

The Impact of Cultural Values Emergence on the Financial Decision Making Behavior: Case Study of Chinese Women¹

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Abstract

This paper empirically discusses the changing behavior of Chinese working females' in household financial decision-making towards selecting the right time and person and having a self-owned house before getting married. Conventional concept of masculine dominance in the household decisions based on the results of the survey conducted for the Chinese working women in this study proved wrong. Chinese working women have participatory behavior in household financial decisions and realize the importance of reciprocal contribution with men in covering the cost of a self-owned house. Even though their cultural values have emerged with foreign culture, they still keep the traditional values and especially regarding the importance of buying a house before marriage along with an influential pressure from the society. The core cause of this paradigm shift in their behavior and intention to contribution is a result of the economic stability of women by working shoulder to shoulder with men.

Keywords: Household decision making, modern Chinese women, women empowerment, culture emergence, marriage and housing decision

1. Introduction

After the emergence in front of the world, China had prominent economic growth in the last three decades. It gained steady economic growth of 8.69 per cent per capital GDP growth rate during the last thirty years according to the World Bank (2009). This growth rate is higher than the United States, Europe, Japan and India. There are various studies which shed light on the outstanding growth of the China, such as the institutional reforms (Qian, 2003; Woo & Thye, 1999) considerable improvement in the total factors of productivity (Bosworth & Collins, 2008; Perkins & Rawski, 2008), and speedy growth of the capital (Chow & Li, 2002)

Rapid economic growth brings the Chinese nation in the prominent position in the world, but it brings with itself a major problem of adjusting migrant workers. These adjustments are of an enormous pressure to urban cities. There are more than 210 million rural migrants who work in different urban cities of China. It accounts for the 22 per cent of the aggregate working population. What is interesting is that half of them (49.5 per cent) are females (Wang, 2010). According to different statistics in (Jiang, 2012), in the last decade there a huge spike saw on the property value that results in a huge problem for the people who plan to get married. Some studies conducted in the China previously which showed many young male workers are unable to get married because they do not have enough money to buy the house. This ratio is quite high for men in rural areas (Zhou, Wang, Li, & Hesketh, 2011). Though China adapted the foreign culture but still it has its traditional concepts and values in place.

Recently, in the most of the economies of the world women are considered equal to men. They have an equal stake of the household income generation and economic growth of the country, as it is evident from the family survey of China, which was conducted in 1982. Results of the survey showed that around 81 per cent of urban women used to work outside of their home (Tsui, 1989); this ratio is considerably high as compared to many countries. Chinese women are foremost part of the economic growth of the country.

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According to Becker (1985) economic development was the process of restoring the labor market and household production roles in China. It is believed that females may do less market work and are paid less than male workers. In modern era, during fast economic growth and lavish life style, marriage is still considered the basic desire of an individual. In past the factors to consider while getting married included beauty/handsomeness, education level, job or business love/like and different other aspects. This is very important factor to be reckoned in major parts of the world to own a house before getting married. According to Black (2002) San Francisco that is considered as the loveliest city in the United States has a high number of gay couples, because of high housing prices. It clearly shows that people there also consider buying a house before getting married (conventional marriages). In the urban areas, there are many skilled and high income males as compared to females which attract more females to get married (Edlund, 2005). Considering the situation of the China in this respect, we could conclude that during the economic transition, role of the urban husbands is considered main financial supports of the family. This trend also shows the restoration of the function of the household production and labor market process of the economic transition (Li, Zhang, Sin, & Zhao, 2006).

Chinese value face assistance and the Confucian principles of finding respect discreetness, heat and refinement (Gao, 1996). The role of females in the Chinese society has actually transformed drastically in the preceding century. In specific, women, who were holding up half of the sky according to official motto, were motivated to get in the workforce. The function of families such as childcare was interacted in such a way that individual family members possibly not even make numerous choices on household tasks. China is a fast growing economy with the process of modernization, but still, they follow the old traditions. Females are the most significant segment of the nation; they are active part of the economy. This paper elaborates point of view of the working female in China, regarding the decision of marriage, its relationship to housing decision and related issues.

2. Methods

This research paper is primarily focused on the working women in China. To get their opinion on this matter; a simple closed ended online questionnaire was used for the data collection. Respondent of the research questionnaire were working females who had online access, so the questionnaire was designed simply and translated into Chinese. As working women are busy and going through a huge survey is not feasible, so a brief survey was designed with multiple choices. Online questionnaire was designed on the Google docs, so it was easily accessible from the computer as well as mobile phones. Social media and chat networks were utilized to populate these to working women. Social media is used to spread the questionnaire among working women; friends were approached who filled the questionnaire and asked their friend to fill out the questionnaire from the different parts of the country.

2.1 Data

A lot of people weren't able to complete the survey due to some accessibility issues or technical glitches, and their data is not included in the calculation of results. A total of 212 responses were used for these results.

Table 1: Demographic Characteristic of Respondents

Characteristics	Percentage	Characteristics	Percentage
Education		Marriage Age	
Primary School	1.4	20-25 Years	19.8
Middle School	3.8	25-30 Years	67.9
High School	16	30-35 Years	9.9
Undergraduate Degree	69.8	More than 35 Years	2.4
Postgraduate Degree	9	Income Level	
Age		Less than 1000 RMB	0.5
Less than 20 Years	2.8	1000-2000 RMB	7.1
20-25 Years	51.4	2000-3000 RMB	28.8
25-30 Years	31.6	3000-4000 RMB	23.6
30-35 Years	7.5	4000-5000 RMB	17.5
More than 35 Years	6.6	More than 5000 RMB	22.6
Occupation		Marital Status	
Own Business	11.3	Married	27.4
Jobholder(Private or Public)	88.7	Single	72.6

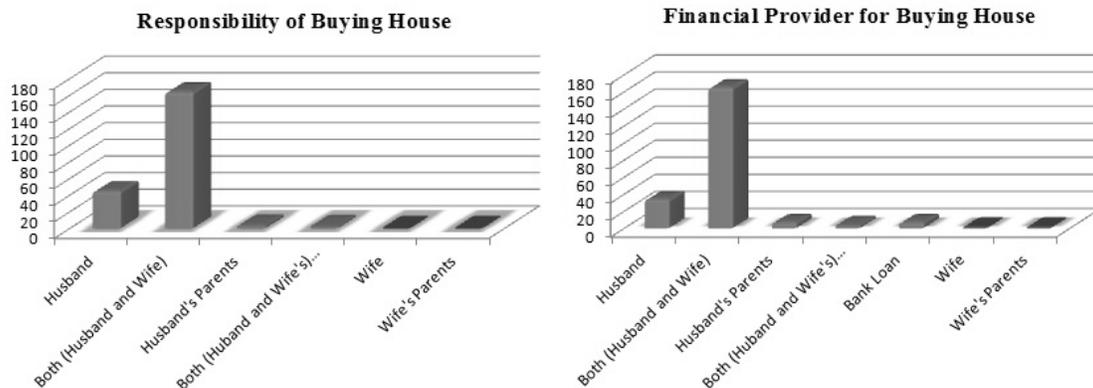
Source: own survey results

From the above table containing the demographic characteristics of the all respondents, it is clear most of the respondents were well educated. Most of them hold undergraduate degree from the university followed the high school graduates. Almost 89 per cent of female surveyed were jobholders in either private or public sector, rest of them were businesswomen mostly doing independent business and few of them doing the family business. When we look at the data, regarding the age group of the respondents it is clear that the majority of them belongs to the youth who are 20 to 25 years old, almost 51 per cent followed by the 25 to 30 years old which were 32 per cent, the short majority of the respondents were above twenty years old consisting of 97 per cent of the whole sample. According to the income level, most of the working females earning a good amount of livings, 196 out of 212 females earning more than 2000 Yuan per month. 73 per cent percent of responses came from the single working females, and 27 per cent from the married women. Interestingly, 68 per cent of the females who were married/wants to get marry between 25 to 30 years. 20 per cent and 10 per cent of total respondents who were married/wants to get marry between 20 to 25 years old and 30 to 35 years respectively.

3. Data Analysis

For the demographic characteristics, it is very clear most of the respondents have the university undergraduate degree while doing the job, so due to the improved education level, there is shift of the marriage age.

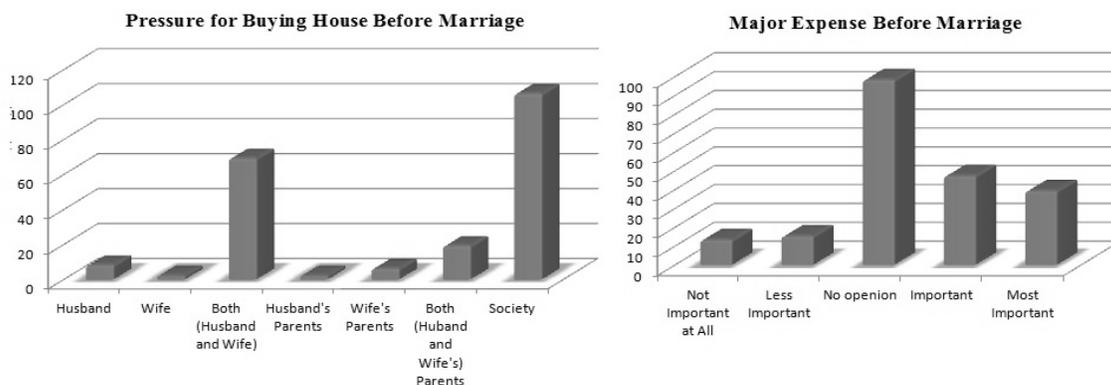
Figure 1: Responsibility of Buying House and Financial Provider for Buying House



Source: own survey results

From the first figure it is very clear that there are changes in the behavior of the female about taking the responsibility of the buying house together with their husbands, but none of them want to buy the house independently. Almost same situation observed regarding the question of financial provider of buying a house, so the majority of the female surveyed want to participate with their husband equally in the situation of owning the house before marriage. It shows that they take equal responsibility and share the burden for funding the housing decision with their husbands.

Figure 2: Pressure for Buying House before Marriage and Major Financial Expense before Marriage



Source: own survey results

The response to the question about the pressure of buying a house before marriage was quite inexplicable; it was considered after China adopted the policy of opening up to the rest of the world, they started becoming more westernized.

But the survey respondents showed they are still following the strong cultural values of China and they had the huge pressure from the society and parents of boys and girls to buy a house before marriage. So they still stick to the Chinese culture and listening to the voices of the society. Even those most of the respondent are not agreed about the importance of buying house before marriage but still the majority of them, around 55 per cent, consider buying house is the major expenses for them before marriage followed by 14.2 per cent, 14.2 per cent, 13.2 per cent and 3.3 per cent for marriage expenses, buying durable household expenses, other expenses and buying car respectively.

3.1 Regression Analysis

Table 2: Regression Analysis Model 1 and Model 2

	Model1			Model2		
	Standardized Coefficient			Standardized Coefficient		
	Beta	t	Sig.	Beta	t	Sig.
(Constant)		9.272	0		3.741	0
Education	0.172	2.483	0.014*	0.054	0.712	0.477
Occupation	0.213	3.275	0.001*	0.006	0.08	0.936
Marital Status	-0.047	-0.59	0.556	0.171	2.03	0.044*
Importance of buying house	-0.131	-2.003	0.047*			
Responsibility of Buying House				-0.152	-2.003	0.047*
Finance Provider for Buying House	0.328	5.238	0.000*	-0.082	-1.145	0.254
Expenses Before Marriage	0.102	1.557	0.121	0.191	2.754	0.006*
Savings Before Marriage	-0.04	-0.629	0.53	-0.172	-2.534	0.012*
Dependent Variable	Responsibility of Buying House ^b			Importance of buying house ^b		
R	0.529			0.409		
R Square	0.28			0.167		
F-Value	5.925			3.064		
ANOVA	SS	df	Mean Square	SS	df	Mean Square
Regression	23.252	13	1.789	39.649	13	3.05
Residual	59.767	198	0.302	197.068	198	0.995
Total	83.019	211		236.717	211	
Sig			.000 ^b			.000 ^b

Source: own survey results

In the first multiple regressions was conducted to examine whether all independent variables such as age, education, occupation, income, marriage age, and other have impact on overall responsibility of buying a house. The overall model explained 28 percent of the variance, which was revealed to be statistically significant. $F = 5.925$, $p = 0.000$. An inspection of individual predictors revealed that ages (Beta = 172, $p < .014$), occupation (Beta = .213, $p < .001$), importance of buying a house (Beta = -0.131, $p < .047$) and finance provider for buying a house (Beta = .328, $p < .000$) are significant predictors of overall responsibility of buying a house.

In the second multiple regression analysis was conducted to check the impact of all the independent variables on the importance of buying the house over model explained the 14 per cent of variance in the overall importance of buying house come statistically significant with the with F value of 3.064 whereas was $P < .000$. An inspection of individual predictors revealed that marital status (Beta = .171, $p < .044$), responsibility of buying a house (Beta = -0.082, $p < .047$), expenses before marriage (Beta = 0.191, $p < .006$), and savings before marriage (Beta = -0.172, $p < .012$) are significant predictors of the overall importance of buying a house before marriage.

Table 3: Regression Analysis Model 3 and Model 4

	Model3			Model4		
	Standardized Coefficient			Standardized Coefficient		
	Beta	t	Sig.	Beta	t	Sig.
(Constant)		2.808	0.005		1.527	0.128
Education	0.28	4.15	0.000*	0.071	1.255	0.211
Age	-0.311	-4.096	0.000*	-0.126	-1.988	0.048
Marriage age	0.281	4.022	0.000*	0.141	2.423	0.016*
Finance Provider for Buying House	0.15	2.266	0.025*	0.028	0.511	0.61
Marriage Expenses Delaying Marriage	0.075	0.872	0.384	0.642	12.227	0.000*
Dependent Variable	Pressure for Buying House ^b			House Price Delaying Marriage ^b		
R	0.526			0.723		
R Square	0.276			0.522		
F-Value	5.811			16.648		
ANOVA	SS	df	Mean Square	SS	df	Mean Square
Regression	109.614	13	8.432	195.539	13	15.041
Residual	287.305	198	1.451	178.891	198	0.903
Total	396.92	211		374.429	211	
Sig			.000 ^b			.000 ^b

Source: own survey results

In the third model dependent variable tested was the pressure for buying a house. Overall model explained the 27.6 per cent variance which was statistically significant with an F value=5.811 and p<.000 and the significant predictors were education, age, marriage age, finance provider for buying a house with the following beta and p values respectively, (Beta = .28, p < .000), (Beta =-0 .311, p < .000), (Beta = .281, p < .000) and (Beta = 0.15, p < .025).

In the fourth regression model was tested to check the impact of independent variables on the house prices delaying the marriages, over all model explained the 52.2 per cent variance. It came statistically significant with the F value = 16.648 where p<.000. And significant predictors were marriage age and marriage expenses delaying the marriage with the values (Beta = .141, p < .016) and (Beta = .642, p < .000) respectively.

Model 1 With Old Responsibility of Buying House _Recoded

Table 4 Model 1 with Old Responsibility of Buying House _Recoded

Root MSE	0.59751	R-Square0.6833
Dependent Mean	3.39623	Adj R-Sq 0.6818
Coeff Var	17.59322	

Table 5 Model 1 with Old Responsibility of Buying House _Recoded

Variable	Parameter Estimate	Standard Error	Type II SS	F Value	Pr > F
Intercept	2.67460	0.05323	901.34127	2524.68	<.0001
Responsibility of Buying House _Recoded	1.77889	0.08357	161.74430	453.05	<.0001

Source: own survey results

Responsibility of Buying House _recoded was recorded from responsibility of Buying House where 1 = anyone outside the couple (husband/wife) and 0 is any value representing a husband or wife. This variable came back significant.

This regression model came back with an R-squared with 0.68. It represents that 68 per cent of the variance in the belief of how important buying a house is explained by whether or not someone else will finance or help finance the house.

3.2 Correlation Analysis

In the appendix correlation results also shows that higher education has the positive correlation with the occupation, income, marital status, marriage age, responsibility of buying house and the pressure of buying house, as the education is increasing they females are taking shows more participatory behavior in taking responsibility of buying house and have more pressure for buying house before marriage. Age and marital status have the negative correlation show that more young girls are unmarried. Age and pressure for buying have negative correlation which shows that lower age have more pressure and higher age has the low pressure to buy the house. But interestingly, income and marriage age has the positive correlation, as income is increasing marriage is also increasing. Higher the marriage age, higher the pressure for buying house also for them increasing house prices is causing their marriages delayed. Importance of buying have the negative correlation with the responsibility of buying a house and providing finance for buying a house and savings before marriage.

But it has a positive correlation with the house prices delaying the marriage, marriage expenses delaying the marriages and the expenses before marriage. Pressure for buying house has a positive correlation with the education, marital status, marriage age, and responsibility of buying a house, finance providing for buying a house but a negative correlation with age and house prices delaying the marriage. House prices delaying the marriage have positive correlation with marriage age, importance of buying a house, marriage expenses delaying marriage and expenses before marriage, it has a negative correlation with responsibility of buying a house. Marriage expenses delaying the marriage have the positive correlation with the importance of buying house, house prices delaying marriage and expenses before marriage but negative correlation with savings before marriage. Expenses before marriage have positive correlation with importance of buying house, house prices delaying marriage and marriage expenses delaying the marriage. Saving before marriage has the negative correlation with importance of buying a house, marriage expenses delaying marriage and expenses before marriage.

4. Discussion

Economic growth not only made the country strong but also to the Chinese women, they are economically strong and give the helping hand to the husbands for buying a house and providing finance for the household expenses on the equal basis especially the women in the urban areas. Their education level is increasing day by day so they are getting the better jobs and earning the good amount of money and taking part actively in buying a house before marriage. Previous studies about China proved the typical household was based upon Confucian concepts in which female's primary parts are wife and mother (Zhang, 2009), but now situation has been changed and females are active part of the economy and source of income, taking the burden of the family expenses and share the pain with their husband, they are not only wife and mother but they are earning source of the family. Economic stability of the females has changed the whole life pattern of Chinese society; high income transformed the society modernized especially in the cities. High migration rate to the big cities pulled the demand higher which caused the high housing prices, as conventionally buying house was considered as the responsibility of the man in Chinese society especially in the rural area (Zhou et al., 2011), made it difficult for the husbands to buy the house alone. This study showed the different results, majority of working women in urban areas want to share the burden of buying a house equally with their husband.

The changing behavior of women in China is backed by the many reasons, first is the education, higher education lets them find better jobs which caused their income level goes up and made them economically strong. Social evaluation theory recommends that people usually contend and compares themselves with one another. More specifically, in the world of international media, such competition for standing develops with the purchase, ownership, and usage of standing or status items instead than with personal, occupational, or familial track record (I. Phau, & Woo, C, 2008; I. a. Y. Phau, S.L., 2008). Individuals attempt to review themselves (and contend) with others by showing their social power and displaying their wide range as shown with their ability to purchase document things or have condition items (Roberts, 2001). Chinese people are more westernized but still they keep the strong cultural values especially females because they want keep to keep higher status in front of other society members, majority of the responded have the social pressure to buy the house instead of their own desire or family pressure for buying house before marriage.

5. Conclusion

Overall results showed that there is a change in the behavior of the Chinese working women regarding the household financial decision making about housing and marriage decision.

Chinese working women are now well educated with good jobs earning decent amount of money which made them economically stable. They are now able to make take equal responsibility for buying a house with their husbands in today's era when housing prices touching to the sky. For an individual it's quite difficult to buy a house alone in the urban area, so in this hard time Chinese women are standing beside with their husbands or future husband to share the responsibility and buy the house before marriage. Conventional role of the Chinese women as wife and mother is still there, but they added additional role of active financial provider for the household expenses especially buying house. They carry a stronger "we the couple" than "my family vs. your family" Also they place more importance on buying a house if someone else is willing to help or take complete responsibility of buying a house. Changed behavior of female participation in a financial matter of household is linked to the better economic situation of the female as compared to weak financial condition of the women in the past because of better education and better job market for them. It is also concluded that Chinese women become more empowered in financial matters due to economic growth in the country, by becoming active part of the economy. It is clear from the above results; there is a strong impact of the foreign culture, which leads towards the fast economic growth, due to these women to become more empowered and economically strong to participate in the major household financial decision making.

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8. Appendix: Correlation Analysis

Variables	Education	Occupation	Age	Income	Marital Status	Marriage age	Importance of buying house	Responsibility of Buying House	Pressure for Buying House	Finance Provider for Buying House	House Price Delaying Marriage	Marriage Expenses Delaying Marriage	Expenses Before Marriage	Savings Before Marriage
Education	1													
Occupation	.201*	1												
Age	.033	-.175*	1											
Income	.158*	.180**	.117	1										
Marital Status	.197*	.215**	-.522**	-.093	1									
Marriage age	.247*	.114	.099	.247*	.220*	1								
Importance of buying house	.069	.021	.007	-.054	.060	-.069	1							
Responsibility of Buying House	.211*	.243**	.051	-.041	.027	.120	-.166*	1						
Pressure for Buying House	.349*	.124	-.194**	.121	.184*	.310*	.002	.170*	1					
Finance Provider for Buying House	.050	-.014	.026	.022	.065	.067	-.140*	.363*	.189*	1				
House Price Delaying Marriage	.131	.098	-.083	-.100	.080	.159*	.196**	.142*	.053	-.057	1			
Marriage Expenses Delaying Marriage	.112	.079	.025	-.128	-.003	.094	.151*	-.086	.050	-.042	.690*	1		
Expenses Before Marriage	.024	.096	-.060	.038	-.025	.062	.226**	.032	-.053	.091	.201*	.209*	1	
Savings Before Marriage	-.059	-.031	-.067	.042	.117	-.037	-.203**	-.053	-.030	-.007	-.090	-.155*	-.214**	1

Correlation is significant at the 0.01 level (2-tailed).**

Correlation is significant at the 0.05 level (2-tailed).*