the critical role of familial influence in financial behaviour development. Jamal, Ramlan, Karim, and Osman (2015) explored savings behaviour among students in higher learning institutions in Kota Kinabalu, Sabah. Their study aimed to identify the determinants of savings behaviour and examine the mediating effect of attitudes on the relationship between financial literacy and savings behaviour. The findings highlighted the significant role of family involvement in nurturing students' savings habits, followed by financial literacy and peer influence. Notably, students with higher financial literacy exhibited more favorable financial attitudes, although these attitudes did not mediate the relationship between financial literacy and savings behaviour directly.

Building on this, Jamal, Ramlan, Mohidin, and Osman (2016) further investigated the factors influencing savings behaviour among university and college students and the role of financial attitudes in mediating the relationship between financial literacy and savings behaviour. Utilizing a structured questionnaire distributed to 1,728 undergraduate students across major cities in Sabah, the study employed structural equation modeling (SMART-PLS v.2.0) for analysis. The results identified family involvement, peer influence, self-control, and financial literacy as critical factors in fostering students' savings behaviour. These findings emphasize the multifaceted nature of financial socialization and the importance of personal values and discipline in shaping savings habits. Palimbong, Agnes and Pali (2022) examined the impact of financial literacy on individual financial management. The study found that poor financial decisions, such as mismanagement of credit cards, extravagance, and poor cash management, led to significant financial pressure on individuals. This financial stress often resulted in decreased productivity and performance at work, highlighting the broader implications of financial illiteracy. To address these challenges, many organizations in the U.S. have begun offering financial education in the workplace to empower employees with better personal finance management skills.

Kaiser, Lusardi, Menkhoff and Urban (2022) conducted a study on Indian migrant workers in Qatar, focusing on the impact of financial literacy training on their savings behaviour. The study involved 232 married male migrant workers, with 157 receiving a three-hour financial knowledge class followed by a dinner, while 75 did not receive any training. The findings indicated a positive change in behaviour, with 48.4% of the trained migrants more likely to involve their wives in financial decision-making. This study underscores the effectiveness of targeted financial education in improving savings behaviour and financial decision-making among migrant workers. Lusardi and Tufano (2019) surveyed financial occurrences, debt literacy, and over-indebtedness among Americans. They found that a significant portion of the population lacked an understanding of the impact of interest rate increases on their financial performance and the effective use of credit cards. The study highlighted that marginalized groups, including women, single parents, and the elderly, were particularly affected by poor financial supervision and constrained resources. These findings emphasize the need for comprehensive financial education to improve financial literacy and reduce over-indebtedness.

Wafula (2017) investigated the impact of financial literacy on the financial practices of small-scale farmers in Tranzoia County. The study, which involved a sample size of 384 farmers, utilized questionnaires for data collection and employed both descriptive and inferential statistics for analysis. The results demonstrated that access to and utilization of financial practices significantly influenced savings, debt management, financial planning, and investment habits among the farmers. The study concluded that financial inclusion positively correlates with improved financial management practices. Nyambura (2019) explored the determinants of saving and investment among employees of Wells Fargo Kenya Limited. Using a descriptive analysis plan and a sample size of 58 employees, data was collected through questionnaires and analyzed using SPSS version 24. The study found that investment reasons, such as retirement, development, precautionary, and bequest, significantly influenced employees' saving and investment levels. Additionally, factors such as financial literacy, income level, job risk, and family size had a substantial impact on saving and investment behaviours, whereas religion did not. These studies collectively underscore the importance of personal values and discipline, peer influence, income level, financial education, and budgeting skills in shaping the savings culture among first-year students.

Theoretical Framework

The theoretical framework for this study is grounded in three complementary theories: The Theory of Planned Behaviour (TPB), Financial Socialization Theory, and Goal Setting Theory. These theories provide a comprehensive lens through which to examine the factors influencing savings culture among first-year university students.

Theory of Planned Behaviour (TPB): The Theory of Planned Behaviour, developed by Ajzen (1991), provides a systematic framework for understanding how individuals' savings behaviours are influenced by three key constructs: Attitudes towards Savings; Subjective norms and Perceived behavioural control. The *Attitudes toward Saving* construct addresses students' personal evaluations and beliefs about saving money. It examines their positive or negative assessments of saving behaviour and its outcomes. The *Subjective Norms* element focuses on the perceived social pressure and expectations regarding saving behaviour. It includes the influence of family, peers, and educational institutions on students' saving decisions. Lastly the *Perceived Behavioural Control* aspect relates to students' perceived ability to execute saving behaviours successfully, including their assessment of potential barriers and facilitators to saving. The TPB suggests that these three constructs collectively influence students' intentions to save, which ultimately leads to actual saving behaviour. This theory is particularly relevant to this study as it helps explain the psychological mechanisms that drive saving decisions among first-year university students. Further to this the Theory of Planned Behaviour finds resonance with several theories explored in this literature review. Similar to Behavioural Finance, TPB acknowledges the influence of cognitive biases and attitudes on financial decision-making, including saving behaviours. Both frameworks underscore the significant role of psychological factors in shaping financial choices. Furthermore, TPB's emphasis on perceived behavioural control and intention aligns with Financial Planning Theory, which centres on establishing financial goals and developing strategies to achieve them.

Financial Socialization Theory: Financial Socialization Theory, as conceptualized by Moschis and Moore (1984), provides a framework for understanding how individuals cultivate money management skills, behaviours, and attitudes through interactions with various socialization agents. This theory holds particular relevance to the study of savings culture development due to its emphasis on: Primary Socialization Agents; Secondary Socialization Agents and Experiential Learning. The theory highlights the crucial role of family particularly parents as primary socialization agents, in shaping financial behaviours and attitudes. It posits that early experiences with money management within the family setting can significantly influence students' saving habits. Beyond the family unit, Financial Socialization Theory acknowledges the impact of *secondary socialization agents* such as educational institutions, peer groups, and media on financial learning and behaviour development. These agents can reinforce, challenge, or modify the financial habits and attitudes acquired during primary socialization. Central to this theory is the concept of *experiential learning*, which emphasizes the role of direct experience in developing sound financial practices. The theory suggests that actively engaging in financial management, even in low-stakes contexts, contributes significantly to the development of saving habits and financial decision-making skills. Financial Socialization Theory shares common ground with Social Learning Theory, as both emphasize the profound impact of social interactions and observational learning on shaping financial behaviours. This alignment underscores how students acquire saving habits through observation and interaction with family members, peers, and even media representations of financial practices. Furthermore, Financial Socialization Theory complements Human Capital Theory. While Human Capital Theory posits that investments in education enhance an individual's productivity and earning potential, Financial Socialization Theory extends this concept to the realm of financial behaviours. It highlights how financial education and socialization contribute to developing essential financial skills and behaviours, ultimately enhancing an individual's financial capital.

Goal Setting Theory: Goal Setting Theory, as developed by Locke and Latham (1990), offers valuable insights into the role of goal setting in driving behaviour, including financial behaviours like saving. This theory posits that setting specific and challenging goals, coupled with appropriate feedback mechanisms, leads to enhanced performance. When applied to savings behaviour, the theory suggests that establishing clear and specific financial goals can significantly enhance motivation and focus, leading to more disciplined saving habits. Crucially, the level of commitment to these financial goals directly influences the persistence and effort individuals invest in achieving their savings targets. Finally, the theory emphasizes the importance of regular feedback and progress monitoring as a means to maintain motivation and facilitate necessary adjustments to savings strategies. Goal Setting Theory directly supports the Financial Planning Theory by emphasizing the importance of setting specific, challenging financial goals to drive savings behaviour. It provides a framework for understanding how goal clarity and feedback mechanisms enhance financial planning and savings outcome

Integration of Theoretical Framework

The integration of the Theory of Planned Behaviour, Financial Socialization Theory, and Goal Setting Theory provides a robust and multifaceted framework for examining savings culture among first-year university students. This integrated approach addresses the complex interplay of individual, social, and environmental factors that shape financial behaviours. TPB elucidates the cognitive and intentional aspects of saving behaviour, explaining how attitudes, subjective norms, and perceived behavioural control influence intentions and subsequent actions. Financial Socialization Theory complements TPB by illuminating how these behaviours are learned and developed over time through interactions with primary and secondary socialization agents. It highlights the profound impact of family, peers, educational institutions, and media on shaping financial habits and attitudes. Finally, Goal Setting Theory brings into focus the motivational factors crucial for initiating and sustaining saving behaviours. It underscores the importance of setting specific, challenging, and attainable financial goals, coupled with regular feedback and progress monitoring, to enhance motivation and commitment to saving. By weaving together these three theoretical perspectives, this study adopts a comprehensive framework that acknowledges the interplay of behavioural formation, environmental influences, and practical application. This integrated approach allows for a nuanced examination of the immediate behavioural factors, broader socialization processes, and motivational influences that collectively shape savings culture among first-year university students. This theoretical framework serves as a roadmap, guiding the study's methodology and providing a structured approach to understanding the complex interplay of factors influencing saving behaviours within this specific population.

4.0 Methodology

This study utilized a quantitative research design to investigate and quantify factors influencing the savings culture among first-year students at the University of South Africa (UoT). Adopting a deductive reasoning approach, the research established a theoretical framework and formulated hypotheses to examine the dynamics of savings behaviour. Within an explanatory research paradigm, the primary objective was to explore the impact of success factors (independent variables) on the Savings Culture (dependent variable). A structured survey questionnaire was used as the primary instrument for data collection. The unit of analysis was individual first-year UoT students, with a representative sample of 103 students selected using the Krejcie and Morgan Table and basic random sampling. Data collection relied on primary sources, with information gathered through a structured questionnaire utilizing a five-point Likert scale to capture participant responses regarding their savings behaviours and related factors. Data analysis was conducted using IBM SPSS Version 21 and included data screening, univariate analysis (descriptive statistics and independent sample T-Test), bivariate analysis (Pearson correlation), and multivariate analysis (multiple regression) to determine the significance of attributes influencing the savings culture.

To ensure compliance with Classic Linear Regression Model (CLRM) assumptions, the researcher performed diagnostic tests, including multicollinearity, normality, heteroskedasticity, and autocorrelation assessments. Normality was checked using the Kolmogorov-Smirnov test, confirming all variables were normally distributed. Multicollinearity was evaluated using VIF and tolerance indices, with no issues detected. Heteroskedasticity was tested with the Breusch-Pagan/Cook-Weisberg test, confirming constant variance. Autocorrelation was examined using the Durbin-Watson test, indicating uncorrelated error terms. These tests validated the data's suitability for regression analysis. The rigorous analytical techniques adopted in this study aimed to ensure the validity and reliability of the data. The goal was to comprehensively explore relationships between variables and evaluate the relative significance of various attributes through multiple regression analysis. The methodological rigor enhances the credibility and applicability of the findings, providing a nuanced understanding of the factors influencing the savings behaviour of first-year UoT students.

Results And Discussion

The influence of Personal Values and financial Discipline on Savings Culture among first-year students.

1. Personal Values and Discipline on Savings Culture	2. SD	3. D	4. N	5. A	6. SA
7. I believe that saving money is important for my future well-being.	8. 3 (2.9%)	9. 5 (4.9%)	10. 15 (14.6%)	11. 40 (38.8%)	12. 40 (38.8%)
13. I regularly set aside a portion of my income for savings.	14. 6 (5.8%)	15. 12 (11.7%)	16. 20 (19.4%)	17. 45 (43.7%)	18. 20 (19.4%)
19. My personal values influence my decision to save money.	20. 2 (1.9%)	21. 8 (7.8%)	22. 22 (21.4%)	23. 45 (43.7%)	24. 26 (25.2%)
25. I have a disciplined approach to managing my finances.	26. 4 (3.9%)	27. 10 (9.7%)	28. 25 (24.3%)	29. 44 (42.7%)	30. 20 (19.4%)
31. I feel guilty when I do not save money regularly.	32. 5 (4.9%)	33. 12 (11.7%)	34. 28 (27.2%)	35. 37 (35.9%)	36. 21 (20.4%)

37. My personal discipline helps me stick to my savings goals.	38. 3 (2.9%)	39. 7 (6.8%)	40. 23 (22.3%)	41. 45 (43.7%)	42. 25 (24.3%)
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The table presents insights into the influence of personal values and financial discipline on savings culture, based on responses from 103 participants. Firstly, regarding the importance of saving for future well-being, the majority of students (77.6% combined for Agree and Strongly Agree) acknowledge the significance of saving money, highlighting a positive attitude towards financial planning and security. Similarly, a substantial portion (63.1% combined for Agree and Strongly Agree) reported regularly setting aside income for savings, indicating proactive financial habits among the respondents. Furthermore, the influence of personal values on savings decisions is evident, with a notable 68.9% (combined for Agree and Strongly Agree) agreeing that their values play a role in their saving behaviours. This suggests that students' ethical or moral beliefs influence their financial decisions positively, aligning their savings goals with personal values. In terms of discipline, a significant proportion (62.1% combined for Agree and Strongly Agree) reported having a disciplined approach to managing finances, underscoring the importance of self-control and structured financial management practices in fostering savings habits. Moreover, feelings of guilt associated with not saving regularly were expressed by a considerable number of respondents (56.3% combined for Agree and Strongly Agree), indicating emotional motivations that reinforce consistent saving behaviours. Lastly, personal discipline was seen as pivotal in achieving savings goals, with 67.0% (combined for Agree and Strongly Agree) attributing their adherence to savings goals to personal discipline. This underscores the role of self-regulation and commitment in maintaining consistent savings practices despite potential financial temptations or challenges. The results suggest that nurturing a strong sense of financial responsibility and integrating personal values into financial decision-making processes can significantly influence savings behaviours positively.

The influence of peer influence on savings culture among first-year students

43. Question	44. SD	45. D	46. N	47. A	48. SA
49. My peers' attitudes towards savings affect my own savings behaviour.	50. 10 (9.7%)	51. 20 (19.4%)	52. 25 (24.3%)	53. 35 (34.0%)	54. 13 (12.6%)
55. I am influenced by my friends to save money regularly.	56. 15 (14.6%)	57. 18 (17.5%)	58. 30 (29.1%)	59. 28 (27.2%)	60. 12 (11.7%)
61. Seeing my peers save money motivates me to save more.	62. 8 (7.8%)	63. 15 (14.6%)	64. 32 (31.1%)	65. 35 (34.0%)	66. 13 (12.6%)
67. I discuss savings strategies with my friends.	68. 12 (11.7%)	69. 25 (24.3%)	70. 30 (29.1%)	71. 25 (24.3%)	72. 11 (10.7%)

73. My social circle's emphasis on financial responsibility influences my savings habits.	74. 6 (5.8%)	75. 15 (14.6%)	76. 25 (24.3%)	77. 40 (38.8%)	78. 17 (16.5%)
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Based on the above table, peer influence appears to play a significant role in shaping savings behaviours among the surveyed students. Firstly, a substantial proportion (46.6% combined for Agree and Strongly Agree) indicated that their peers' attitudes towards savings affect their own savings behaviour. This suggests that students are influenced by the financial behaviours and attitudes of their friends, reflecting a social influence on financial habits. Similarly, a considerable number of respondents (38.3% combined for Agree and Strongly Agree) reported being influenced by their friends to save money regularly. This underscores the impact of peer encouragement and social norms in promoting consistent saving practices among young adults. Moreover, observing peers save money was reported to be motivating by a significant majority (46.6% combined for Agree and Strongly Agree), indicating that witnessing others' savings behaviours can inspire individuals to increase their own saving efforts. The findings also highlight the importance of peer discussions on savings strategies, with 34.9% (combined for Agree and Strongly Agree) engaging in such conversations. This suggests that peer interactions provide opportunities for sharing financial knowledge and strategies, potentially reinforcing positive savings behaviours within social circles. Lastly, the emphasis placed by students' social circles on financial responsibility was found to influence savings habits positively, with 55.3% (combined for Agree and Strongly Agree) indicating such influence. This underscores the role of social norms and expectations in shaping financial decisions among young adults.

The influence of financial education on savings culture among first-year students

79. Question	80. SD	81. D	82. N	83. A	84. SA
85. Financial education has significantly improved my savings habits.	86. 5 (4.9%)	87. 10 (9.7%)	88. 18 (17.5%)	89. 45 (43.7%)	90. 25 (24.3%)
91. I feel more confident about saving money due to my financial education.	92. 4 (3.9%)	93. 12 (11.7%)	94. 20 (19.4%)	95. 45 (43.7%)	96. 22 (21.4%)
97. Financial literacy programs at UoT have helped me develop a savings plan.	98. 3 (2.9%)	99. 15 (14.6%)	100.22 (21.4%)	101.40 (38.8%)	102.23 (22.3%)
103. Understanding financial concepts has encouraged me to save regularly.	104.2 (1.9%)	105.10 (9.7%)	106.15 (14.6%)	107.45 (43.7%)	108.31 (30.1%)

109.I believe financial education should be mandatory for all students to promote better savings habits.	110.4 (3.9%)	111.8 (7.8%)	112.20 (19.4%)	113.46 (44.7%)	114.25 (24.3%)
115.My knowledge of budgeting and financial planning has improved my savings culture.	116.6 (5.8%)	117.10 (9.7%)	118.25 (24.3%)	119.40 (38.8%)	120.22 (21.4%)
121.The financial education I received has made me more aware of the importance of saving money.	122.3 (2.9%)	123.12 (11.7%)	124.18 (17.5%)	125.50 (48.5%)	126.20 (19.4%)

The table provides insights into the influence of financial education on savings culture among first-year students. Firstly, it is evident that financial education has had a positive impact on the savings habits of many students. A significant majority (68.0% combined for Agree and Strongly Agree) indicated that financial education has significantly improved their savings habits, highlighting the beneficial role of structured financial knowledge in fostering responsible financial behaviours. Moreover, financial education has boosted students' confidence in saving money, with 65.1% (combined for Agree and Strongly Agree) expressing increased confidence due to their financial education. This suggests that understanding financial concepts and principles enhances students' belief in their ability to manage and save money effectively. Additionally, financial literacy programs at UoT have been instrumental in helping students develop concrete savings plans, as indicated by 61.1% (combined for Agree and Strongly Agree) of respondents. This underscores the practical application of financial knowledge in setting achievable financial goals and strategies. Understanding financial concepts also plays a pivotal role in encouraging regular saving habits among students, with 73.8% (combined for Agree and Strongly Agree) stating that their financial education has motivated them to save regularly. This emphasizes the link between financial knowledge acquisition and proactive financial behaviours such as consistent saving. Furthermore, a considerable majority (68.9% combined for Agree and Strongly Agree) believe that financial education should be mandatory for all students to promote better savings habits, reflecting a perceived need for comprehensive financial education as a foundational skill. Lastly, students reported that their knowledge of budgeting and financial planning has significantly improved their savings culture, with 60.2% (combined for Agree and Strongly Agree) acknowledging the impact of financial education in enhancing their overall financial management skills.

The influence of budgeting skills on savings culture among first-year students

127. Budgeting Skills on Savings Culture	128.SD	129.D	130.N	131.A	132.SA
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133. My budgeting skills help me save money regularly.	134.4 (3.9%)	135.7 (6.8%)	136.18 (17.5%)	137.50 (48.5%)	138.24 (23.3%)
139. I have a budget plan that I follow to manage my finances.	140.3 (2.9%)	141.6 (5.8%)	142.20 (19.4%)	143.50 (48.5%)	144.24 (23.3%)
145. Budgeting helps me to prioritize saving over unnecessary expenditures.	146.5 (4.9%)	147.8 (7.8%)	148.22 (21.4%)	149.48 (46.6%)	150.20 (19.4%)
151. Learning budgeting skills has improved my savings habits.	152.4 (3.9%)	153.10 (9.7%)	154.20 (19.4%)	155.44 (42.7%)	156.25 (24.3%)
157. I feel more in control of my finances because of my budgeting skill	158.3 (2.9%)	159.7 (6.8%)	160.22 (21.4%)	161.45 (43.7%)	162.26 (25.2%)

The table presents insights into the influence of budgeting skills on savings culture among first-year students. Firstly, the majority of respondents (71.8% combined for Agree and Strongly Agree) reported that their budgeting skills help them save money regularly. This indicates a strong association between effective budgeting and consistent savings behaviours among students. Additionally, a significant proportion (71.8% combined for Agree and Strongly Agree) indicated that they have a budget plan that they follow to manage their finances, highlighting the importance of structured financial planning in fostering responsible financial habits. Furthermore, budgeting skills are perceived as instrumental in prioritizing saving over unnecessary expenditures, with 66.0% (combined for Agree and Strongly Agree) stating that budgeting helps them allocate funds towards savings goals effectively. Moreover, learning budgeting skills has positively impacted savings habits for a majority of respondents (67.0% combined for Agree and Strongly Agree), emphasizing the role of financial education in enhancing financial discipline and savings practices. Lastly, a substantial number of students (68.9% combined for Agree and Strongly Agree) feel more in control of their finances due to their budgeting skills, underscoring the empowerment and confidence gained through effective financial management practices.

The influence of income level on savings culture among first-year students

163. Income level on savings culture	164. SD	165. D	166. N	167. A	168. SA
169. My income level allows me to save money regularly.	170.6 (5.8%)	171.10 (9.7%)	172.20 (19.4%)	173.45 (43.7%)	174.22 (21.4%)

175. I find it challenging to save money due to my current income level.	176.15 (14.6%)	177.20 (19.4%)	178.28 (27.2%)	179.30 (29.1%)	180.10 (9.7%)
181. I believe that higher income would increase my savings.	182.5 (4.9%)	183.8 (7.8%)	184.20 (19.4%)	185.40 (38.8%)	186.30 (29.1%)
187. My income influences my ability to achieve my savings goals.	188.8 (7.8%)	189.12 (11.7%)	190.25 (24.3%)	191.40 (38.8%)	192.18 (17.5%)
193. I adjust my savings based on changes in my income level.	194.7 (6.8%)	195.15 (14.6%)	196.22 (21.4%)	197.40 (38.8%)	198.19 (18.4%)

Firstly, regarding the ability to save money regularly based on income level, a significant portion of respondents (65.1% combined for Agree and Strongly Agree) indicated that their income level allows them to save money regularly. This suggests that a considerable number of students perceive their current income as sufficient for maintaining consistent savings habits. Conversely, many students find it challenging to save money due to their current income levels, with 44.0% (combined for Disagree and Strongly Disagree) expressing difficulties in saving. This highlights the financial constraints faced by some students, impacting their ability to save despite their intentions. Moreover, a majority (67.9% combined for Agree and Strongly Agree) believe that a higher income would increase their savings, indicating that income levels play a significant role in determining the capacity to save among students. Additionally, respondents noted that their income influences their ability to achieve savings goals, with 56.3% (combined for Agree and Strongly Agree) attributing their savings achievements to their income level. This underscores the direct relationship between income and savings outcomes among students. Lastly, many students adjust their savings behaviours based on changes in their income levels, as indicated by 57.3% (combined for Agree and Strongly Agree). This adaptive approach suggests that students actively manage their savings strategies in response to fluctuations in income.

Table 2: Correlation Analysis

199.	200. Saving Culture	201. Financial Education	202. Income Level	203. Budgeting Skills	204. Peer Influence	205. Personal Values and Financial Discipline
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206. Saving Culture	207. Pearson Correlation	208.	209.	210.	211.	212.	213.
214.	215. Sig. (2-tailed)	216.1	217.	218.	219.	220.	221.
222. Financial Education	223. Pearson Correlation	224. .574	225.	226.	227.	228.	229.
230.	231. Sig. (2-tailed)	232. .000	233.1	234.	235.	236.	237.
238. Income Level	239. Pearson Correlation	240. .451	241. .357	242.	243.	244.	245.
246.	247. Sig. (2-tailed)	248. .000	249. .000	250.1	251.	252.	253.
254. Budgeting Skills	255. Pearson Correlation	256. .547	257. .483	258. .342	259.	260.	261.
262.	263. Sig. (2-tailed)	264. .000	265. .000	266. .000	267.1	268.	269.
270. Peer Influence	271. Pearson Correlation	272. .541	273. .378	274. .217	275. .369	276.	277.
278.	279. Sig. (2-tailed)	280. .000	281. .000	282. .029	283. .000	284.1	285.
286. Personal Values and Financial Discipline	287. Pearson Correlation	288. .551	289. .649	290. .262	291. .380	292. .363	293.
294.	295. Sig. (2-tailed)	296. .000	297. .000	298. .009	299. .000	300. .000	301.1

The results presented in Table 2 demonstrate a set of Pearson correlation coefficients exploring the relationships between various factors associated with financial savings behaviour. Notably, a strong positive correlation was observed between saving culture and financial education ($r = 0.574$, $p < 0.001$), suggesting that individuals with a proclivity for saving are more likely to have received financial education. Additionally, income level exhibited positive correlations with both financial education ($r = 0.451$, $p < 0.001$) and saving culture ($r = 0.357$, $p < 0.001$), indicating that higher income levels are associated with increased financial knowledge and a propensity for saving. Budgeting skills demonstrated significant positive correlations with saving culture ($r = 0.547$, $p < 0.001$), financial education ($r = 0.483$, $p < 0.001$), and income level ($r = 0.342$, $p < 0.001$), underscoring the importance of effective budgeting skills in individuals with a strong saving inclination, higher financial knowledge, and increased income. Moreover, peer influence exhibited a positive correlation with saving culture ($r = 0.541$, $p < 0.001$), financial education ($r = 0.378$, $p < 0.001$), and budgeting skills ($r = 0.369$, $p < 0.001$), suggesting that individuals influenced by their peers are more likely to engage in saving behaviours and possess better

financial education and budgeting skills. Personal values and discipline displayed positive correlations with all the examined factors of saving culture ($r = 0.551$, $p < 0.001$), financial education ($r = 0.649$, $p < 0.001$), income level ($r = 0.262$, $p = 0.009$), budgeting skills ($r = 0.380$, $p < 0.001$), and peer influence ($r = 0.363$, $p < 0.001$). This indicates that individuals with strong personal values and financial discipline are more likely to adopt positive financial behaviours, including saving, possessing financial knowledge, higher income, effective budgeting skills, and being influenced by peers. In summary, these findings provide valuable insights into the interplay of various factors shaping financial behaviours and underscore the multifaceted nature of financial decision-making processes.

Table 3: Model Summary

302.	303.	304.	305.	306.	307. Change Statistics					308.	309.
310. Model	311. R	312. R 313. Square	314. Adjusted R Square	315. Std. Error in the Estimate	318. R Square Change	319. F Change	320. Df1	321. Df2	322. Sig. F Change	334. Durbin-Watson	
324. 1	325. .753	326. .568	327. .546	328. .426	329. .568	330. 25.604	331. 6	332. 96	333. .000	334. 1.439	
335. a. Predictors: (Constant), Personal Values and Financial Discipline, Peer Influence, Income Level, Financial Education, Budgeting Skills.											
336. b. Dependent Variable: Saving Culture											

Table 3 presents the model summary for the regression analysis, providing a comprehensive overview of the predictive power of the included variables in explaining the variance in the dependent variable, Saving Culture. The model demonstrates a considerable level of explanatory capability, as evidenced by an R-square value of 0.753, indicating that approximately 75.3% of the variability in the saving culture can be accounted for by the combined influence of the included predictors. The adjusted R-square, which considers the number of predictors in the model, stands at 0.568, suggesting a robust model fit that mitigates the risk of overfitting.

Change statistics further elucidate the impact of each predictor on the model. The standardized error in the estimate, represented by the Std. Error in the Estimate, is 0.426, indicating the average amount by which the predicted values may deviate from the actual values. The R-square change of 0.568 underscores the collective contribution of the predictors to the model's explanatory power. The F Change statistic tests the overall significance of the model, and in this case, the observed value of 25.604 with 6 and 96 degrees of freedom for the numerator and denominator, respectively, yields a highly significant p-value of 0.000. This suggests that the model, which incorporates Personal Values and Financial Discipline, Peer Influence, Income Level, Financial Education, and Budgeting Skills as predictors, significantly improves the prediction of Saving Culture compared to a model without these variables.

The Durbin-Watson statistic is reported as 1.439, and while it falls below the ideal range of 1.5 to 2.5, indicating a potential concern for autocorrelation, further diagnostic analyses would be required to confirm and address this issue.

Table 4: ANOVA table

337. Model	338.	339. Sum of Squares	340. df	341. Mean Square	342. F	343. Sig.
344.	345. Regression	346. 23.419	347. 6	348. 4.676	349. 25.604	350. .000b
351.	352. Residual	353. 17.735	354. 96	355. .178	356.	357.
358. <u>1</u>	359. <u>Total</u>	360. <u>41.154</u>	361. <u>102</u>	362.		
363. a	364. Dependent Variable: Saving Culture					
365. b	366. Predictors: (Constant), Personal Values and Financial Discipline, Peer Influence, Income Level, Financial Education, Budgeting Skills					

Table 4 provides the results of the analysis of variance (ANOVA) for the regression model predicting Saving Culture based on Personal Values and Financial Discipline, Peer Influence, Income Level, Financial Education, and Budgeting Skills. The ANOVA table partitions the total variability in the dependent variable into two components: the variability explained by the regression model and the unexplained residual variability. The regression model, as indicated by the "Regression" row in the table, exhibits a significant F-statistic of 25.604 with 6 and 96 degrees of freedom for the numerator and denominator, respectively. The associated p-value of .000b signifies that the overall regression model is statistically significant, suggesting that at least one of the predictors in the model is contributing significantly to the variance in Saving Culture. This result supports the notion that the included variables collectively contribute to explaining the variability in saving behaviours.

The sum of squares for the regression model is reported as 23.419, reflecting the total variability explained by the predictors. The mean square, which is the sum of squares divided by its degrees of freedom, is 4.676. This mean square value is used to calculate the F-statistic, which compares the variance explained by the model to the residual variance. The associated p-value (Sig. = .000b) indicates that the observed F-statistic is highly unlikely to occur by chance alone. The residual row in the ANOVA table represents the unexplained variability, with a sum of squares of 17.735 and 96 degrees of freedom. This residual sum of squares is crucial in evaluating the overall fit of the model, and its comparison with the regression sum of squares informs on the proportion of variance that remains unaccounted for by the predictors.

Table 5: Coefficients table

367.	368. Unstandardized Coefficients		369. Standardized Coefficients	370.	371.	372. Collinearity Statistics	
373. Model	374. B	375. Std. Error	376. Beta	377. t	378. Sig.	379. Tolerance	380. VIF
381. (Constant)	382. -.257	383. .357	384.	385. -.714	386. .478	387.	388.
389. Financial Education	390. .326	391. .096	392. .258	393. 3.635	394. .000	395. .491	396. 2.031
397. Income Level	398. .196	399. .072	400. .202	401. 2.747	402. .008	403. .834	404. 1.200
405. Budgeting Skills	406. .262	407. .096	408. .218	409. 2.705	410. .009	411. .700	412. 1.434
413. Peer Influence	414. .407	415. .108	416. .285	417. 3.806	418. .000	419. .794	420. 1.262

421. Personal Values and Financial Discipline	422..121	423..053	424..207	425.2.292	426..025	427..563	428.1.781
429.a. Dependent Variable: Saving Culture							

Table 5 provides a detailed insight into the coefficients of the regression model predicting Saving Culture based on Financial Education, Income Level, Budgeting Skills, Peer Influence, and Personal Values and Discipline. The unstandardized coefficients reveal the magnitude of the impact of each predictor on the dependent variable, while the standardized coefficients (Beta) offer a measure of their relative importance, considering the different scales of the predictors. The constant term (Constant) has an unstandardized coefficient of -.257, indicating the expected value of the dependent variable when all predictors are zero. This term is not statistically significant ($p = .478$), suggesting that its contribution to the model is not significant.

Financial Education emerges as a significant predictor with a positive unstandardized coefficient of .326 and a corresponding Beta of .258. This implies that a one-unit increase in Financial Education is associated with a 0.326-unit increase in Saving Culture. The standardized coefficient suggests a moderate positive impact of Financial Education on Saving Culture, and the statistically significant t-value of 3.635 ($p < .001$) underscores the reliability of this association. A growing body of research underscores the positive correlation between financial literacy and saving behaviour. Lusardi and Mitchell (2014) found that individuals with higher financial literacy levels exhibited a greater propensity to engage in financially sound behaviours such as saving, investing, and planning for retirement. This link between financial literacy and responsible management of finances extends to the college demographic as well. Thapa and Nepal (2015) demonstrated that college students with higher financial literacy were more adept at managing their finances and exhibited a greater likelihood of engaging in saving. More recently, Sinnewe and Nicholson (2023) focused specifically on first-year students, finding that those with a stronger grasp of financial concepts were more inclined to create and adhere to a budget, a crucial component of effective financial management.

Income Level exhibits a positive and statistically significant relationship with Saving Culture, as indicated by its unstandardized coefficient of .196 and a Beta of .202. This implies that higher income levels are associated with a positive impact on saving behaviours. The significance is confirmed by the t-value of 2.747 ($p = .008$), supporting the notion that individuals with higher income levels are more likely to engage in saving practices. The relationship between income and saving behaviour is well-documented in research. Studies consistently demonstrate that higher income levels are associated with both increased saving capacity and more proactive financial planning behaviour. This suggests that individuals with greater financial resources are better positioned to allocate funds towards savings and engage in long-term financial planning. Furthermore, research indicates that among students, those with higher disposable income tend to exhibit a greater ability to maintain consistent saving habits. This finding highlights the significant influence of financial resources on the ability to save, particularly within a demographic often characterized by limited income.

Budgeting Skills also demonstrate a positive association with Saving Culture, as reflected by the unstandardized coefficient of .262 and a Beta of .218. The statistically significant t-value of 2.705 ($p = .009$) reinforces the notion that individuals with better budgeting skills are more likely to exhibit positive saving behaviours. The link between financial literacy and improved financial practices is well-established. Cheruiyot (2022) found a strong correlation between higher financial literacy levels and improved financial practices, as measured by the Financial Practices Index. This suggests that individuals with a stronger understanding of financial concepts are more likely to translate that knowledge into responsible financial behaviours. Furthermore, studies have shown that students who participate in financial education programs,

particularly those that incorporate practical skills like budgeting, exhibit a greater tendency to save money regularly. This finding underscores the potential of targeted financial education initiatives to positively influence saving behaviour among students.

Peer Influence emerges as a robust predictor, showing a substantial unstandardized coefficient of .407 and a Beta of .285. This implies a significant positive impact of peer influence on Saving Culture. The highly significant t-value of 3.806 ($p < .001$) indicates the reliability and strength of this association. Financial Socialization Theory, as articulated by Moschis (1987), highlights the profound influence of social interactions, particularly peer interactions, on shaping financial behaviours. This theoretical framework posits that individuals acquire financial knowledge, attitudes, and habits through observation and socialization within their social networks. Supporting this perspective, Social Learning Theory further emphasizes the significant impact of peer influence on financial decision-making and saving habits, particularly among young adults like first-year students. This suggests that the financial behaviours and norms prevalent within a student's peer group can significantly influence their own financial choices and habits.

Personal Values and Financial Discipline contribute positively to Saving Culture, with an unstandardized coefficient of .121 and a Beta of .207. The statistically significant t-value of 2.292 ($p = .025$) suggests that individuals with strong personal values and discipline are more likely to engage in saving practices. Research consistently shows the significant influence of personal values and goal setting on saving behaviour. Mutunga (2018) highlights how values related to financial security and future planning motivate individuals to save. Goal Setting Theory Locke and Latham (1990) further emphasizes that setting specific financial goals promotes discipline and leads to better saving outcomes. Similarly, the Theory of Planned Behaviour Ajzen (1991) explains how personal values shape positive attitudes towards saving, ultimately influencing actual saving behaviour. Collinearity statistics, including Tolerance and Variance Inflation Factor (VIF), indicate the absence of multicollinearity concerns among the predictors. Tolerance values well above 0.1 and VIF values below 10 suggest that the predictors provide unique information and do not duplicate each other's effects.

Conclusion and Recommendations

The study aimed at investigating the influential factors affecting the saving culture among selected first-year UoT students in South Africa. The study highlights the significant impact of financial education, income level, budgeting skills, peer influence, and personal values on the savings culture among first-year university students. Financial Education emerged as a critical predictor, with a clear and measurable positive impact on saving behaviours. The findings suggest that individuals equipped with financial knowledge are better able to make informed decisions, effectively manage their resources, and develop consistent saving habits. This reinforces the importance of integrating financial literacy into educational programs to instill sound financial practices. Income Level was also identified as a significant factor, with higher income levels positively associated with increased saving behaviours. This finding reflects the role of financial resources in enabling individuals to allocate funds towards savings and engage in long-term financial planning. It highlights the need for strategies that enhance income opportunities to support a broader base of individuals in building their financial security. Budgeting Skills further demonstrated a meaningful impact on saving culture, emphasizing the importance of practical financial management. Individuals with strong budgeting capabilities are more likely to exhibit disciplined financial behaviours, enabling them to plan, monitor, and achieve their savings goals effectively. This underscores the value of targeted financial education programs that focus on practical skill-building. Peer Influence stood out as the strongest predictor, demonstrating the significant role of social networks in shaping financial habits. The financial behaviours and norms within peer groups profoundly influence individuals' saving practices, particularly among younger demographics. This finding highlights the potential of leveraging positive peer influence

in designing interventions and awareness programs to encourage responsible financial behaviours. Lastly, Personal Values and Financial Discipline were shown to be crucial determinants of saving culture. Individuals with strong values and self-regulation are more likely to prioritize saving and exhibit consistent financial behaviours. This underscores the importance of cultivating financial discipline and aligning financial practices with personal goals and values.

To cultivate a strong savings culture among first-year students, institutions should implement a holistic strategy that imparts vital financial skills, offers avenues for financial security, and utilizes the influence of peer networks. Creating financial literacy programs specifically designed for first-year students is essential, encompassing budgeting, saving, investing, and debt management to equip students with the knowledge necessary for informed decision-making. Universities ought to facilitate income-generating alternatives, such part-time employment, internships, or on-campus positions, to assist students in improving their financial stability. Interactive workshops on practical budgeting skills help convert financial information into actionable habits, instructing students on spending management and the identification of saving opportunities successfully. Moreover, cultivating affirmative peer influence via mentoring programs and support groups can promote open discourse and shared accountability about saving behaviors. Integrating goal-setting activities into financial literacy programs enhances student motivation by assisting them in establishing and attaining particular financial targets. By employing these tactics, institutions may foster an environment that encourages the establishment of prudent financial habits, nurtures a savings mentality, and enhances long-term financial wellness among first-year students.

Future research may extend the sample to students from various universities and different academic fields to increase generalisability. Longitudinal studies may monitor developments in savings behaviour over time to record changing financial tendencies. The inclusion of qualitative methods may offer more insight into individual and cultural determinants of savings choices. In addition, an investigation into the use of digital financial services and platforms may identify emerging determinants of savings culture among South African young adults.

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