

UDK 33

SOCIAL PERCEPTION OF CONSUMER LOAN PRACTICES (ON THE EXAMPLE OF STUDENTS OF EXTRAMURAL FORM OF STUDIES)

Berezin D.T.

Yaroslavl State Pedagogical University, Rybinsk, e-mail: dimitry_rus_rub@rambler.ru

The article analyzes consumer lending practices among students of extramural form of studies. The author conducted a study among extramural students. During the study, the author analyzes the level and specificity of the involvement of extramural students in the practice of consumer lending. It was found that most young men and a significant part of girls have fragmented knowledge in the field of consumer lending. It was revealed that more than half of the extramural students perceive lending as the norm and have a positive attitude towards this financial instrument. The main parameters when applying for a loan for respondents are the speed of its execution and the minimum number of documents required for submission to the bank. Girls are more likely than boys to be impulsive when applying to a bank for a loan. During the survey, it turned out that students would like to receive knowledge on financial planning and lending in the most detail. At the same time, half of the respondents admit that they lack knowledge in the field of lending. According to the results of the study, measures are proposed aimed at increasing the level of knowledge, the formation of skills and abilities in the field of credit behavior among students of distance learning.

Keywords: consumer lending, financial literacy, economic literacy, universities, students

Relevance of research. According to positional experts, a significant part of the younger generation is characterized by short-term planning, the absence of a financial airbag, and the inability to plan their expenses. Several authors connect this trend with the presence of constant stress in people's lives [1]. In a situation of stress, it is difficult to make the right decisions and evaluate all possible risks. The Russian government is developing various programs to increase the level of education of citizens in the field of consumer lending and financial planning [2]. Despite all the measures, at the level of government and constituent entities of the federation. The problem remains unsolved. So, according to the BCH (Bureau of Credit History), the number of loans overdue in 2019 amounted to 12.4 million units.

Given the above, we decided to conduct a study to find out how students of extramural education evaluate the practice of consumer lending.

The level of study of the issue. The practice of consumer lending is purposefully studied by economists, sociologists, psychologists.

It is impossible to improve knowledge in the field of consumer education outside the framework of the education system. Of course, a person himself can actively analyze the practice of consumer lending, analyze mistakes, pros and cons, but it is system knowledge that can help to obtain the necessary knowledge, skills and abilities.

One of the first, the importance of financial education was justified by the American economist and sociologist D. Bernheim.

Foreign researchers continue to pay close attention to this problem and systematically

consider the formation of competencies in the field of financial literacy among students.

Our analysis showed that foreign researchers most often evaluate "financial literacy" from the position of knowledge of basic terms and simple abilities.

Currently, the leading experts in matters related to improving financial and economic literacy are: Zonin N.A., Lukyanova N.Y., Tishchuk M.O., Schepkova I.V. [3].

Our analysis showed that some scientists suggest introducing special disciplines for students in the framework of mastering the educational program at a university to increase financial and economic literacy, while others suggest creating the necessary competencies as part of additional education.

The most significant aspects related to the practice of consumer lending are the subject of research of a number of doctoral dissertations, defended at the beginning of the XXI century.

However, despite the important contribution that these works make to the study of the problem of interest to us, it should be noted that the issue, related to the practice of consumer lending, is insufficiently studied at the moment.

The object of study is the financial behavior of extramural students studying at Yaroslavl State Pedagogical University.

The subject of the study is the social factors of credit behavior of extramural students.

The main hypothesis: The main factor in applying to the practice of consumer lending by extramural students is a deterioration in their level and quality of life. Forms of credit behavior directly depend on the social and material status of the individual, level of education, family attitudes.

Empirical base of research

A survey was conducted in 2019-2020 among extramural students of the Yaroslavl State Pedagogical University named after K. D. Ushinsky (YSPU).

Quota sampling. A sample of $n = 600$. Quotation variables: gender, age, type of family.

A series of in-depth interviews with students $n = 22$.

A series of in-depth interviews of teachers $n = 20$.

A series of in-depth interviews were conducted with positional experts, $n = 10$.

A secondary analysis was carried out on the basis of data and publications of the results of studies carried out by the Institute of Sociology of the Federal Scientific Research Center for Scientific Research of RAS (Moscow), Russian Public Opinion Research Center (VTsIOM).

Materials and methods of research

The theoretical and methodological basis of the study was based on the works of the classics of economic science, researches of modern domestic and foreign scientists on the problems of the essence of credit, as well as the general theory of activity (K.A. Abulkhanova-Slavskaya, A.A. Bodalev, V.V. Davydov, A.N. Leontiev, etc.).

In addition, the works of Berezin D.T., Molokanov V.M., Shimshirt N.D. made a significant contribution to the theory of the issues under study [4-6].

Results of the research and discussions

First, we studied how respondents feel about consumer lending? (Table 1).

Table 1

Distribution of answers to the question: "How do you feel about consumer lending?" (in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
Negatively	33	25
Positively	57	68
Difficult to answer	10	7

As can be seen from the replies of respondents, one third of young men and a quarter of girls have a negative attitude to consumer lending. Students had the opportunity to explain their answers; for this, open questions were provided in the questionnaire. So, boys

and girls who indicated that they had a negative attitude to consumer lending explained that credit does not contribute to improving the material well-being of citizens. Credit is a mechanism through which banks capitalize on people's needs.

Next, we studied students' opinions regarding loan interest rates (Table 2).

Table 2

Distribution of answers to the question: "Do you think the interest rates on loans are currently overstated?" (in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
Yes	53	56
No	42	38
Difficult to answer	5	6

As can be seen from the answers, more than half of young men and women believe that at present interest rates on loans are overstated.

Next, we studied whether banks in the Russian Federation created acceptable conditions for attracting citizens to consumer and other lending? (Table 3).

Table 3

Distribution of answers to the question: "Do you think the banks have acceptable conditions in order to take out a loan?" (in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
Yes	32	23
No	58	70
Difficult to answer	10	7

As can be seen from the data presented in the table, 70% of girls and 58% of boys believe that acceptable conditions for obtaining a loan are not created in banks.

Next, we studied which loan parameters are most important for students (Table 4).

As can be seen from the data presented in the table, the main parameters when applying for a loan for respondents are the speed of its execution and the minimum number of documents required for submission to the bank. Unfortunately, we see that more than half of girls and boys are willing to take a loan from

a bank without insurance. This is an attempt to reduce the percentage. Obviously, the majority of respondents are very at risk with this model of behavior. Winning in the short term, they can suffer significant losses in the long term (in case of disability, etc.).

Table 4

Distribution of answers to the question:
“What are the most important
loan parameters for you?”*
(in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
The main thing is to quickly get a loan	98	100
Minimum number of documents	95	97
Getting a loan online	90	92
Payment Methods	76	68
Low interest rate	75	77
Lack of compulsory insurance	74	70
Other	6	6
Difficult to answer	5	6

* The total percentage in the vertical might be more than 100, because respondents could indicate several answers.

Here we would like to bring the point of view of experts on this issue. A number of sociologists note that a significant part of students is inherent in financial and economic illiteracy. So, sociologists Talanov S. L., Kudashov V. N. write that “*many citizens of the Russian Federation have 6-7 loans each year, the level of overdue loans is increasing annually, that many citizens of the country have not adapted to the new conditions of life*” [7].

According to the prominent sociologist P. Bourdieu, people shape their expectations based on their capabilities [8]. It is traditionally believed that the decision to take a loan is associated with financial certainty [9]. Given these circumstances, we attempted to find out how many loans our respondents currently have (Table 5).

The majority of respondents (57% of boys and 68% of girls) said that they tried several times to get a loan from a bank or a microloan at a financial institution.

Next, we studied how many loans (as well as the type of loan) students currently have? (Table 6).

As you can see, mainly students took out loans for the purchase of phones, laptops, etc.

Table 5

Distribution of answers to the question:
“Do you have a consumer loan today
that still needs to be paid out?”
(in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
I have a loan	57	68
I have no loan	43	32

Table 6

Distribution of answers to the question:
“What kind of consumer loan do you have?”
(in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
Loan for equipment	57	68
Consumer goals	55	65
Vacation loan	8	63
Significant events (wedding, funeral, etc.)	6	57
For education	6	13
To buy a car	5	7
For the purchase of real estate	5	5

A gender imbalance was revealed, as 57% of girls and only 6% of boys took a loan to celebrate the wedding. The same tendency was revealed when answering the question: “Have you taken a loan for a vacation?”

It is gratifying that 5% of boys and 5% of girls took a mortgage to purchase housing. Students could explain their answers. So the young men who have a mortgage explained about the same. Namely, that they wanted to be independent from their parents, and start living with their girlfriend.

Next, we studied how much of our income is paid by our respondents who currently have loans? (Table 7).

As can be seen from the responses of the respondents, 53% of boys and 56% of girls pay interest on loans in excess of 50% of income. Which certainly affects their level and quality of life.

Next, we analyzed whether our respondents are currently working (Table 8).

Table 7

Distribution of answers to the question:
 “What part of your personal monthly income
 is made up of loan repayments?”
 (in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
Less than 10% of income	-	-
Less than 15% of income	5	5
Less than 20% of income	6	5
Less than 30% of income	15	11
Less than 40% of income	21	18
50% of income	53	56
Over 50% of income	-	5

Table 8

Distribution of answers to the question:
 “Which group of students would
 you most likely attribute yourself to?”
 (in %, of the number of respondents)

Answers	Students	
	Male n=210	Female n=390
I don't work, I live on the money of my parents, on the income of my partner	14	33
I work	86	67

Table 9

Students' consumer attitudes
 (in %, of the number of respondents)*

Answers	Students, n=944	
	Male n=496	Female n=448
Own a house	96	98
Have the opportunity to buy a new car no lower than the previous class every two-three years	91	92
Own your own apartment	88	83
At least once a year, take vacations abroad at the best resorts in the world	67	91
Buy new clothes and shoes every month	61	88
Eat food of good quality	62	78

* The total percentage in the vertical might be more than 100, because respondents could indicate several answers.

It can be seen that 86% of boys and 67% of girls work. Respondents had the opportunity to clarify their answers. So, about half of the girls noted that their parents urged them to work or find a young man in order to live at his expense. One third of the girls noted that they themselves, without prompting their parents, decided to get a job even while studying at school.

Next, we studied the consumer attitudes of students (Table 9).

As you can see, regardless of gender characteristics and the course of study, a significant part of external students wants to have their own house or apartment.

Next, we analyzed what qualities (knowledge, skills, etc.) that our respondents needed? (Table 10).

Table 10

Distribution of answers to the question:
 “What qualities, knowledge, skills
 do you need for a successful life?”*
 (in %, of the number of respondents)

Answers	Students, n=944	
	Male n=496	Female n=448
Prudence (ability to adequately assess risks)	89	51
Sociability	82	88
Quickly learn a new type of activity	73	68
Get useful connections	70	80
Independence, the need for independence	66	82
Entrepreneurship (acting in rapidly changing uncertain conditions)	61	60
Economic knowledge	59	70
Long term planning	57	55
Efficiency (ability to rationally implement one's own labor activity)	54	37
Short-term planning	35	32
Honesty	28	42
Thrift	13	37

* The total percentage in the vertical might be more than 100, because respondents could indicate several answers.

As can be seen from the answers, a significant part of the respondents believes that the main thing is prudence (the ability to adequately assess risks). A significant part of the girls thinks that the most important is sociability.

Next, we studied what topics external students would like to study in more detail while studying at the university? (Table 11)

Table 11

Distribution of answers to the question: "What topics would you like to study to improve financial and economic literacy?"* (in %, of the number of respondents)

№	Topic	(%)
1.	Financial planning and budget	61 %
2	Lending	50 %
3	Risks and financial security	40 %
4	Protection of the rights of consumers of financial services	39 %
5	Investment	33 %
6	Expenses and income	31 %
7	Insurance	22 %
8	Personal savings	18 %
9	General knowledge of economics and the basics of financial arithmetic	12 %

* The total percentage in the vertical might be more than 100, because respondents could indicate several answers.

As can be seen from the answers of the respondents, students would like to gain knowledge on financial planning and lending. At the same time, 50% of respondents admit that they lack knowledge in the field of lending.

A series of in-depth interviews with students was conducted. n = 22.

Next, we present the most typical statements of students.

Ulyana, age: 28.

"When I got married I took a loan from a bank. The future husband before marriage at the registry office said that he had a well-paid job, a house and a car. When the marriage was registered, it turned out that he did not have a secondary education, he was judged, he didn't work anywhere. My parents insisted that I divorce him immediately. But I forgave Nicholay for his deception, since I love him very much. I had to lay the wedding rings in the pawnshop, since the obligatory payments to the bank were already overdue. Now I'm trying to take another loan to pay off the loan that I took for the wedding. Even before marriage, I could not save money. I started a special notebook where I wrote down my income and expenses, then I had a useful function in my phone (I connected Sberbank Online to the bank). But still, not before the marriage, and not even now, I can't regulate my income and expenses. Catastrophic lack of knowledge."

Egor, age 33.

"I always dreamed of financial independence. I tried to save money, but I had to borrow all the time. I studied at a technical school, but the necessary knowledge in the field of lending was not given. In general, it seems that in a technical school, they do not prepare for life, they do not give important life knowledge. I believe that educational institutions should provide knowledge: how to take a loan, how to rent an apartment, how to plan income and expenses, how to play on the stock exchange, how to open a bank account, how to open a business."

Sergey, age 40.

"I never studied at 4 (good mark) and 5 (excellent mark), but I always tried if there is time to watch news related to the world of economics and finance. I like watching the RBC channel and listen to the comments of experts. But the knowledge obtained in this way is still not enough for me. Apparently, there is no system, I have fragmentary representations. I am already 40 years old, I was married twice. I have divorced both times due to poverty. All women want men to support them, probably this is fair. I just can't get a well-paid job. Half of my classmates are or were in jail, the other half of classmates works in the police. In my city (Rybinsk), there is almost nothing other than factories. It is very difficult to realize yourself. I wanted to take a mortgage, but I don't have enough understanding of how I can follow up with the payments. If special disciplines were taught at the school and college, then I would solve all my problems in due time. And perhaps I would save my family and find my place in life."

We see that part-time students, regardless of age and gender, lack knowledge in the field of finance and, in particular, in the field of lending.

As part of the study, a series of in-depth interviews were conducted with positional experts, n = 10.

Below we will give the opinion of a number of positional experts.

Expert 1

"Currently, banks are behaving aggressively. Their aggression is manifested in annoying advertising. In particular, operators from call centers (banks) periodically call citizens offer to take a loan, for example up to 600 thousand. And when a person agrees, they are refused in the bank or they are explained that with such an income, which they have, bank can give no more than 30 thousand rubles."

Expert 2

“A number of banks have a high level of liquidity. For this reason, banks actively follow active and passive operations. Some banks, unfortunately, use the illiteracy of a significant part of the population and offer loans on very unfavorable conditions. Many young people take loans under the influence of advertising, guided by emotions, not rational arguments.”

Expert 3

“Currently, banks are in favorable position. Firstly, despite the crisis, they have support from the state. Secondly, the last 6 years there has been a real drop in the level and quality of life of the population, in other words, the majority of people needs loans to maintain their standard of living. So, many citizens have no choice. They take a loan, in order to pay interest on it, take the next loan, then, in order to pay off the interest on the second loan, they take a new loan. And even from January 1, 2020, when the provision came into effect that the credit burden should not exceed half of the citizen's income, does not stop banks from aggressive policies. Banks impose loans, even to citizens with a bad credit history.”

Expert 4

“Banks are actively using the fact that many citizens have not formed the necessary knowledge, skills and abilities in the field of consumer lending. For example, we see advertisements everywhere about credit restructuring, but almost no one talks about its negative side. And there are big disadvantages, since during restructuring with an extension of the payment term, the overall overpayment of the loan increases. Therefore, those who agree to the restructuring of the loan, then solve their problems only in the near future. And then they only worsen their financial condition”.

As you can see, positional experts agree that most of the citizens are characterized by superficial, fragmented knowledge in the field of consumer lending. In addition, experts are unanimous in the fact that financial and economic illiteracy affects the financial well-being of citizens. And that banks are trying to take advantage of this to increase their performance. They are not afraid, the number of bad loans, since all loans are insured anyway.

As part of the study, we conducted a series of in-depth interviews with teachers $n = 20$.

Next, we give some statements of the university teachers.

Professor, age: 90.

“Loan is a “slavery”. First, they give you some kind of credit card for 15 thousand, then

they increase the limit on it. As a result, the amount on the card increases to 100 or more thousand rubles. This is a complete deception. This was not the case in the USSR. The state should tighten control over the banking sector and especially organizations that provide microloans. We have reached the point that there is already the concept of bankruptcy of individuals and this is still being shown to us as a kind of achievement. Why do they give loans abroad at 1%, and here at 10-12%? Where does the central bank look? The problem is complicated by the fact that the number of hours for teaching disciplines of the economic cycle is sharply reduced. Universities do not provide the necessary skills in the field of finance”.

Assoc. prof., age: 46

“Numerous sociological studies demonstrate that most of the citizens of the Russian Federation is characterized by low knowledge in the field of finance. The younger generation does not plan their pension, does not know about financial instruments, does not know anything about lending, etc. The same trend is observed abroad. So, there are problems too. Many young people, in particular, believe that it is not necessary to pay interest on a loan in the event of a drop of the income or in case of losing the job. Many people live one day. The main thing is to take a loan under any conditions, to buy a thing you like (phone, laptop, etc.), and to repay interest on the loan later. As a result, there is an increase in bad debts, both in the Russian Federation and abroad. In Russia, there is a specificity associated with the fact that most citizens are characterized by paternalistic positions. Accordingly, many young people expect from the state conditions and mechanisms to increase their material well-being. Sociological polls show that most of the young men are not socialized, in particular, they live with their parents up to 30 years old, do not aspire to get a job, and constantly borrow money from their relatives and friends. Universities in these conditions should have corrected the situation, namely, helping to create the necessary skills for students, but the problem is that there is no necessary number of teachers in universities”.

Assoc. prof., age: 46

“It is known that for girls, on average, expenses are higher than for boys, and girls more often than boys apply to banks for loans. In banks, operators are actively using psychological techniques to convince them to get a loan at a higher percentage, and girls are most likely to fall for this trick. It is necessary to increase the literacy of the population. And this

can be done within the framework of the education system. I believe that it is necessary to develop and introduce a special course, in the framework of which it is taught to take loans, rent an apartment, plan expenses in the family, make financial investments, etc.”

As part of the study, we invited teachers to evaluate the formation of the necessary skills and abilities among students of their university (Table 11).

Table 11

Estimates (by rank) of positional experts on the level of students' economic socialization (in %, of the number of respondents)

	Ranking
Economic behavior (assimilation of economic roles)	1
Economic consciousness (level of reflection of economic relations)	2
Economic identity (manifestation of the economic identity of the individual)	3
Economic orientation (readiness for economic activity)	4
Economic adaptation (adaptation to the conditions of economic activity)	5

These estimates coincide with previously known estimates given by positional experts.

We see that teachers as well as positional experts believe that the majority of young people do not have the necessary skills in the field of finance and economics. Higher school teachers themselves emphasize that universities can't cope with a number of their functions, in particular, they are not able to form the necessary skills in lending.

Conclusion

In the framework of the study, the level of students' involvement in the practice of consumer lending was determined. As our study showed, most young men and a significant part of girls have fragmented knowledge in the field of consumer lending.

We found that not always rational motives when applying to the bank are decisive for girls (women). When taking a loan from a bank, a significant part of the girls is guided by emotions, not rational judgments. In addition, it was revealed that extramural students have high costs and a high-risk appetite, not the ability to carry out long-term planning, periodicals borrow from their relatives and friends.

We believe that in order to increase the level of knowledge in the field of lending, as well as for the more successful formation of extramural studies of students' skills in the field of credit behavior, it is necessary to periodically increase their literacy in the framework of receiving education in institutions of additional education.

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