

# Learning Across Generations: Financial Socialisation and Reverse FinTech Socialisation

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**Abstract:** Financial socialization is an important process by which individuals, particularly children, learn about money, its management, and the skills needed for various financial activities such as budgeting, banking, and using credit cards. Interestingly, the roles in this learning process reverse when children influence their parents. This influence can lead to a shift in perspective and behaviour, as children help parents navigate modern financial practices. This generational divide shows the importance of financial socialization in helping individuals bridge the gap between traditional and modern financial practices. The older generation, despite their initial resistance, can benefit from the guidance and influence of their younger counterparts, who are more attuned to the digital and consumer-driven world.

**Keywords:** Financial Socialization, Fintech, Reverse Socialization.

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## I. INTRODUCTION

The rapid advancements in science and technology have a profound impact on people's behaviour, culture, and consumption patterns. This transformation affects individuals across all demographics—regardless of caste, income, or social status—as they strive to adapt to the evolving trends in society. Consumption, which increasingly symbolizes one's status and identity, is a key factor in this shift. As a result, the older generation, often less familiar with newer technological tools and evolving consumption patterns, faces a steep learning curve to adapt. In contrast, the younger generation, who are more exposed to these technologies through the internet and peer interactions, feel more comfortable using advanced devices.

Early financial decisions can have significant long-term economic and societal impacts. Parents, as major figures in children's lives, have an unparalleled influence on their financial learning processes. Children acquire consumer skills, knowledge, and attitudes through interactions with their parents, and even as they enter adulthood, parental influence often remains a powerful force.

## II. REVIEW OF LITERATURE

Gudmunson and Danes (2011) suggest that parents play an important role in facilitating children's socialization from a family systems and developmental perspective. They contend that financial socialization goes beyond learning how to function in the marketplace; it involves acquiring values, attitudes, norms, knowledge, and behaviours that contribute

to financial viability and individual well-being. Most financial socialization occurs through everyday family interactions and implicit financial training.

Watne (2011) argues that in cases where children influence their parents, the power arises from the children's expertise and knowledge. This influence occurs when children acquire specific knowledge through education, experience, and exposure to particular issues, such as technology.

Correa (2012) found that youth play a significant role in influencing their parents' acquisition of new information technologies, like mobile phones, due to their greater involvement and superior knowledge in these areas.

Fluellen (2013) identifies college life as a pivotal stage for learning to manage money without parental supervision. Students learn budgeting, proper use of money, and face financial stress, all of which contribute to future financial decision-making. These financial learning opportunities strongly influence financial behaviour.

Hira et al. (2013) found that parent-child financial discussions during childhood were positively associated with early habits of regular investing and household net worth in adulthood, even when controlling for factors like gender, age, education, and income.

### ➤ *Statement of the Problem*

It is common for parents to guide and support their children in learning, including financial matters, through a

process known as financial socialization. However, there are instances where this order is reversed. In these cases, children act as teachers to their parents. This reversal occurs because some parents, particularly those who are older, may lack familiarity with new technologies or advanced methods, such as online banking. This study aims to explore the banking confidence of both parents and their children, focusing on how children teach their parents about financial technology. Specifically, it examines FinTech reverse socialization, where children educate parents about digital financial tools, while also considering the influence of parental financial socialization on their children's behaviour.

➤ *Significance of the Study*

This study explores the reverse socialization of financial technology (FinTech) and the ongoing process of parental financial socialization. The research aims to understand the faster transmission of knowledge in the context of modern financial technology in banking, which has become an essential part of daily life. The study also seeks to examine how these socialization processes impact banking confidence, particularly among parents who are less familiar with digital banking. With the help of their children, who are more adept in this field, parents are increasingly able to navigate financial technology in today's digital age. Understanding FinTech reverse socialization is crucial for the banking industry to cater to the needs of parents who are less tech-savvy,

ultimately enhancing their comfort and trust in digital financial services.

➤ *Objectives of the Study*

- To measure parental financial socialisation of graduate students.
- To measure FinTech reverse socialisation among parents of graduate students.
- To know how the FinTech reverse socialization influence in the banking confidence of parents.

**III. METHODOLOGY**

The study is analytical in nature using primary data.

Demographic profile and banking habits of Undergraduate & Postgraduate students and their parents are required for this study. Data is collected from Anchal Panchayat in Kollam District. The required sample size is 100 respondents. Questionnaire is used to collect primary data. Convenience sample method is used as the sampling technique. Percentages, mean, standard deviation and ANOVA is used for data analysis and interpretation.

➤ *Data Analysis*

Table 1 Age Wise Distribution of Respondents

Age Group of Parent:	No: of Respondents	Percentage
Below 40	3	3
40-50	28	28
50-60	62	62
Above 60	17	17
Total	100	100

Table 2 Educational Qualification of Parents

Educational Qualification of Parent	No. of Respondents	Percentage
Post Graduate	26	26
Under Graduate	24	24
Plus Two	27	27
SSLC	23	23
Total	100	100

Table 3 Parental Financial Socialisation (Graduate Students' Perception)

Sl. No	Parental financial socialisation	Mean	S. D
1	My parents discussed budgeting with me during my school/college years.	4.06	0.682
2.	My parents guided me in saving money regularly	3.86	0.921
3.	My parents taught me how to use banking services (e.g., opening accounts, deposits, withdrawals).	4.30	0.789
4	My parents involved me in family financial decisions	3.44	0.934

The study of parental financial socialization among graduate students shows that parents significantly contributed to teaching basic financial knowledge and practices. They particularly focused on banking services, which had a mean score of 4.30, and discussing budgeting, with a mean score of

4.06. Both areas received strong agreement and consistent responses. Overall, the findings suggest that parental financial socialization effectively built basic financial habits, such as banking and budgeting, but placed less emphasis on participatory and analytical aspects of financial behavior.

Table 4 Fintech Reverse Financial Socialization

Sl.no	Statements	Mean	S. D
1	I have learned from my child how to transfer money electronically	4.12	0.746
2.	My child has shown me how to make payments while shopping online	4.40	0.728
3	My child has taught me how to use credit,debit cards and online banking for various for various purposes	3.82	0.800
4.	My child has taught me how to keep my online financial transactions safe and secure.	4.32	0.683
5	I rely on my child’s guidance when using digital wallets or payment apps	4.26	0.723

The mean scores for all seven statements are above 3.80, suggesting a generally high level of agreement. Overall, the results highlight that children play an important role in enhancing their parents’ digital financial literacy, especially

in online transactions, e-payments, and ensuring safety in financial dealings. The relatively low standard deviations (all below 0.81) also show that the responses are consistent and stable across participants.

Table 5 Parents Banking Confidence

Sl. No	Statements	Mean	S. D
1	My child has improved my banking confidence	4.34	0.658
2	My child makes me more independent in banking	4.26	0.828
3.	I feel secure using digital banking after learning from my child	4.55	0.677
4.	My child increases trust in new banking technologies	4.48	0.735

The results show that FinTech reverse socialization has a strong positive influence on parents’ confidence in banking. The highest impact is seen in parents feeling secure in using digital banking (M = 4.50, SD = 0.677) and developing trust in adopting new banking technologies (M = 4.48, SD = 0.735). These findings suggest that children play a crucial role in enhancing their parents’ confidence, security, and trust in modern banking practices.

➤ Hypothesis Testing No. 1

- H0: There is no significant difference in the mean score of parental financial socialization based on the educational qualification of parent.
- H1: There is significant difference in the mean score of parental financial socialization based on the educational qualification of parent.

Table 6 ANOVA Analysis on the Basis of Educational Qualification of Parent

Parental Financial Socialization	Sum of squares	df	Mean squares	F	p-value
Between Group	18.62871	3	6.209569	7.586648	5.72e-05
Within groups	405.9693	496	0.818486		
Total	424.598	499			

Source: Calculated Value

The table above reveals that the significant value of F statistic is less than the bench mark level of 0.05. Since the significance value is less than 0.05, it is clear that the null hypothesis is rejected with a significance value of 5.72e-05 and hence the level of parental financial socialization differ on the basis of educational qualification of parents.

➤ Hypothesis Testing No. 2

- H0: There is no significant difference in the mean score of parental financial socialization based on the age of parent.
- H1: There is significant difference in the mean score of parental financial socialization based on the age of parent.

Table 7 ANOVA Analysis on the Basis of Age of Parent

Parental financial Socialization	Sum of squares	df	Mean squares	F	p-value
Between groups	11.99236	3	3.997453	4.811806	0.002599
Within groups	399.5953	481	0.830759		
Total	411.5876	484			

Source: Calculated value

The table above reveals that in this case, the significant value of F statistic is less than the bench mark level of 0.05. Since the significance value is less than 0.05, it is clear that the null hypothesis is rejected with a significance value of 0.002599 and hence the level of parental socialization differ on the basis of age of parents.

**IV. CONCLUSION**

The study highlights the dual role of financial socialization, where parents traditionally guide children in basic money management while children increasingly influence their parents in adapting to digital financial technologies. Findings reveal that while parental financial socialization successfully instills fundamental skills such as budgeting and banking practices, children play a crucial role

in bridging the digital divide by teaching their parents online transactions, mobile banking, and financial safety measures. This reverse socialization significantly enhances parents' banking confidence, reduces their fear of financial mistakes, and builds trust in new technologies. Overall, financial learning across generations emerges as a two-way process, strengthening not only financial literacy but also intergenerational relationships.

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