

## **The Price of Popularity: How Teens in India Navigate Money, Media, and Peer Pressure**

Amuktha Bejjenki

Chirec International School

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### **ABSTRACT**

*This study investigates how financial literacy and strategic access to money affects the spending behaviours of Indian adolescents, particularly under peer pressure and social media influence. A survey conducted among 61 high school students in Hyderabad revealed that although influencer content is highly visible, teens report being more influenced by peers and parents. Higher financial literacy was associated with slightly lower impulse buying and more frequent money-related conversations with parents, suggesting that knowledge and dialogue shape behavior more than access to money alone. Conversely, receiving fixed pocket money showed no significant link to reduced peer pressure or improved financial discipline. These findings suggest that financial education and open communication may be more effective in promoting responsible financial habits than simply providing allowances. The study offers insight into youth consumer behavior in an under-researched Indian context and underscores the importance of early financial learning.*

**Keywords:** adolescents, financial literacy, impulse buying, peer pressure, pocket money

### **I. Introduction**

This study investigates the question: To what extent do financial literacy and access to fixed pocket money influence Gen Z adolescents' susceptibility to peer pressure and impulse buying in India? As Indian teens grow up in an increasingly digital, consumer-driven environment, understanding how they develop financial habits is important. With rising exposure to social media trends and peer pressure adolescents may tend to spend impulsively. At the same time, many receive little formal financial education and rely heavily on parents for financial decisions. This research examines whether higher financial literacy and structured access to money serve as protective factors that help teens make more informed, independent choices about spending.

This study's findings reveal three key insights. First, although social media influencers are highly visible to adolescents, they are perceived to have less influence on spending decisions compared to peers and parents, suggesting that visibility does not necessarily lead to influence. Second, financial literacy appears to shape adolescents' financial behaviour, with students who score higher showing a slightly lower tendency toward impulsive purchases and a greater likelihood of relying on parental guidance - although they still reported feeling social pressure. Finally, receiving fixed pocket money did not significantly improve financial discipline or reduce peer influence, indicating that structured access to money is not sufficient on its own; meaningful financial conversations and education appear to have a greater impact.

This paper is structured so that it begins with a review of existing studies on youth spending, financial habits, and the impact of social media and family. This helps show what is already known and where there are gaps—especially in the Indian context. After that, the paper explains the expectations and main ideas behind the study, including the four key hypotheses. Then, it describes how the research was carried out, including who took part in the survey and how the main ideas were measured. The findings are presented next, followed by a discussion of what the results mean and how they connect to the earlier research. The paper ends with a conclusion that summarizes what was learned and suggests what future research could explore.

## **II. Literature Review**

### ***Youth spending priorities***

Youth spend a considerable amount on non-essential commodities. Research shows that factors such as entertainment, technology, fashion, food, and social activities significantly influence youth spending, with young people often drawn to brands that align with current trends, even if it means spending more (Sasmito et al. 2023). Technology and entertainment, in particular, command a large portion of their budgets, reflecting these sectors' central role in their lifestyles (Wetcher-Hendricks and Hendricks 2022).

These trends are reflected in studies on Indian youth as well. In India, youth spending patterns particularly emphasize entertainment, fashion, food, and technology, illustrating a broader trend toward prioritizing lifestyle-related and non-essential purchases as disposable incomes rise and exposure to global trends increases (Kamalanathan 2015)

Some research suggests that youth are more susceptible to impulse buying. Adolescents tend to engage in impulse buying driven by emotional impulses or the desire to fit in with trends, frequently purchasing non-essential items and struggling to control their spending (Sasmito et al. 2023). Furthermore, the widespread adoption of digital payment systems and easy credit access has made spending more convenient—but also riskier—by increasing susceptibility to impulsive

purchases (Özkan 2017). However, contrasting research shows that Generation Z shows a preference for pragmatic, research-driven spending, carefully comparing prices and making informed decisions despite relying financially on their parents. This indicates a cautious but self-directed approach to consumption, balancing impulsiveness with a desire for financial responsibility (Jackson and Scott 2017; Özkan 2017; Sasmito et al. 2023).

Some youth manage to save consistently, while others struggle to control their spendings.

Some young people demonstrate financial responsibility by saving part of their allowances or income, but many struggle with saving, leading to inconsistent behaviours and impulsive purchases. While financial tools like savings accounts and investments are used more with age, saving remains a challenge for many youth who haven't developed structured financial habits (Attri 2013).

The spending and saving habits of youth have long-term consequences. High non-essential spending coupled with challenges with saving can lead to financial instability, ongoing debt, and poor preparedness for future expenses. Leading to them struggling with financial independence, saving for goals, and handling unexpected costs like healthcare or education (Attri 2013).

### ***Socio-demographic, economic, and psychological determinants***

Socio-demographic factors like gender roles, cultural norms, and systemic inequalities contribute to differences in financial behavior among young people. Males typically receive higher allowances and engage more in economic activities, often spending on gadgets and leisure, whereas females tend to be more conservative, prioritizing saving over investment and focusing spending on personal care and essentials (Agnew et al. 2018; Kim and Chawla 2022). This difference is influenced by traditional gender roles and parental guidance, with mothers often more involved in daughters' financial education. Additionally, race, ethnicity, and socioeconomic status create disparities in access to financial resources and saving opportunities, with minority and lower-income youth facing greater barriers due to systemic inequalities (Kim and Chawla 2022). Overall, youth financial behavior is complex and multifaceted, shaped by an interplay of socio-demographic, psychological, and cultural factors.

Parental socioeconomic status also plays a critical role, with wealthier families providing better financial education and resources, leading to more positive financial outcomes, while financial hardships can limit financial literacy and saving habits (Kim and Chawla 2022). Older research in the UK finds that availability of money is related with higher savings (Furnham 1999). Teenagers with higher disposable incomes or easy credit access are more prone to consumptive behavior (Agnew et al. 2018). In India, as well, higher disposable income is related with higher teen spending (Kamalanathan 2015; Attri 2013)

Psychological factors play a major role as well. Psychological factors, including personality traits such as extroversion, significantly influence youth spending behaviors. Extroverted teens are more likely to engage in materialistic consumption to gain social approval, using visible purchases as a form of identity expression. Shopping may also serve as a coping mechanism for emotional needs such as stress relief or boosting self-esteem (Agnew et al. 2018).

Further, materialism plays a central role in shaping youth spending. Materialism, defined as placing high value on possessions, often leads young people to blur the line between needs and wants, resulting in impulsive purchases. Unlike adults, who tend to seek validation through achievements and relationships, youth are more likely to associate material goods with social approval and self-image (Özkan 2017). Many adolescents focus their spending on items that enhance their personal identity or social image, choosing products that reflect current trends or offer a sense of self-affirmation. This focus on material goods can also create a psychological reliance on shopping to reduce stress or increase self-esteem, making youth vulnerable to dissatisfaction, anxiety, or feelings of inadequacy when their material desires are unmet (Jackson and Scott 2017; Sasmito et al. 2023). Unlike adults, who tend to seek validation through achievements and relationships, youth are more likely to associate material goods with social approval and self-image (Özkan 2017).

### ***Social Media***

Beyond socio-demographic, economic, and psychological factors, social media is emerging as a strong driver of youth spending. Social media plays a powerful role in shaping youth spending by portraying material possessions as symbols of popularity and self-worth, especially among Gen Z, the “mobile generation.” These young consumers prefer online shopping and use smart devices to research and buy products influenced heavily by social media advertising, which frames purchases as expressions of identity and lifestyle (Özkan 2017; Kline 2022).

### ***Financial Literacy***

Finally, financial literacy may impact spending in young people. Many adolescents lack a fundamental understanding of essential financial concepts, which hampers their ability to make informed decisions and increases their vulnerability to overspending and debt. Concepts like interest rates, inflation, investment risk, and budgeting are often poorly understood by youth, contributing to impulsive buying and poor saving habits. Although schools can provide financial literacy education, the effectiveness of these programs varies. Some research indicates that mandatory financial education in high school and college can boost confidence and skills, especially when designed to standardize spending across genders (Agnew et al. 2018; Sasmito et al. 2023).

One aspect of financial literacy is through parental interactions. Spending money with mothers or both parents tends to promote financial learning and positive attitudes, while spending with fathers alone may lead to more impulsive or luxury purchases, providing fewer opportunities for developing conscientious financial habits. Frequent financial discussions with parents have a stronger influence on children's financial attitudes than peer influence, emphasizing the importance of parents in early financial socialization (Agnew et al. 2018).

Financial socialization is a multifaceted process involving families, peers, media, and institutions, all of which influence youth financial attitudes and behaviors over time. While families lay the foundation through early lessons, peers and digital networks increasingly shape spending attitudes during adolescence, often promoting consumption over caution. Real-life experiences, such as managing allowances and facing financial consequences, also contribute to learning. Formal sources like schools, workplaces, and financial institutions provide structured knowledge, but social media frequently encourages trend-driven consumption (Sasmitho et al. 2023).

Beyond those listed above, financial literacy development depends on a variety of factors including access to resources, cultural norms, and government policies. Youth are more likely to save when parental guidance is paired with a strong internal motivation. Usage of financial tools like savings accounts and investments increases with age, highlighting the importance of early habit formation through practical methods such as dividing money into categories like spend, save, and give (Attri 2013; Agnew et al. 2018; Kim and Chawla 2022).

However, research in this area has notable limitations. Most studies focus on Western, white, middle-class families and often overlook the long-term effects of early financial socialization or the influence of siblings and romantic partners.

### ***Limitations of the literature***

The previous research has several limitations that impact the validity and generalizability of the findings. First, the small sample sizes reduce the ability to generalise results to the broader population. The use of snowball and stratified sampling methods may have caused biases, reducing the diversity of the sample. The lack of clear gender differences raises concerns about whether gender really had an impact. Additionally, The Big Five Inventory's unfamiliar wording may have also impacted participants' understanding, affecting the reliability of their answers. Furthermore, potential biases may have resulted from participants' familiarity with the investigators, influencing their responses. The absence of data on family income prevented analysis of socio-economic factors that could have provided valuable insights into spending and saving behaviors. Lastly, the use of multiple statistical tests increases the likelihood of false

positives, which could have affected the accuracy of the results. These limitations emphasise the need for larger, more representative samples and clearer research designs.

### **III. Theoretical Framework**

To extend the literature, we set out some expectations around the behaviour of adolescents in an Indian city, specifically with regard to peer pressure and financial literacy. These two factors are widely studied in Western contexts, but their role in Indian environments remains under-researched.

Sasmito et al. (2023) highlights how adolescents engage in impulsive buying driven by emotional impulses, promotions, and social trends. Agnew (2018) and Jackson & Scott (2017) further emphasise the role of social influence—including celebrity endorsements and peer conformity—in youth consumerism.

We test these findings in the Indian context. Teenagers in Indian cities are some of the most active users of social media platforms like Instagram, YouTube, and TikTok (Sasmito et al. 2023). This makes them just as - if not more - exposed to peer pressure and social influence online. Thus, we would expect that Indian youth are very influenced by social media in their spending decisions [Expectation 1].

Moreover, even though many families in cities have higher incomes, most teenagers still do not learn much about managing money. Schools rarely teach personal finance, and many teens still depend on their parents to handle financial matters (Kim and Chawla 2022; Sasmito et al. 2023). Thus, we would expect that Indian youth have low financial literacy [Expectation 2].

Beyond these two descriptive expectations, we further posit four theoretically derived hypotheses.

**H1: Adolescents with higher financial literacy will show lower susceptibility to peer pressure in spending decisions.**

We would expect that financially literate adolescents are more likely to think critically about purchases and whether they truly need a product. This can reduce the likelihood of being swayed by peers or influencers promoting trendy or expensive items.

**H2: Higher financial literacy correlates negatively with impulse buying.**

Financial education provides the tools to budget, understand opportunity costs, and recognise the consequences of impulsive spending. Thus, we expect that adolescents who understand financial risks are less likely to make unplanned purchases.

**H3: Adolescents with regular access to a fixed amount of pocket money will demonstrate greater financial discipline and lower impulsive consumption than those without.**

Having a fixed amount of money encourages teens to plan their spending, prioritise needs over wants. This experience promotes real-world budgeting skills. Research indicates that providing adolescents with regular pocket money can serve as an effective tool for enhancing financial literacy and promoting disciplined spending habits. A study found that pocket money, along with peer influence and self-control, significantly impacts financial management behaviours among youth (Ardinengsih et al. 2024). Thus, we would expect individuals with these skills to engage in lower impulse buying.

**H4: Fixed pocket money recipients will exhibit higher resistance to peer influence, as it requires planning and allocation within limited resources.**

With only a set amount to spend, teens are forced to evaluate if following a trend or peer suggestion is really worth it. This limited allowance framework naturally builds financial decision-making skills and helps resist unnecessary social spending.

#### **IV. Methodology**

This study uses a quantitative survey-based approach to examine the relationship between financial literacy, peer pressure, and social media influence among adolescents in India. A total of 61 high school students, aged approximately 14 to 18, participated in an online Google Forms questionnaire.

##### ***Sample***

Respondents were recruited using convenience sampling from a school in Hyderabad. I shared the questionnaire with students across all grades through online platforms, using a secure link for easy access. Participation was entirely voluntary, and all responses were collected anonymously to maintain confidentiality. No personal information was recorded, and participants were informed that they could opt out or stop responding at any point during the survey.

##### ***Survey Protocol***

The survey had two sections: the first explored social media usage, peer influence, and impulse buying habits; the second assessed financial literacy through questions on budgeting, saving, opportunity cost, and financial behaviour. The questionnaire included a mix of multiple-choice and scale questions. Participants were also asked whether they received regular pocket money and how they managed it. The study's key variables include financial literacy and pocket money (independent variables), and susceptibility to peer pressure, impulsive buying, and financial

discipline (dependent variables). Data were collected digitally and analysed using descriptive statistics like bar graphs and box plots to test four hypotheses. The research builds on existing literature by applying findings to an underexplored Indian context, particularly considering the rising influence of social media and growing adolescent access to money.

### ***Operationalizing variables***

#### **Peer pressure**

Peer pressure was measured using two questions. The first asked participants how much social pressure they would feel if their friends were buying a luxury item and talking about it. This helped understand how strongly they felt influenced by their peers, with options ranging from “much pressure” to “no pressure at all.” When we refer to “social pressure” in our results, we are referring to this scale.

The second question looked at how much influence friends had on their decision to buy trendy products, using a scale from 1 (no influence) to 5 (extremely influential). This gave insight into how much friends actually affect spending decisions. Together, these two questions captured both how peer pressure feels and how it affects what adolescents choose to buy.

#### **Impulse buying**

Impulse buying was assessed through a question about how social media influences spending decisions. The question asked participants “A content creator you’ve seen on social media just posted about a new item that you like. How likely are you to buy it?” This helped measure how quickly they might make a purchase based on influencer promotion, which is a key sign of impulse buying because it shows how people make quick, unplanned purchases without thinking ahead.

#### **Financial literacy**

Financial literacy was measured using a composite index based on four key indicators. These indicators were averaged to capture multiple dimensions of a student’s understanding and exposure to money management. The first indicator asked whether the student had ever taken a financial literacy class or any formal education related to money. The second asked if they had ever spoken with a parent about how to spend or save money. The third checked whether parents had directly taught them how to budget or save. The fourth explored whether they received fixed pocket money from their parents (as opposed to getting money whenever they asked). We averaged across these binary variables to make a composite index. Together, these four

indicators gave a broader picture of both formal and informal sources of financial knowledge, helping assess overall financial literacy in a more complete and balanced way.

## V. Results

We received 61 responses to our survey.

### General Expectations

My original hypothesis was that peer pressure from social media influencers would be a major factor in shaping individuals' decisions, largely due to the frequent exposure people have to their content. The data supports the first part of this assumption because over 80% of people surveyed reported seeing posts by influencers often, indicating that influencer content is highly visible (Figure 1). However, when evaluating the actual influence of various factors, influencers ranked the lowest (Figure 2). This reveals a clear contradiction: despite being widely seen, influencers are not reported to have the strongest effect on purchasing behaviour. The results suggest that it is possible that visibility does not equate to influence, and that personal relationships play a more significant role in influencing individuals than social media does. However, this information is collected through ascertaining respondents' judgment of their own behaviours and might not be accurate in all scenarios.

Figure 1

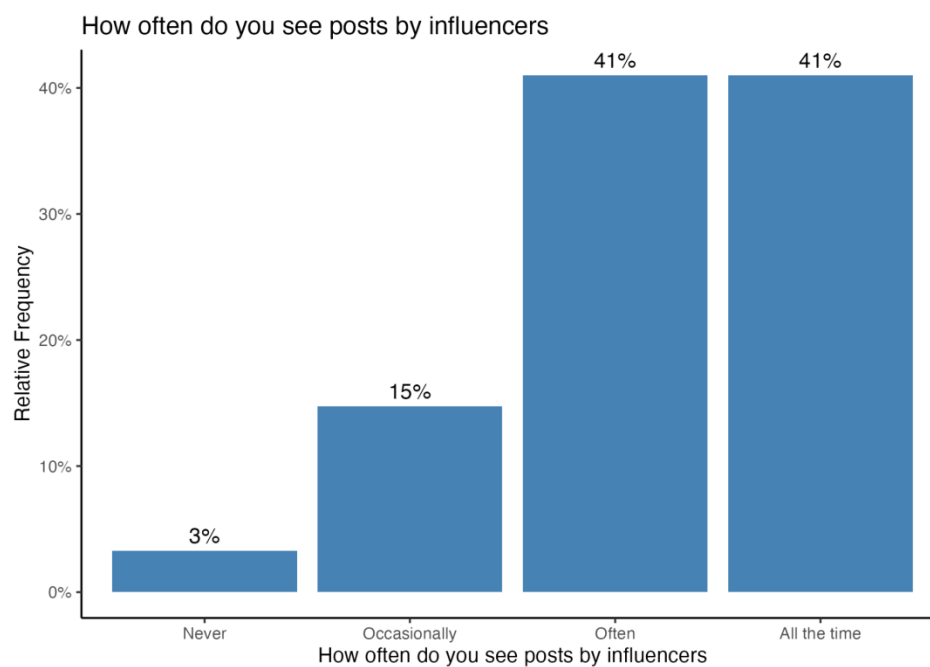
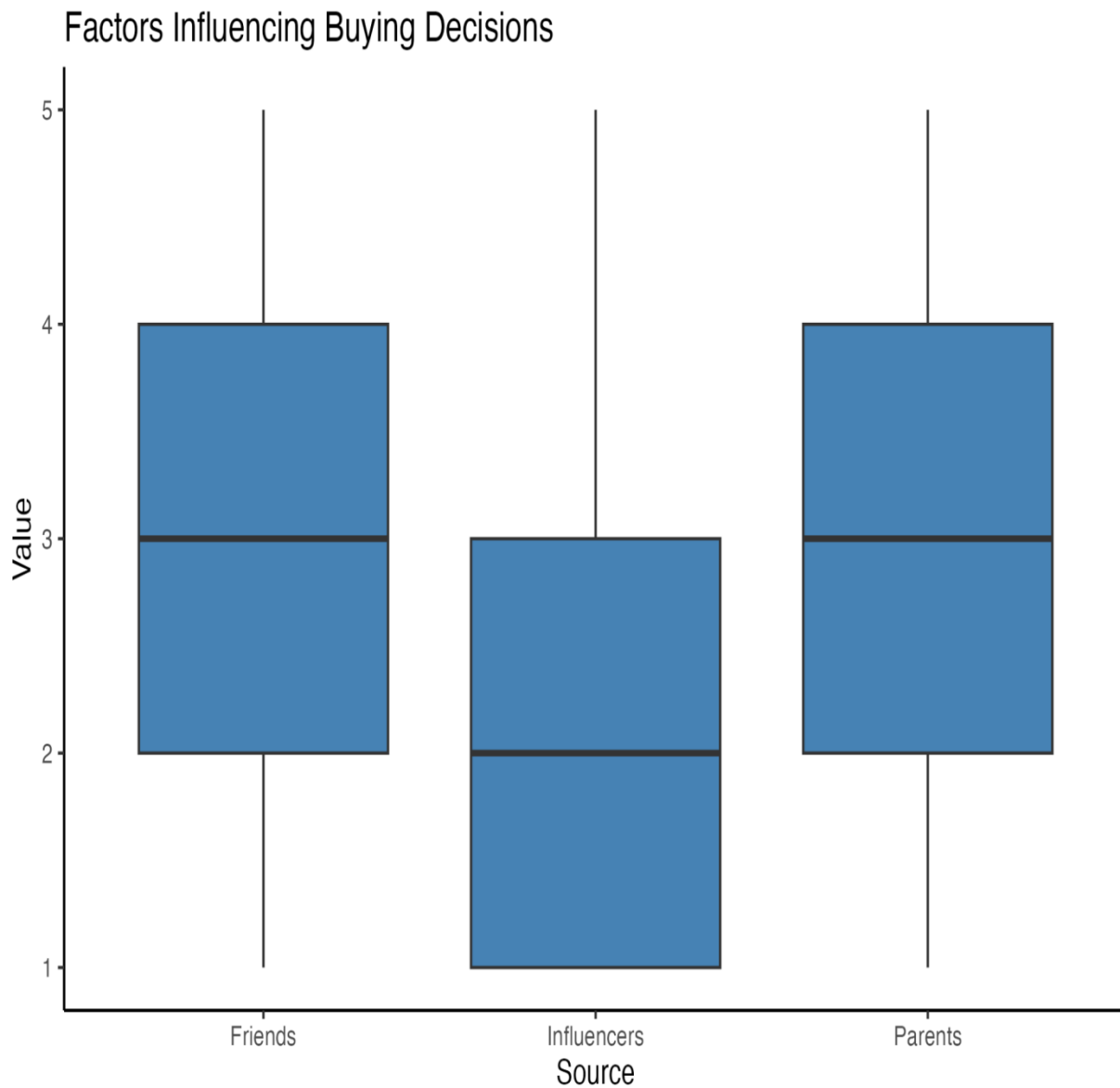


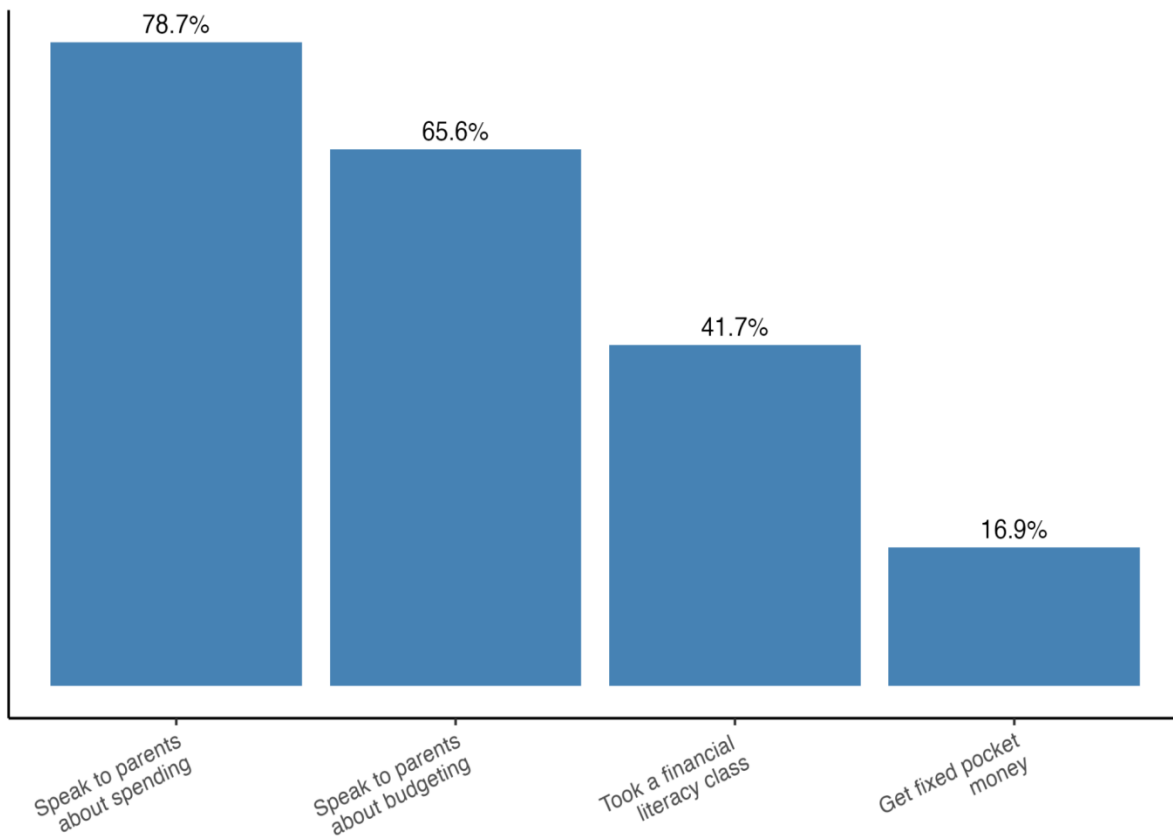
Figure 2



My original hypothesis was that financial literacy among students is low. The data supports this: while a significant number of students report speaking to their parents about spending (78.7%) and budgeting (65.6%), fewer than half (41.7%) have taken a financial literacy class (Figure 3). Moreover, only 16.9% receive fixed pocket money, which limits opportunities for learning about budgeting and spending. This suggests that although conversations about money occur, students lack formal education and real-world experience in managing finances, which are both key components of financial literacy.

**Figure 3**

## Percentage Saying 'Yes' to Financial Literacy Indicators

**Hypotheses**

We then tested our four hypotheses.

**H1: Adolescents with higher financial literacy will show lower susceptibility to peer pressure in spending decisions.**

The hypothesis (H1) predicted that adolescents with higher financial literacy would show lower susceptibility to peer pressure in their spending decisions. The findings from the scatterplots, analysed by source of influence and overall social pressure, partially support this hypothesis.

Across the four graphs, the x-axis represents the Financial Literacy Composite Score (from 0 to 1). In Figure 4, the y-axis represents social pressure scale (1–4). In Figure 5, the y-axis represents either perceived influence (1–5) for Friends, Influencers and Parents. The fourth graph . The red line indicates the line of best fit, and the gray shaded region represents the standard error.

**Overall Perceived Social Pressure:** There is a slight negative correlation between financial literacy and perceived social pressure to buy. Though the slope is less steep, the trend still supports the hypothesis: students with higher financial literacy tend to feel less pressure from their social environment when making purchases.

**Friends:** There is a slight negative correlation between financial literacy and perceived influence from friends. As financial literacy increases, students report lower influence from their peers. This aligns well with the hypothesis, suggesting that more financially literate adolescents may be more independent in their decision-making.

**Influencers:** A weak negative correlation is observed between financial literacy and influence from social media influencers. While the slope is negative, the effect is small and the data points show a wider spread. This indicates that financial literacy has a minor effect against influencer-driven spending decisions.

**Parents:** A positive correlation emerges between financial literacy and parental influence. Students with higher financial literacy report greater influence from parents in their spending decisions. This suggests that financially literate teens may seek or value parental guidance more, possibly viewing their parents opinion as credible and aligned with rational financial behaviour.

**Figure 4**

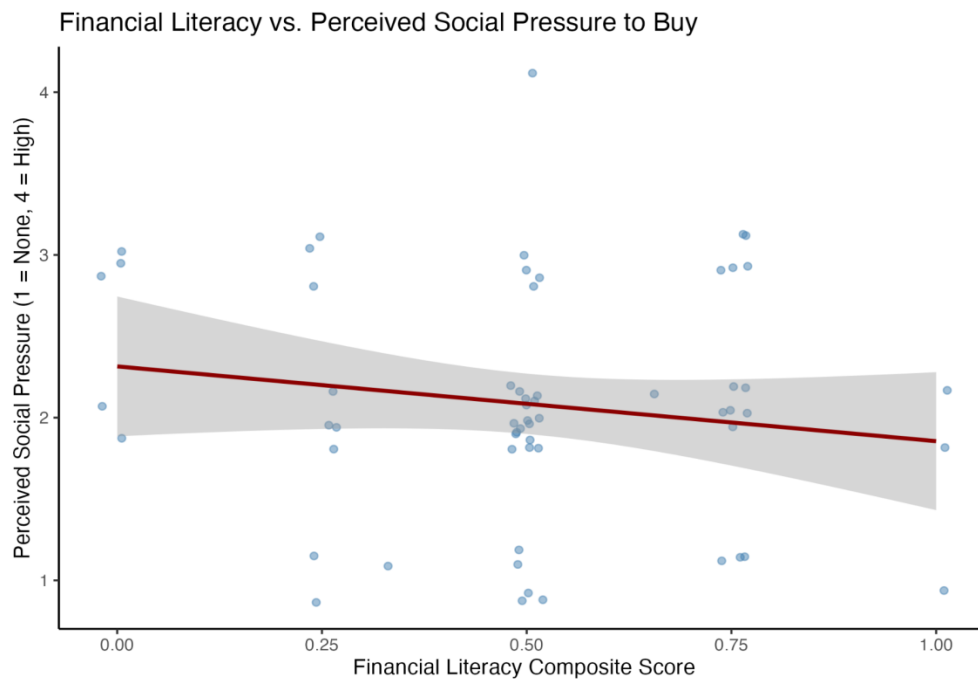
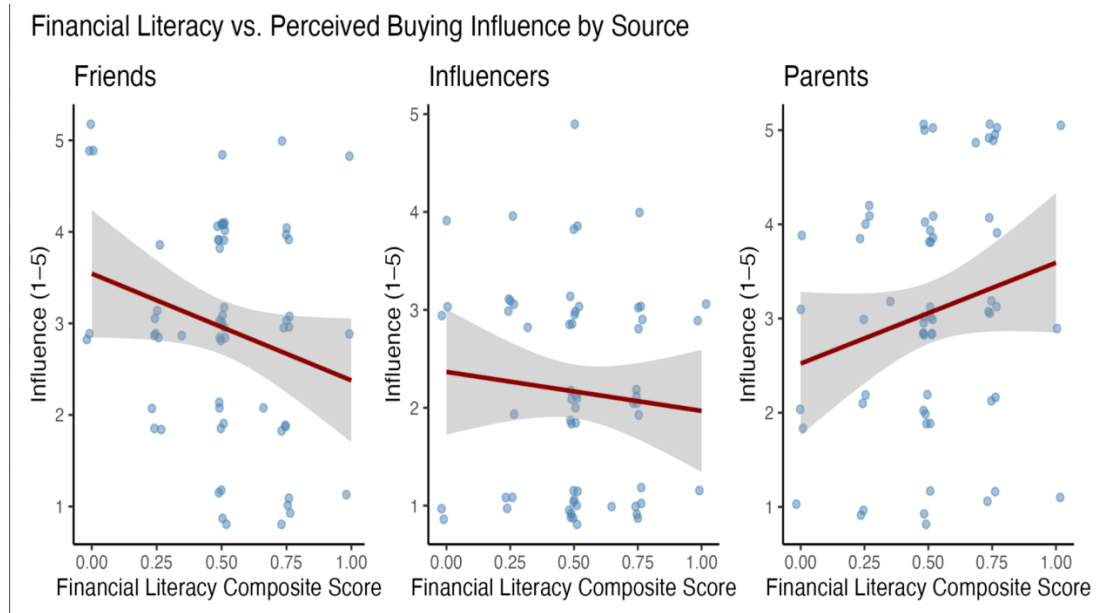


Figure 5



## H2: Higher financial literacy correlates negatively with impulse buying.

The x-axis represents the Financial Literacy Composite Score (from 0 to 1), while the y-axis represents a measure of impulse buying, which is essentially the likelihood of making unplanned purchases after seeing a product online. (1 = Very unlikely, 4 = Very likely). Each dot represents an individual respondent, the red line shows the line of best fit, and the shaded region indicates the standard error.

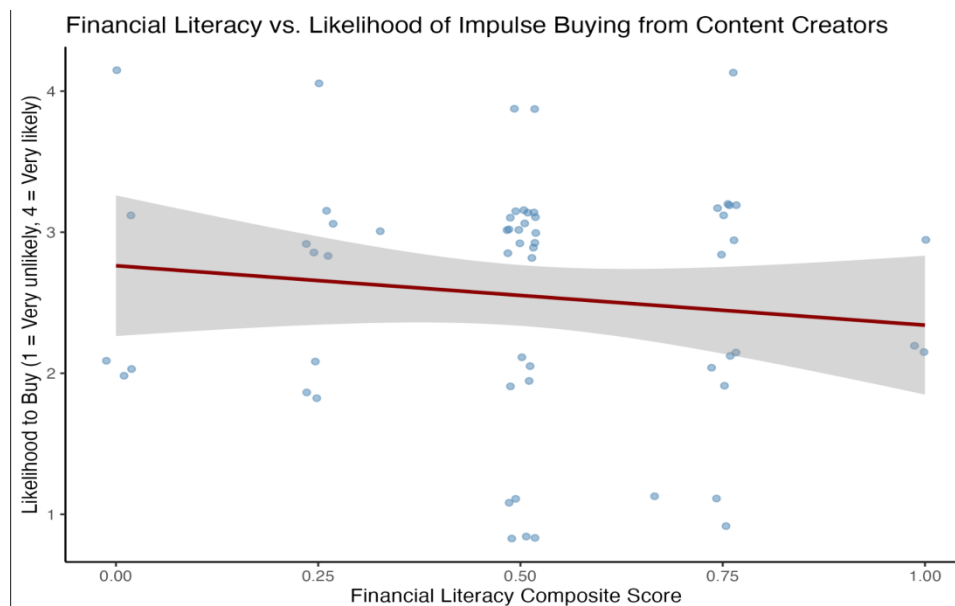
The data reveals a mild negative correlation between financial literacy and likelihood of impulse buying (Figure 6). As financial literacy increases, the reported likelihood of purchasing products recommended by online influencers tends to decrease. Although the trend is not steep, it is consistent, with the regression line gently sloping downwards.

The distribution of data points also indicates a wider spread among participants with lower financial literacy (left side of the graph), some of whom report high likelihoods of impulse buying. Conversely, those with higher financial literacy (right side of the graph) tend to cluster around lower likelihood values, suggesting greater resistance to impulsive purchases.

These findings offer partial support for H2. While the effect is not strong, it aligns with the theory that financial literacy enhances self-regulation and critical thinking, reducing the emotional or social triggers that typically lead to impulse buying, particularly in the context of influencer marketing.

Financially literate adolescents tend to discuss purchases with friends less frequently, suggesting greater financial independence. By not engaging in conversations about spending, they may avoid the peer validation cycle that fuels impulsive buying. Thus, financial literacy seems to regulate the impact of social pressure by limiting exposure to it rather than eliminating it.

**Figure 6**



**H3: Adolescents with regular access to pocket money will demonstrate greater financial discipline and lower impulsive consumption than those without.**

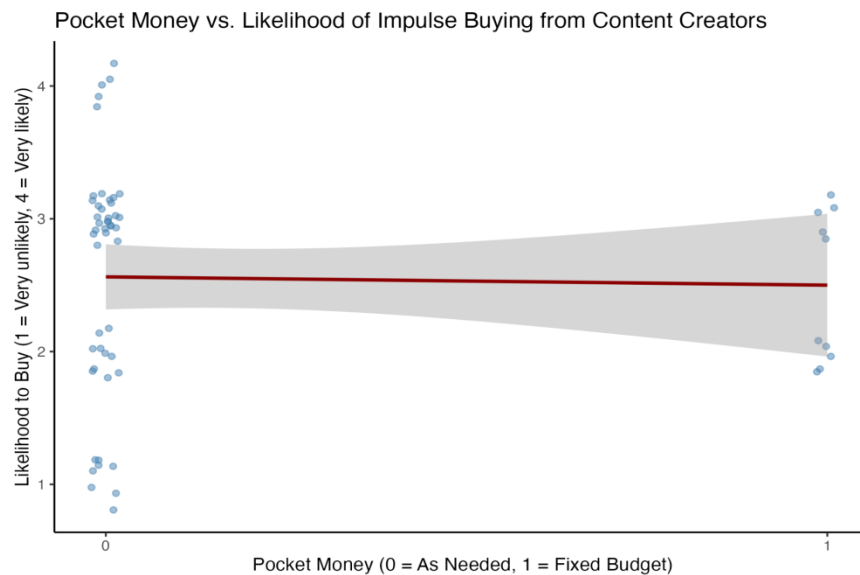
In Figure 7, the x-axis represents pocket money access (0 = As Needed, 1 = Fixed Budget), while the y-axis represents a measure of impulse buying (the likelihood of making unplanned purchases after seeing a product online). (1 = Very unlikely, 4 = Very likely). Each dot represents an individual respondent, the red line shows the line of best fit, and the shaded region indicates the standard error.

The data reveals no significant correlation between access to pocket money and the likelihood of impulse buying. The regression line remains nearly flat, suggesting that whether adolescents receive a fixed budget or money as needed does not really impact their reported impulse buying behaviour.

Adolescents with fixed pocket money (right side) do not show noticeably lower or higher impulse buying tendencies than those who receive money on an as-needed basis (left side).

While the hypothesis expected those with regular, structured budgets to exhibit more discipline, the lack of a clear trend suggests that simply having a fixed allowance does not guarantee more mindful financial behavior. It is possible that the way adolescents are taught to manage their pocket money — rather than the type of access — plays a more important role in impulse control.

**Figure 7**



**H4: Pocket money recipients will exhibit higher resistance to peer influence, as it requires planning and allocation within limited resources.**

In Figure 8, the x-axis represents pocket money access (0 = As Needed, 1 = Fixed Budget), while the y-axis reflects perceived social pressure to buy, which captures how strongly adolescents feel influenced by peers when making purchase decisions. (1 = None, 4 = High). Each point represents an individual respondent, the red line indicates the line of best fit, and the shaded area marks the standard error.

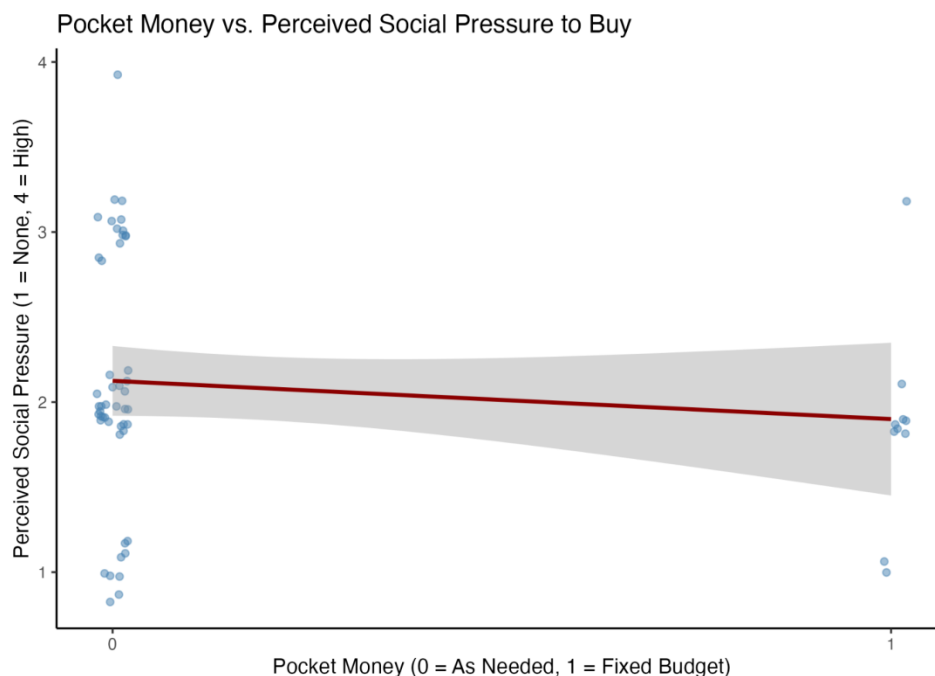
The data reveals a very weak negative relationship between structured pocket money access and perceived social pressure to buy. The regression line slopes slightly downward, suggesting that adolescents with a fixed budget may experience marginally lower social pressure compared to those who receive money on demand.

Notably, adolescents with fixed pocket money do not consistently report lower social pressure scores, which suggests that simply getting a set amount of money doesn't strongly prevent them from being influenced by friends.

These results provide only limited support for H4. While the trend points in the expected direction, the weak connection shows that just having to manage a budget isn't enough to build resistance to social pressure. It may be that learning how to budget or having financial conversations is more important than how the money is given.

Overall, this suggests that other factors—like financial knowledge or confidence—may matter more when it comes to handling peer pressure, and pocket money alone isn't enough to help teens make independent spending choices.

**Figure 8**



**VI. Discussion**

***Role of influencers***

A lot of people reported seeing posts by influencers often. According to the data, 82% of people said they see posts by influencers. This shows that influencer content is very common in their daily social media use, especially on platforms like Instagram and YouTube. Even if they don't follow influencers directly, they still come across their posts regularly. However, just because people see a lot of this content doesn't mean it has a strong effect on what they buy, which brings up an interesting point to explore. However, respondents self-report influencers as the factor least influencing their buying decisions. Even though influencer posts are seen so often, people said they don't think these posts influence their buying decisions very much. In fact, they rated

influencers as the least important factor in comparison to parents and friends. This shows that just seeing a post doesn't mean someone will buy the product. There seems to be a gap between how often people see influencer content and how much they believe it actually affects their choices.

There are two main reasons that could explain this. First, seeing a post may not actually result in people buying the product. Second, they might be influenced without realizing it. Even if an influencer introduces them to a product, they might think they bought it for another reason, like liking the product itself or thinking it's trendy. So, influencers may have more impact than people admit, but it happens in a more indirect or unconscious way.

### ***Role of financial literacy***

High financial literacy does not co-relate to a lower social pressure. The data shows that just because someone has high financial literacy, it doesn't mean they feel less social pressure when making buying decisions. Even those who understand money well still feel influenced by others. This suggests that financial knowledge alone doesn't directly protect people from peer pressure, especially in social situations where trends and appearances matter. So, learning about money doesn't automatically make someone immune to the influence of friends or social media. But financial literacy correlates to talking more with parents about money and less with friends

However, financial literacy is connected to how people talk about money. Those with higher financial knowledge tend to speak more with their parents about money and less with their friends. This is an important difference. It shows that financially literate students may rely more on trusted sources like family, rather than friends who might encourage spending. This shift in who they talk to might help them make more careful, thoughtful decisions about spending.

One reason for this could be that students with better financial skills are more confident and independent with money, from peers, but are more dependent on parents. They might not need social approval or advice from peers, and instead trust their own judgment or that of adults. Also, by avoiding spending discussions with friends, they may stay out of peer comparison and pressure cycles that often lead to impulse buying. So, financial literacy might not directly remove social pressure—but it helps students stay away from situations where that pressure builds.

These results suggest that financial literacy plays a role in how adolescents manage social pressure rather than whether they feel it. It helps them create space from it by reducing peer conversations about spending. Future studies could look deeper into how teaching financial literacy not only builds skills but also changes social behaviour. We should explore more ways that financial education can reduce risky spending habits by encouraging better conversations and greater self-awareness.

### ***Role of pocket money***

Receiving a fixed, regular pocket money does not correlate to greater financial discipline. The data shows that giving adolescents regular pocket money—whether as a fixed amount or when needed—does not strongly affect their ability to manage their money better. Even though the hypothesis (H3) expected those with fixed budgets to show more control, the results don't support this. The line on the graph in Figure 7 and 8 stays nearly flat, meaning that having a set allowance doesn't clearly reduce how often teens make unplanned purchases. This suggests that just giving money regularly isn't enough to teach good financial habits.

Pocket money doesn't have a significant effect on impulse buying either. There was also no clear difference in how likely teens were to buy things on impulse depending on how they received money. Adolescents who got pocket money as needed showed similar buying patterns to those who received it as a fixed allowance. In terms of social pressure, there was a very small trend showing that fixed budgets might reduce peer influence slightly, but the connection was too weak to draw strong conclusions. So, H4 only gets limited support. Just having to plan with a budget isn't enough to stop teens from feeling influenced by their friends or online trends.

Speaking to parents is a more effective form of financial literacy. These results suggest that how teens learn about money might be more important than how they get it. Speaking with parents about spending and saving could have a stronger impact on building financial discipline and resisting social pressure than simply handing out money in a certain way. Conversations and education may help teens think more critically and develop habits that protect them from impulsive or peer-influenced decisions. So, if the goal is to build better financial behaviour, pocket money should be paired with guidance—not given alone.

### **Conclusion**

In conclusion, this study highlights that visibility does not translate into influence. Although adolescents are frequently exposed to content from social media influencers, they report being more influenced by their peers and parents when making spending decisions. This suggests that personal relationships and offline interactions continue to shape financial behaviour more strongly than online exposure, even in this tech reliant generation.

Financial literacy emerged as a more meaningful factor in promoting responsible financial habits. Students with greater financial knowledge were not only less prone to impulse buying, but also more likely to engage in money-related discussions with their parents. This shift in who they consult may help reduce exposure to peer pressure and encourage more thoughtful, independent spending choices.

On the other hand, the way adolescents receive money had little effect on their financial discipline or susceptibility to peer influence. Teens who received fixed pocket money did not behave significantly differently from those who didn't. These findings suggest that structured access to money is not enough on its own. If we aim to build financial responsibility in young people, our focus should be on improving financial education and encouraging open conversations, rather than simply adjusting how money is distributed.

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