## THE INFLUENCE OF FINANCIAL LITERACY ON STUDENT SPENDING HABIT AT UITM MALACCA CITY CAMPUS

# Prepared for: MADAM FARAH SHAZLIN BINTI JOHARI

Prepared by:
MOHAMAD FAIZ SYAFIQ BIN ABDULLAH
BACHELOR IN OFFICE SYSTEMS MANAGEMENT (HONS.)

UNIVERSITY TEKKNOLOGI MARA (UiTM) FACULTY OF BUSINESS MANAGEMENT

JANUARY 2016

#### Abstract

The objective of the study is to identify the relationship between financial literacy on student spending habits. There are three thing can be influence financial literacy on student spending habits which is financial attitude, financial knowledge and family influence. The study was conducted at UiTM Malacca Campus City and the researcher used questionnaire as the tools to find out the result from the respondent at UiTM Malacca Campus City. The respondents are student International Business from Fakulty Business Management. Besides that, the researcher had explained about what is the relationship between financial literacy and student spending habit. moreover, the researcher explained factor of financial literacy that influences student spending habits in UiTM Malacca. Meanwhile, the researcher defined the level of spending habit among higher education student.

### TABLE OF CONTENS

		Pa
LIST	Γ OF TABLES	
CHA	APTER 1	
INT	ORDUCTION	
	Background of the Study	
	Statement of the Problems	
	Research Objectives	
	Research Questions	
	Hypothesis	
	Significance of the Study	
	Limitations of the Study	
	Definition of Term	
CHA	APTER 2	
	ERATURE REVIEW	
	Definition	
	Conceptual Framework.	
CHA	APTER 3	
	THODOLOGY	
1,12,	Research Design.	
	Sampling	
	Population	
	Sampling Technique	
	Sample Size	
	Unit of Analysis.	
	Data Collection Procedures.	
	Instrument	
	Validity of Instrument.	
СНА	APTER 4	
_	ULT AND FINDINGS	
KLS	Profile of Respondents	
СНА	APTER 5	
	CUSSION, RECOMMENDATION AND CONCLUSION	
ימוט	Discussion	
	Recommendation	
DEE	ConclusionERENCES	
	ENDICES	
A	Agreement Form (Supervisor)	
В	Agreement Form (Co-Supervisor)	
C	Consultation Form.	
D	Submission of Final Academic Report.	
Е	Submission of Final Academic Report after Presentation	
F	Questionnaire	

G	Data Analysis	70

### i

### LIST OF TABLES

Table		Page
4.1	Rate of return respond	22
4.2	Cronbach's Alpha Rule of Thumb	23
4.3	Reliability Test of The Influence of Financial Literacy on Student	
	Spending Habit (Pilot Test)	24
4.4	Reliability Test of Spending Habits	25
4.5	Reliability Test of The Influence of Financial Literacy on Student	
	Spending Habit (Actual Test)	25
4.6	Reliability Test of Spending Habits	26
4.7	Gender	27
4.8	Aged	27
4.9	Semester	28
4.10	Main Source of Income Per Semester	28
4.11	Student Income Per Semester	29
4.12	Daily Expenses	30
4.13	Periodic Expenses	30
4.14	Range of Correlation	32
4.15	Correlation Table Between Financial Attitude, Financial Knowledge,	
	Family Influence and Student Spending Habits	33
4.16	R Square	35
4.17	Anova Table	36
4.18	Regression Coefficient	36
4.19	Rate of The Level of Student Spending Habits	37
4.20	Total Means Score for Spending Habits	37
4.21	Student Spending Habit Question	38
4.22	Group Statistics	39
4.23	Independent Sample Test	39