
Attitudes towards Credit Buying among the Youth: An Exploratory Study

M Birkholtz and G G Rousseau

Department of Industrial Psychology, University of Port Elizabeth

ABSTRACT

The main objective of the study is to investigate attitudes of young consumers towards credit purchasing behaviour by means of store charge cards. Data were gathered by using an administered questionnaire from a multicultural sample (N=265) of learners and students attending various secondary and tertiary institutions in Port Elizabeth, as well as from observations of young shoppers at various retail outlets in the city. Results indicate that young consumers differ across gender, age, and home language in terms of attitudes towards credit. Findings suggest that there is a lack of knowledge and understanding by the respondents of the consequences of buying on credit, especially accountability for their financial actions. Implications are that education and training in personal money management are crucial for ensuring that marketers do not give rise to up a body of future debtors, stemming from financial illiteracy.

JEL D 12

INTRODUCTION

South Africa is a poor country trying to live like a rich one doing so primarily by means of debt (Swart, 1997). Credit facilities have always performed an important role in assisting people to achieve home and car ownership, which though apparently unavoidable, is still exploited by consumers who over-commit themselves in terms of their total budget; either because of poor money management, or a deliberate decision to live above their means. Debt has become a key word of the new millennium. A bad word a generation ago, it has now become a socially acceptable fact of life and a respectable norm for most families (Collins & Mammen, 1998; Kaye, 2000; Usher, 2000). Debt is an increasing social problem in most developed countries at present (Davies & Lea, 1995). Corresponding to the increase in problem debt, there has been a recent increase in research on debt by a variety of social scientists (including sociologists, lawyers and political scientists) (Davies & Lea, 1995). Surprisingly, economists have made little contribution to such research, which has primarily focussed on two questions: what factors cause some people to use

credit more than others, and what factors cause people to get into difficulty. The concept of consumer debt / credit has numerous dimensions, each with its own causal variables, consequences and implications. This study exclusively focuses on a single psychological aspect of consumer debt (attitudes), a specific group of consumers (the youth, aged between 13 to 23 years), and a particular behavioural manifestation (buying on store “charge cards”).

Credit use among young adults in general is an important issue, and there is some indication that they may be high users of credit (Ford, 1992, cited in Davies & Lea, 1995). Generally Automatic Teller Machine (ATM) cards and store charge cards serve as the entry point for young consumers into the world of finance, financial independence, and personal money management. It is a widely held belief in behavioural science that childhood experiences are of paramount importance in shaping patterns of cognition and behaviour in later life. Marketing literature suggests that childhood and adolescent consumption experiences affect patterns of consumer behaviour in adult life (Saunders, 1984).

The youth in the South African market, making up more than half of the population, has become a high focus area for marketers. According to most recent census results (1996), approximately 43 per cent of South Africa’s total population are between the ages of 5 and 24 years. All South Africans under the age of 24 constitute approximately 54 per cent of the total population (Statistics South Africa, 2000). More recent statistics released by the All Media and Product Survey (AMPS) report this figure to be approximately 55.4 per cent (South African Media Facts, 2000/2001). Youth spending in South Africa currently tops at R4 billion a year (Alleman, 2000a). Marketers in South Africa have come to recognise this as a multibillion rand marketing tool, and called it “pester power” (Mulrooney, 2000).

THE YOUTH AS CONSUMERS

There are indications, both locally and abroad, that increasingly “permissive” child-rearing practices have contributed to earlier and greater independence of thought and action by children (Roberts, 1998; Saunders, 1984). Mulrooney (2000) reiterates this sentiment in noting that the youth of today have a much shorter period to be young and are more independent than their counterparts of previous generations. This youthful market segment, called the Millennium Generation or Generation Y, was born after 1990 and is primarily characterised by the fact that it grew up surfing the Internet. Generation Y have exceptional pester power and also substantial discretionary income. It is considered the largest generation to enter the global market since the Baby Boomers. Pentstone and Codrington (2000) note that although Generation Y is not older than ten

years in South Africa, they are between five and twenty years in the United States.

Today's youth are brought up in a material world and they know it. They are acutely aware of what they want and like. They are sophisticated, discerning, and well aware of their surroundings, also being brand loyalists (Mulrooney, 2000). These are only a few of the consequences of direct advertising and great marketing exposure directed at children via the printed and electronic media, product and movie clubs, banks, bookstores and clothing boutiques. Today's adolescents also grew up with debt and thus use credit freely (Roberts, 1998). The money involved in credit transactions, whether using credit cards, or making purchases on account, becomes abstract and unreal. This behaviour is the result of credit cards being viewed as a convenient and relatively painless way of spending, moreover, the use of credit is becoming socially acceptable. This is even more so when adolescents are permitted to make purchases on a parent's or guardian's account, yet not required to pay for the purchases.

Credit is becoming increasingly available to the average consumer in South Africa. This is especially so for new entrants into the market (teenagers 18 years and older and young adults), due to the fight for market shares among retailers and the competition from cash stores. These trends have led to attitudes towards debt becoming increasingly tolerant and relaxed, as debt becomes more socially acceptable. A further negative spin-off is a tendency to save less. The average South African saves only 1.5 per cent of his/her personal disposable income (Swart, 1997) and expends 66 per cent of net disposable income on servicing debt (Wakeford, 1998). This sets a bad example for young consumers. Whereas buying on credit effectively results in the forgoing of future consumption, saving is consumption deferred. Pile (2000) states that in the age of instant gratification, saving money in the bank is not the most attractive prospect for youngsters. A number of authors (Gaskill, 1999; Merrick, 1999; Zimmerman, 1999) maintain that American children and teenagers lack financial knowledge and do not understand the basics of personal money management.

Young males are reported as most likely to use credit and use it excessively (Personal Communication, 2000, ITC). This trend, however, applies only to total credit and not retail cards. The overriding majority of retail cardholders are reported to be female, a trend confirmed by store managers. A study carried out by Roberts (1998) on compulsive buying among college students, found that credit card use and accessibility stimulates spending and, compared to cash purchasing, credit cards lead to greater imprudence. It was also found that credit cards are easily accessible to students and marketed aggressively to them, thus resulting in more rapid growth of debt. Collins and Mammen (1998) found that

young adults responded moderately regarding their attitudes toward credit purchases and were more tolerant towards debt. Fifty-eight per cent of respondents felt that credit was a “good idea”, and only twenty-eight per cent thought it was a “bad idea”. The incidence of credit use by young adults is further supported by studies by Davies and Lea (1995) and Weissman (1999). Feinberg (1986) found that because credit card stimuli are so closely associated with spending, it increases the motivation to spend, the amount spent, and the probability of spending, while decreasing decision time when spending, thus resulting in unplanned impulse spending.

A study by Rousseau and Venter (1999) to gain a better understanding of consumers’ attitudes towards money, found that significant differences existed between various language groups. These findings suggest that there is an underlying influence of cultural and economic factors on attitudes towards money and supports the notion that the symbolic meaning of money to an individual is largely determined by his / her culture, religion and life experiences. Such differences may also be inferred to exist for attitudes towards debt, although more research is needed to confirm the underlying cultural and socio-economic factors in this regard. Rousseau and Venter (1999) used language as a proxy for culture in their research. In the present study it is assumed that young English, Afrikaans and Xhosa speaking respondents would represent different cultural backgrounds, which may impact on their attitudes towards credit buying behaviour. A multicultural sample was therefore chosen for the research.

OBJECTIVES

The main objectives of this study is (1) to investigate the relationship between the attitudes of young consumers towards buying on credit and certain demographic variables and (2) to determine young consumers' attitudes towards debt.

Based on the available literature, the following hypotheses were formulated:

- Differences in attitude towards credit exist across gender groups (Roberts, 1998).
- Differences in attitude towards credit exist across language groups (Rousseau & Venter, 1999).
- Differences in attitude towards credit exist across age groups (Davis & Leas, 1995).
- Young consumers show tolerant attitudes towards debt (Collins & Mammen, 1998).

Non-credit purchasers were excluded from the sample as these young adults probably pay cash and are therefore less likely to fall into debt. Only personal and indirect credit users were included, as young consumers below 18 years do not qualify for an open account. Their only access to credit is a store charge card linked to the account of a parent or guardian, who uses the open account facility at a store. Alternatively, they may have access to their parents' or guardians' open account by means of a letter addressed to the store, giving them permission to do so. Observation suggests that young consumers have easier access to store charge cards than normal bank credit cards.

METHOD

The survey

An item scale was developed by modifying various items used in previous studies (Roberts, 1998; Rousseau & Venter, 1999), as well as by generating additional items. Respondents were asked to rate twenty-one items on a five-point Likert scale, in order to measure their attitudes towards buying on credit. In order to ensure a more realistic reflection of respondents' buying behaviour, a behaviour-based component was incorporated in the questionnaire. Responses to questions relating to the dominant method of payment (cash or account), frequency of account purchases per month, responsibility for payment of credit purchases, and reasons for having an account or wanting to open one, were included. Demographic details of respondents concluded the questionnaire.

Sample: A probability cluster sample (N=265) was employed in the study, drawing random samples from seven clusters (four high schools and three tertiary institutions) in the Port Elizabeth Metropole. From each cluster, 30 to 70 respondents were selected on the basis of certain criteria (i.e. they had to be account buyers). Respondents varied in age between 13 and 23 years and represented various race and language groups in the area.

Procedure: Fieldwork was carried out by the authors who visited the various institutions and administered the questionnaire in suitable locations such as the library, cafeteria or school hall. During administration, the researchers remained at the venue to assist respondents with semantic and language problems. The questionnaire was printed in English and Afrikaans. No time limit was set for completion. A visual-aid explanation was given prior to the administration of the questionnaire.

Data analysis: Data analysis employed the computer program BMDP 4M (Frane, Jenrich and Samson, 1979) to perform exploratory factor analysis on the

twenty-one items in the questionnaire. The method of principal component analysis was used with direct quartimin rotation. Results are summarized in Table 1. Descriptive statistics and correlations were calculated by means of BMDP programs 2D, 4F and 8D respectively. The statistics are reported in Table 2. The BMDP program 1D was used to calculate mean factor scores for the selected biographical variables. These results are shown in Table 3. The BMDP program 2V was subsequently used to perform analysis of variance (ANOVA) to identify which of the biographical variables are significantly related to the factors. These results are presented in Table 4. To test the statistical significance of factor score differences between the various biographical groups, one-way analysis of variance, BMDP program 7D was performed. These results are also reflected in Table 3. Results summarized in Table 5 were obtained from content analyzing responses to questions 24 to 26 in the questionnaire. These results were not subjected to statistical analysis.

RESULTS

Attitudinal Results

Table 1 shows the results of the factor analysis performed on the twenty-one items of the attitude scale.

Table 1 Oblique rotated factor analysis matrix

Criterion	Factor 1 Materialism	Factor 2 Cautious Spending	Factor 3 Convenience	Factor 4 Living Beyond Means	Factor 5 Debt Aversion
5. Price is not important when I buy on account	0.406				
16. I sometimes buy things I don't really need because I can buy them on account	0.545				
10. Buying on account allows me to buy all the latest fashions and best brand names	0.553				
14. It is important to own nice things	0.554				
17. By buying on account, you always have a way of owning the latest things	0.567				
18. Your friends admire you if you own the latest fashions and brand names	0.646				
12. I like to follow the latest trends	0.698				
3. I am cautious with the money I spend		0.696			
9. I keep careful; track of my expenditures		0.805			
19. I follow a careful budget		0.836			
20. "Buy now and pay later" is a good idea			0.554		
1. Buying on account is a convenient way to manage my money.			0.641		
6. Buying on account is more convenient than paying cash			0.791		

Table 1 continued

Criterion	Factor 1 Materialism	Factor 2 Cautious Spending	Factor 3 Convenience	Factor 4 Living Beyond means	Factor 5 Debt Aversion
11. People would not be able to afford all their purchases if they could not buy on account				0.631	
21. When I buy on account, I don't mind paying more for something				0.361	
7. Buying on account causes people to buy things that they can't afford				0.388	
8. Buying on account frees up your money for other more important purposes				0.533	
4. Buying on account allows me to afford items immediately without having to save up for them over a long period of time				0.613	
15. Buying on account is a good solution if you don't have enough cash					0.592
2. You should have enough money in the bank to pay cash whenever you choose to buy on account					0.657
13. Getting into debt by buying on account can make you worry					0.660
Percentage of total variance explained	34.3%	64.6%	55.6%	31.6%	47.8%
Cronbach's Coefficient Alpha	0.67	0.72	0.60	0.43	0.45
Sample size N = 265					

The analysis revealed five factors namely *Materialism*, *Cautious Spending*, *Convenience*, *Living Beyond Means*, and *Debt Aversion*. Only items with factor loadings in excess of 0.36 are reflected in the table. The Cronbach's alphas exceeded the required 0.60 criterion for reliability on the first three factors (*Materialism*, *Cautious Spending*, *Convenience*). In view of the exploratory nature of the study, more items need to be added to the attitude scale to increase its overall reliability. The percentage of total variance explained by factors is also reflected in Table 1.

Table 2 shows the descriptive statistics and correlations.

Table 2 Descriptive statistics and correlations

Correlations										
Factor	N	Mean	S.D.	1	2	3	4	5		
1 Materialism	262	2.97	0.67	-	-0.0790	0.2311	**0.2620	**	-0.1007	
2 Cautious Spending	262	2.15	0.84	-0.0790	-	0.0503	0.0640		0.0810	
3 Convenience	259	2.68	0.84	0.2311	**0.0503	-	0.2653	**	-0.2741	**
4 Living Beyond Means	258	2.48	0.58	0.2620	**0.0640	0.2653	**	-	-0.1266	*
5 Debt Aversion	258	2.50	0.8	-0.1007	0.0810	-0.2741	**	-0.1266	*	-

* significant at 95% C.L. ($r \geq 0.124$)

* significant at 99% C.L. ($r \geq 0.162$)

As can be seen from the table, moderate significant positive correlations occur between *Materialism* and *Convenience* (Factor 1 and 3), as well as between *Materialism* and *Living Beyond Means* (Factor 1 and 4). Materialistic individuals could be assumed to be more likely to live beyond their means in order to satisfy their desire for status and branded possessions. Employing credit as the means to finance their elevated aspirations thus becomes not only acceptable, but also convenient, hence the correlation between *Convenience* and *Materialism*.

Convenience correlates significantly negatively with *Debt Aversion* (Factor 3 and 5), and also correlates significantly positively with *Living Beyond Means* (Factor 3 and 4). If individuals perceive making purchases on credit to be a form of transaction convenience, it may be inferred that such individuals would not be averse to incurring debt in the form of store credit, and may thus also be more likely to live beyond their means. Conversely, debt averse individuals would not consider incurring debt, even for the sake of convenience, to be acceptable.

Living Beyond Means shows a significant negative correlation to *Debt Aversion* (Factor 4 and 5). Individuals who are thus more conservative in their attitudes towards debt (debt averse) would not be inclined to live beyond their means, avoiding incurring debt to finance an elevated lifestyle. Conversely, individuals living beyond their means would need to finance their elevated lifestyle, and would therefore not be averse to use credit to do so.

Table 3 shows the descriptive statistics for the biographical variables obtained from the sample.

Table 3 Descriptive statistics by gender, age and home language

	Materialism			Cautious Spending			Convenience		
	N	Mean	S D	N	Mean	S D	N	Mean	S D
Gender:									
Male	64	2.795 a	0.665	64	2.109	0.827	62	2.163	0.824
Female	192	3.044 b	0.649	192	2.182	0.848	191	2.702	0.835
Age :									
13 - 15 yrs	44	2.779	0.563	45	2.252	0.894	44	2.72	0.877
16 - 17	93	2.917	0.62	93	2.194	0.86	93	2.624	0.856
18 - 19	80	3.096	0.674	80	2.15	0.83	77	2.766	0.795
20 - 24	39	3.128	0.767	38	2.018	0.767	39	2.598	0.803
Home Language:									
English	96	2.875 c	0.647	96	2.257	0.933	93	2.738	0.829
Afrikaans	98	3.111 d	0.658	99	2.141	0.888	100	2.677	0.841
Xhosa	57	2.945	0.657	56	2.06	0.562	55	2.57	0.843
Total Sample	265	2.9829	0.65952		2.1673	0.8461		2.6761	0.83631

Significant Differences :

Gender ab**

Age

Home Language cd*

Matrices of mean factor scores for biographical variables are shown in Table 3. This table also indicates those factor score differences which are significant between the various biographical variables. In the table, a low score indicates a positive response, while a high score indicates a negative response. The five point rating scale used in the questionnaire comprised of verbally anchored points ranging from agreeing completely (one) to disagreeing completely (five).

From Table 3, it is evident that English-speaking male respondents aged between 13 and 15 years scored most positive on *Materialism* (Factor 1). This may be an indication of the sophisticated Generation Y consumer who is growing more aware of fashion trends and branded merchandise at increasingly younger ages. This trend is consistent with previous research findings by

Mulrooney (2000). Significant differences also exist between males and females in terms of *materialism*, this may possibly be an indication of increasing male awareness of fashion and branded status merchandise, which is consistent with the reports given by the store managers interviewed. Xhosa-speaking males aged between 20 and 24 years scored most positive on *Cautious Spending* (Factor 2), and may therefore be rather worried and careful about spending money. This finding confirms those of Rousseau and Venter (1999) in their study on consumers' attitudes towards money. With regard to *Convenience* (Factor 3), Xhosa-speaking males aged between 20 and 24 years again scored the most positive.

Table 3 shows that significant differences exist between English and Afrikaans language groups, with English-speaking respondents scoring significantly more positive on *materialism* than Afrikaans-speaking respondents. As far as gender is concerned, male scores were on average more positive than females scores on all factors, though differences were only significant for Factor 1 (Materialism).

Table 4 shows which biographical variables are significantly related to factor scores.

Table 4 Analysis of variance to determine relationships between biographical variables and factors

	df	Materialism		Cautious Spending		Convenience		
		F	p	F	p	F	p	
Gender	1	2.88	0.091	0.06	0.8112	0.27	0.6007	
Age	3	1.47	0.2223	0.38	0.7687	0.65	0.5862	
Home Language	2	3.16	0.0444	*	0.95	0.3872	0.79	0.4553

N = 254 *p<0.05; **p,0.01

Results reflected in Table 4 suggest that home language is the only biographical variable which is significantly related to materialism. English-speaking respondents tended to be more materialistic than the other language groups.

BEHAVIOURAL RESULTS

Responses to the behavioural questions revealed that of the total number of respondents (N = 265), 87.5 per cent were permitted to buy on the account of a parent/ guardian. Of *account holders*, 83.1 per cent more frequently bought on

account rather than paying cash at the stores listed in the survey. The majority of these respondents (62.5 per cent) purchased on account at least once a month. Of *non-account holders*, 82.8 per cent of respondents more frequently bought on account rather than paying cash at the stores listed in the survey, and the majority (68.9 per cent) purchased on account at least once a month.

Only 54.5 per cent of respondents expressed the desire to open their own account. Results indicate that where almost two-thirds of account holders are responsible for paying for their own credit purchases (64.6 per cent), only a very small minority of non-account holders are responsible for payment of their credit purchases (24.6 per cent). The information presented in Table 5 describes the reasons (grouped into five broad categories) for respondents acquiring, or wanting to acquire, accounts.

Table 5 Reasons for acquiring, or wanting to acquire an account

	Respondents with Own Accounts	Respondents without Own Accounts
	(Why have an account)	(Why want an account)
Category	n = 61	n = 108
Independence	6.5%	38.0%
Responsibility; Money Management	14.7%	20.3%
Buy now, Pay later	42.7%	34.4%
Convenience	36.1%	21.3%
Irresponsibility	4.8%	12.9%
Miscellaneous	9.8%	2.8%
TOTAL	114.6%*	129.7%*

Multiple responses occurred

Reasons grouped under "*Independence*" refers to both financial independence, and being able to shop independently of parents (not having to be accompanied). "*Responsibility*" and "*Money Management*" includes such reasons as wanting to improve cash flow, learning responsibility, and improving money management. The "*Buy Now, Pay Later*" category includes a number of reasons encompassing being able to afford expensive items now without having the necessary cash available; and deferring payment over a number of instalments. The "*Convenience*" category includes reasons such as not having to carry cash around all the time, as well as general transacting ease. The category entitled "*Irresponsibility*" includes reasons such as parents paying for purchases, wanting an account, liking the idea of having an account, and being able to buy whatever whenever without paying for it. The last category includes reasons not

encompassed by any of the other categories, for example, wanting to open an account for emergencies, or buying on approval (appro). The percentages in Table 5 do not sum to 100, as respondents often gave more than one reason in their answer.

Table 5 shows that only 61 or 23 per cent of all respondents (N = 265) had their own accounts. As can be seen from the table, account holders gave reasons of "Buy Now, Pay Later" and "Convenience" for having accounts, whereas non-account holders gave reasons of "Independence" and "Buy Now, Pay Later" for wanting to open accounts. "Buy Now, Pay Later" was given as one of the primary reasons for having, or wanting to open, an account in the behavioural section of the survey. Reasons provided by both account and non-account holders clearly indicate that not only has debt become more acceptable to young consumers, they also believed it to facilitate their lifestyle and purchasing behaviour (ability to buy and transactions ease) in terms of the convenience and independence offered by credit facilities.

Hypotheses testing

Bearing in mind the exploratory nature of the study, only tentative support for the four hypotheses were found. Results reflected in Table 3 showed differences in mean factor scores for gender, age and language groups on all factors, though they were significant only in the case of factor 1 (*materialism*) for gender and language. Results obtained on inspection from Table 5 also suggest a tendency toward buying on account, thus exhibiting tolerant attitudes toward debt.

CONCLUSION

The broad research aim of this exploratory study was to enhance the existing knowledge of consumers' attitudes towards buying on credit, specifically focusing on the young. The attitudes towards credit, and the credit-purchasing behaviour of young consumers aged between 13 and 23 years were investigated. This was done by specifically investigating the attitudes of these consumers towards purchasing on account by means of a store charge card. A behavioural component was incorporated into the survey to give some indication of actual credit purchasing behaviour.

A multicultural sample, drawn from four secondary education institutions and three tertiary education institutions throughout Port Elizabeth and surrounds, was comprised of English-, Afrikaans- and Xhosa-speaking respondents. Based on previous research, four design hypotheses were formulated. These hypotheses postulated that differences in attitudes towards debt would be

observed across gender, age and home language groups. It was further postulated that young consumers exhibit tolerant attitudes towards debt.

Results of the study showed that five factors emerged from the factor analysis performed on the first 21 items in the questionnaire. They were *Materialism*, *Cautious Spending*, *Convenience*, *Living Beyond Means*, and *Debt Aversion* (refer to Table 1). Only the first three factors were found to be moderately reliable, with Cronbach Coefficient alphas greater than 0.6. Findings of the study revealed significant positive correlations between *Materialism* and *Convenience*, as well as between *Materialism* and *Living Beyond Means*. A further significant positive correlation was also found between *Convenience* and *Living Beyond Means*. Both *Convenience* and *Living Beyond Means* were significantly negatively correlated with *Debt Aversion* (refer to Table 2).

A rigorous inspection of the biographical variables gender, age and home language (as a proxy for culture) and the measured constructs revealed that home language is significantly related to *Materialism* (refer to Table 3). Sufficient statistical evidence does not exist to infer that gender and age are predictive variables of the measured constructs. Differences in mean scores for all variables on the three factors were observed, though they were found to be only significant for *Materialism*. (Factor 1) (refer to Table 3).

It is interesting to observe that *Cautious Spending* (Factor 2) scored the low average value of 2,15 on the five-point scale, the lowest of all factors (bearing in mind that a low score indicates a positive attitude). This is consistent with the findings of Collins and Mammen (1998), that although young adults perceived themselves as cautious money handlers, in reality, they had very high debt to income ratios. Although respondents perceived themselves to be cautious spenders and non-materialistic, the behavioural component of the survey provided an indication of materialistic and irresponsible credit purchasing behaviour patterns. Table 5 suggests that 12,9 per cent of respondents without own accounts indicated a need to buy whatever, whenever without paying for it themselves, whereas only 4,8 per cent of those with an own account expressed a similar view.

Results of this study have thus highlighted the apparent lack of knowledge and understanding by young consumers of the mechanisms of credit. Results further indicated that although differences in mean scores of variables for factors did exist, these were not significant. Significant differences only occurred between male and female respondents, and English- and Afrikaans- speaking respondents for Factor 1 (*Materialism*). Finally, findings of the study could be instrumental and serve as a basis for developing personal money management curricula, to be implemented in primary and secondary education institutions.

The results and implications of the study amount to an initial step in understanding the attitudes of young consumers towards credit in the multicultural context of the new South Africa. It is recommended that follow-up studies with larger samples in different urban and rural areas be undertaken to verify the tentative trends observed in this investigation, as well as to determine a more comprehensive set of predictive variables of the attitudes of young consumers towards credit. The young consumer as a credit consumer represents a challenge for marketers, educationalists and public policymakers, as previous research suggests that they may be high users of credit (Ford, 1992, cited in Davies & Lea, 1995). The social and economic implications of financial illiteracy, especially in the mechanisms of credit, necessitates further, rigorous research into the attitudes and behaviour patterns of this consumer group.

REFERENCES

- 1 ALLEMAN, L. (2000a) "Breaking the Mould", *Marketing Mix*, 18(3): 31-33.
- 2 COLLINS, J.R. & MAMMEN, S. (1998) "The Attitudes and Behaviour of Young Adults Toward Credit", *Consumer Interests Annual*, 44: 156.
- 3 DAVIES, E. & LEA, S.E.G. (1995) "Student Attitudes toward Student Debt", *Journal of Economic Psychology*, 16: 663-79.
- 4 FEINBERG, R.A. (1986) "Credit Cards as Spending Facilitating Stimuli: A Conditioning Interpretation", *Journal of Consumer Research*, 13: 348-56.
- 5 FRANE, J., JENRICH, R.I. & SAMSON, P.F. (1979) BMDP4M. In W.J. Dixon & M.B. Brown (eds.) *BMDP Statistical Software* (656-84). Berkeley: University of California Press.
- 6 GASKILL, M. (2000) "Study Shows Kids are Financially Ignorant", *Austin Business Journal*, 19(19): 24-26.
- 7 KAYE, M. (2000) "Beyond the Piggy Bank", *Reader's Digest*, May: 115-19.
- 8 MERRICK, B. (1999) "Teenagers Lack Financial Knowledge", *Credit Union Magazine*, 65, (7): 20.
- 9 MULROONEY, B. (2000) "Today's Kids, Today's Megaspenders", *Marketing Mix*, 18, (3), 26-28.
- 10 PENTSTONE, K. & CODRINGTON, G. (2000) "Generation Y: It's Life Jim, But Not as We Know It", *Marketing Mix*, 18(1): 10-12.
- 11 PILE, J. (2000) "Bank Accounts Give Kids an Edge in Money Management", *Sunday Times Business Times*, May 28: 11.

- 12 ROBERTS, J.A. (1998) "Compulsive Buying Among College Students: An Investigation of its Antecedents, Consequences, and Implications for Public Policy" *Journal of Consumer Affairs*, 32(2): 295-319.
- 13 ROUSSEAU, G.G. & VENTER, D.L (1999) "Measuring Consumer Attitudes Towards Money", *South African Journal of Economic and Marketing Science*, 2(3): 407-22.
- 14 SAUNDERS, S.R. (1984) "An Investigation into the Buying Behaviour of Black Adolescents in Soweto", Unpublished M.Comm Dissertation, University of Port Elizabeth, Port Elizabeth.
- 15 SOUTH AFRICAN MEDIA FACTs (2000/2001) Supplement to *Marketing Mix*, 18(5): 8-9.
- 16 STATISTICS SOUTH AFRICA (2000) *Census in Brief* [Internet Document]. www.statssa.gov.za/census96/html/default.htm.
- 17 SWART, H. (1997) "Leen en Leef Vrolik", *Die Burger*, Oct. 6: 10.
- 18 USHER, R. (2000) "Debt Easy", *Time Magazine*, Jan. 17: 38-43.
- 19 WAKEFORD, K. (1998) "How Personal Debt Cripples Economies", *Eastern Province Herald*. Febr. 6: 17.
- 20 WEISSMAN, R.X. (1999) "Teenagers Lack Financial Knowledge", *American Demographics*, 21, (8): 80.
- 21 ZIMMERMAN, M. (1999) "Educators Emphasizing Money Matters", *Pacific Business News*, 36, 49, Febr. 19: 28.