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ROLE OF MEDIA IN PROMOTION OF FINANCIAL LITERACY IN PAKISTAN

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Abstract. The role of Mass media in financial literacy in third world countries becomes important since masses have little awareness on choices of investment options. This study investigates the role of mass media in financial literacy i.e. imparting of financial education to masses. For this purpose, a survey was conducted in which hundred respondents from Rawalpindi and Islamabad were taken. They were exposed to the questionnaire on financial numeracy and media effectiveness. The results show that majority of respondents were not aware of advanced concepts of financial numeracy and alternative investment options such as mutual funds. It was also found that majority of respondents showed their dissatisfaction on the coverage given to financial issues by media such as personal finances and demanded programming content related to investment advisory and personal financial planning. According to survey, mass media failed to motivate or persuade people to take financial decisions regarding investment to maximize their wealth.

Keywords: Financial literacy, financial numeracy, mutual funds

JEL Classification: G50, G51, G53

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I. INTRODUCTION

Financial literacy means awareness on finance related matters such as benefits of savings, investment and how to profitably utilize surplus funds. Financial literacy is achieved after imparting necessary finance related education. Financial Literacy has been defined as the application of financial knowledge for wealth management (PACFL 2008).

No doubt mass media can have an active role in this regard. Adequate financial literacy may result in channelization of surplus funds (savings) in the hands of people for productive uses. This may give a boost to economy. Economists suggest that for robust growth of economy, the level of savings should be at least 25% of the Gross Domestic Product (GDP).

Pakistan is a developing economy with huge potential for development. One of the agents of development may be saving which may lead to investment. Investment may increase the level of income and employment in an economy. Unfortunately, the level of savings in Pakistan is quite low and bulk of savings is not channelized to productive usages. Use of banking channels is very low as compared to the rest of the world. In Pakistan people do not park their surplus funds at institutions other than commercial banks. The institutions like mutual funds and stock market offer more robust return to investors than commercial banks. However due to lack of financial information and awareness the inclination of people towards such alternative investment avenues is negligible. An awareness campaign on financial literacy can be helpful in motivating people to invest their surplus funds in different avenues like stock market, mutual funds and sharia compliant investment alternatives.

Developing nations have increased financial literacy by providing access to financial services to masses. Both urban and rural population were provided counseling on financial literacy (Zia, 2010). It was observed that level of financial literacy is the lowest in developing countries (Cole, Sampson, & Zia, 2009). The study is new and has developmental aspects for the community and economy. It sheds light on role of media in promotion of financial literacy.

II. LITERATURE REVIEW

A convincing set of survey data shows a connection between household wellbeing and financial literacy. Lower levels of financial literacy have been linked to less saving, credit, and investment activity (Hilger, Hogarth, and Beverly, 2003), less retirement planning (Lusardi and Mitchell, 2007), borrowing at higher interest rates (Stango and Zinman, 2008), less asset acquisition (Lusardi and Mitchell, 2007), more use of informal sources of borrowing (Lusardi and Mitchell, 2007), and less participation in financial markets overall (Lusardi, Klapper, &Georgios, 2011). Contrarily, the majority of the findings from experimental investigations offer conflicting evidence regarding the degree to which this relationship is causative, and some preliminary findings imply that while schooling improves literacy, it actually fails to change behavior (Duflo & Saez, 2003; Cole et al.).

Cole, Sampson, and Zia's (2001) study in Indonesia, which examined the effects of financial education training on savings behavior among the unbanked, was the only completed randomized experiment of a financial education programme in a developing nation as of early 2012. Although the study did not find any effects on the general populace, it did notice a little increase in the demand for savings accounts among those with initial low levels of financial literacy. According to a study by Karlan and Valdivia (2009), there was no effect on knowledge and behavior when a business education programme was presented to a group of female entrepreneurs in Peru. Although this particular programme did not focus on financial literacy specifically, the intervention's main objective was to increase understanding of entrepreneurs. The impact of business training on female entrepreneurs’ behavior was studied by McKenzie and Weber (2009).

Studies using experimental design in developing nations carried out in the last few years as a result of the recognition of the need for more evidence to better understand the relationship and the direction of causality between financial literacy and other variables of interest. A complete summary of this expanding number of active reviews is given in a widely cited publication by Xu and Zia (2011), who also describe the emphasis and scope of the investigations as well as the anticipated additions to the literature. While there is much to be learned from the upcoming data, it is important to keep in mind that the majority of these studies examine the effects of providing financial education through school-based initiatives like workshops and seminars. In order to determine if high school financial education in Brazil improves students' and parents' knowledge, attitudes, and behavior, Bruhn and Zia (2012) conducted a randomized controlled experiment. This is one of the largest randomized assessments ever conducted on the effectiveness of a financial education programme in schools. It involved approximately 900 schools and 26,000 students from five different Brazilian states. Between August 2010 and December 2011, two academic school years, the study was carried out. The programme increased students' financial literacy levels (5–7%) and improved their attitudes, according to the results of the follow-up questionnaires. The outcomes also document alterations in behavior based on self-reported information.

Gibson, McKenzie, and Zia (2012) investigated the effects of a training initiative that targeted migrant workers and their remitting behavior in Australia and New Zealand. The training was a two-hour event that included written material on the benefits of remittance, how to compare costs, and details on various remittance packages. The findings indicated that receiving training increased knowledge. For instance, migrants were 12–16 percent more likely to understand that sending a single, large transfer is less expensive than sending multiple, smaller ones, and 10–52 percent points more likely to understand the most cost-effective method of remittance. The survey also discovered that immigrants altered their financial behavior as a result of their newfound understanding. Three experimental studies look at the effects of financial education workshops and seminars on low-income populations. The effectiveness of a group-based interactive financial literacy seminar given to members of burial societies and women's development organizations in the Eastern Cape in South Africa was assessed by Cole and Zia (2006) using a randomized experimental approach. The study assessed the effect on credit, savings, remittances, and product choice. A randomized experiment is being conducted in Mexico by Bruhn, Ibarra, and McKenzie (forthcoming) to assess how financial literacy training affects bank customers' borrowing, saving, and credit card usage. Sarr (2011) carries out two distinct randomized experiments in India in addition to process evaluation. One assesses the effectiveness of financial literacy instruction on financial management given in a classroom and one-on-one using mobile technology.

Much of the world has accepted financial reform in the wake of the global financial crisis, either voluntarily or out of necessity. In light of the World Bank's projection that two billion people will use the formal financial system in the next 20 years, reform is seen as being essential (Zia, 2011; World Bank, 2008). Global financial liberation trends, more widely available technology, and private sector activities are the driving forces behind this growth. Many people believe that it is crucial for financial reform efforts to include tools and mechanisms that would aid societies in adapting to these trends and ensuring the financial security of populations at risk.

The financial stability of some people in developing countries is currently a major cause of concern, particularly for those who lack the resources and know-how to endure - and, when feasible, benefit from - financial market changes. Financial education, which aims to improve financial literacy and consumer financial awareness, has been tried to support the idea that it is a crucial part of financial security. Financial education helps investors and financial consumers understand financial products boosts their confidence on risks associated with financial products (Ferguson, 2002).

It is crucial that the terms are correctly defined in the context of financial literacy and education so that the evidence may be compared and examined within a more constrained and consistent paradigm. It has proven difficult for researchers and stakeholders to agree on a coherent definition of financial literacy. The term or notion has been described and placed in context in a variety of ways, including as a type of knowledge, skill, or aptitude, as well as a perceived knowledge, an advantageous financial conduct, and financial experiences. The notion of financial literacy typically implies knowledge or understanding of these; in contrast, many common definitions are satisfied with merely being conversant with financial concepts (Hung, Parker &Young, 2009).

Financial literacy is defined by Hilgert, Hogarth, and Beverly (2003) as financial knowledge; Lusardi and Mitchell (2008) add that it also includes the knowledge of the most fundamental economic principles necessary to make sound financial decisions. According to Lusardi (2008), this fundamental understanding includes how interest compounding works, the fundamentals of risk diversification, and the distinction between nominal and real values. Those who believe it to be a skill or ability disagree with these knowledge-based conceptualizations; Mendell (2007) defines the term as a faculty to analyze the financial products and intelligently choose among the best financial products. The methodology of Mundell, Lusardi, and Tufano (1997) regarding judgement about financial decision making was followed by Schagen (2002). Moor (2003) observed that practical experience or exposure should be included in other aspects of financial literacy.

Financial knowledge can be distinguished from general knowledge. Researchers have discovered that when forecasting hypothetical results of investing tasks, knowledge particular to the finance industry is more helpful than generic knowledge (Parker et al., 2008). Additionally, it was shown that many sorts of knowledge, particularly cognitive ability, frequently assist one another (Stanovich&West 2000; Jenson, 1998). Diverse methods have been used to assess and measure financial awareness level in a particular population as part of global efforts to increase financial literacy. There has been much discussion and dispute about how scholars define and assess financial literacy. The World Bank has generally used cross-country consumer financial awareness surveys, whereas the OECD approach uses cross-country high-level financial literacy metrics. It is stated that other approaches that have attempted to measure both quantitative and qualitative elements are complimentary rather than competitive (Zia, 2010).

While there are many different ways to evaluate financial literacy, most of them include looking for a connection between social well-being and financial literacy or between financial education and financial literacy. The most common method of gathering raw data for analysis and assessment is through surveys. While survey analysis can account for all observable factors, including income, gender, age, education, etc., Bilal and Zia (2010) assert that some unobserved factors, like ability, may be responsible for the positive link between financial awareness and consumption of financial products. Zia (2010) observed that those who participated in survey on financial literacy may have different opinion on financial matters than the people who did not participate.

Economically disadvantaged groups, such as low-income, uneducated, and minority households, are at an even greater disadvantage due to financial illiteracy (Hung, Parker &Young, 2009). Hilgert, Hogarth, and Beverley (2003) argue that people with adequate financial awareness are more probable to engage in suggested financial activities. Some claim that these measurements are associated with suboptimal behavior. According to Lusardi and Mitchell (2006), persons who demonstrated higher levels of financial understanding were also more willing to invest in complex assets and plan ahead. Others contend that financial literacy is less important when it comes to making decisions because the effects of financial education programmes to yet have been generally inconclusive (Hung, Parker &Young, 2009). But similar findings can also be found in research by Hilgert and Hogarth (2002), which examines financial literacy in a sample of people of all ages, as well as in surveys conducted by the National Council on Economic Education (NCEE), which examine financial literacy among adults and high school students.

Studies on smaller samples or certain demographic groups have also revealed findings of pervasive illiteracy (Agnew &Szykman, 2005; Bernheim, 1995, 1998; Mundell, 2004; Moore, 2003). While these studies concentrate on US data, polls from other nations have produced findings that are strikingly comparable. The evidence on financial literacy across countries is reviewed in an OECD study from 2005 and in work by Lusardi and Mitchell (2007b), which demonstrates that financial illiteracy is a prevalent trait in many other industrialized nations. . These findings are supported by the studies carried out by Christelis, Jappelli, and Padula (2007), who show that most respondents in Europe have low numeracy scores based on data that is quite comparable to that from the US HRS. Financial ignorance affects how a family behaves. Bernheim (1995, 1998) was the first to point out that many households' saving behavior is governed by imprecise rules of thumb in addition to the fact that most households lack basic financial literacy and are unable to complete very simple calculations.

It was observed that people who receive financial education in high school or at work are more likely to save money. (Bernheim & Garrett, 2003; Bernheim, Garrett & Maki, 2001). Similar to this, Lusardi and

Mitchell (2006, 2007a) demonstrate that those with poor reading levels are less likely to make financial plans. These findings are supported by the work of Christelis, Jappelli, and Padula (2007), who show that most respondents in Europe have low numeracy scores based on data that is quite comparable to that from the US HRS. Financial ignorance affects how a family behaves. Bernheim (1995, 1998) was the first to point out that many households' saving behavior is governed by imprecise rules of thumb in addition to the fact that most households lack basic financial literacy and are unable to complete very simple calculations. More recent research has shown that people who receive financial education in high school or at work are more likely to save money. (Bernheim & Garrett, 2003; Bernheim, Garrett & Maki, 2001). Similar to this, Lusardi and Mitchell (2006, 2007a) demonstrate that those with poor reading levels are less probable to succeed in wealth planning.

Andreou and Anyfantaki(2021) studied the relationship between internet banking and financial literacy. Widyastuti and Hermanto. (2022) investigated the nexus of financial literacy and social media. Klein (2022) also shed light on importance of financial literacy and media effectiveness.

III. METHODOLOGY

Survey design would be applied. Sample was taken from general public as well as people having financial acumen. Structured questionnaire was disseminated to respondents. Expert opinions were obtained through face to face in-depth interviews of practitioners. In designing questionnaire reliance was made on earlier studies where the survey methodology was applied. Our population consists of residents of Rawalpindi and Islamabad. Rawalpindi and Islamabad inhabit a diverse population belonging to different cities and cultures.

Our sample size consists of 100 persons from general public and 10 domain experts. As far as composition of sample is concerned, our sample include both male and female, low income, high income and average income people. Our sample included people from different age groups. Ten experts from financial sectors are also included to give expert advice. These experts included Operation Mangers from Banks, senior brokerage Mangers and Managers from mutual funds.

METHODOLOGICAL LITERATURE

In designing our research instrument (questionnaire) we have borrowed from earlier studies. The relevant survey studies are being reproduced for support of our study.

Few surveys exist that offer data on both financial awareness and factors that affect financial decision-making. Lusardi and Mitchell (2006) created a financial literacy module for the 2004 US Health and Retirement Study to address this data gap (HRS). Their questions were designed to evaluate students' understanding of fundamental financial concepts such as risk diversification, the operation of interest compounding, and the impact of inflation. They discovered that among some demographics, including women, the elderly, and people with low levels of education, financial illiteracy is pervasive and especially severe. Given that the literacy questions were quite straightforward and fundamental, as well as the fact that their sample consisted of respondents who are aged people.

But similar findings can also be found in research by Hilgert and Hogarth (2002) as well as in surveys conducted by the National Council on Economic Education (NCEE), which examine financial awareness among adults and high school students. Studies on smaller samples or focused populations, such as those by Agnew and Szykman (2005), Bernheim (1995, 1998), Mundell (2004), and Moore (2003), have also revealed findings of pervasive illiteracy. While these studies concentrate on US data, polls from other nations have produced findings that are strikingly comparable. The country wide evidence on financial literacy is reviewed in an OECD research from 2005 and in work by Lusardi and Mitchell (2007b), which demonstrates that financial illiteracy is a prevalent trait in many advanced countries. These findings are supported by research studies of Christelis, Jappelli, and Padula (2007), who show that most respondents in Europe have low numeracy scores based on data that is quite comparable to that from the US HRS. Financial ignorance affects how a family behaves. Bernheim (1995, 1998) observed that many households' saving behavior is governed by imprecise rules of thumb in addition to the fact that most households lack basic financial literacy and are unable to complete very simple calculations. Bernheim, Garrett, and Maki (2001) and Bernheim and Garrett (2003), two more recent studies, demonstrate that people who received financial education in high school or at work save more money.

Similar findings by Lusardi and Mitchell (2006, 2007a) demonstrate that individuals with low levels of awareness are less probable to make retirement plans and, as a result, amass significantly less money (see also Hilgert, Hogarth, and Beverly, 2003). The study of Stango and Zinman (2007), which demonstrates that persons who are unable to accurately compute interest rates on a payment stream end up borrowing more and amassing less wealth, supports this conclusion. Agarwal, Driscoll, Gabaix, and Laibson's (2007) research also demonstrates that young people and the elderly, who tend to have the least financial literacy, frequently make financial blunders. The tests of financial literacy utilized in previous research are frequently unrefined. Few studies exist that include data on both financial literacy and factors connected to the influence of media on financial decision. Lusardi and Mitchell (2006) created a financial literacy module for the 2004 US Health and Retirement Study to address this data gap (HRS). Their questions were designed to evaluate students' understanding of fundamental financial concepts such as risk diversification, compound interest, and impact of inflation.

RESEARCH INSTRUMENT

Drawing support from earlier studies a research instrument was devised. This questionnaire captures the financial awareness, financial numeracy and effectiveness of role of media in promoting financial literacy. In order to measure financial awareness, the concepts of household budgeting, investment alternatives, knowledge of markup and capital market was used in questionnaire. The questionnaire also incorporated media effectiveness, interest of viewers, and reliability of media to capture the role of mass media. This questionnaire draws support from literature and is based on the survey studies of Lusardi and Mitchell (2006) and Agarwal, Driscoll, Gabaix and Laibson (2007).

IV. DATA ANALYSIS AND RESULTS

Data obtained from questionnaires and interviews was processed and responses were summarized. Drawing support from literature two dimensions of financial literacy i.e. masses awareness on financial matters and role of media in promoting financial literacy were given consideration. Accordingly, a questionnaire was developed which aims at assessing financial education, financial numeracy, effectiveness of mass media and people attitude about media. Financial literacy was measured with the help of five questions. While media effectiveness and role of media was assessed with the help of ten questions. Survey was conducted over telephone. Our sample consists of hundred respondents taken from Rawalpindi and Islamabad. As far as composition of sample is concerned, it consists of graduate students of finance, employees in public and private sector and self-employed people. In addition to these five professionals in financial sectors were also interviewed being domain experts to throw light on role of media in promoting financial literacy. We present analysis of results obtained from survey.

AWARENESS WITH FINANCIAL MATTER

Awareness with financial matters and financial numeracy was measured with the help of five questions regarding household budget planning, placement of savings, knowledge about compound interest rate, functioning of stock market and alternatives to bank deposits. As far as budget planning is concerned, only 15% respondents were planning their household budget. Around 69% respondents did not bother to make household budgets. This shows that very few people want to maintain budgetary discipline. These results are consistent with Lusardi and Mitchel (2007). Among these 15% were people who have average level of income and fall in age bracket of 40-45 years. The people disinterested in budgeting were found to be high income people and very low income groups. People opting for budgeting were 47% male and 53% female. The people who did not make budget are 55% males and 45% females2007). These results are in line with the studies conducted by Bernheim (1995) and Lusardi and Mitchel (2007). Regarding placement of surplus funds, 63% respondents opted for commercial banks while 20% opted for other financial institutions like mutual funds or investment companies. The people opting for banks were 45% females and 55% males. While people who opted for financial institutions were 46% females and 54% males. As far as income bracket is concerned, among those who preferred banks were 56% belonging to middle income while

44% belonging to average and low income groups. Young people preferred mutual funds and investment companies to commercial banks. These results show little deviation from earlier studies conducted by Stango and Zinman (2008). The reason being behavioral differences regarding savings may be due to different saving habits of nations. We may infer that these results may vary from population to population. It was found that 45% respondents were aware of compound interest. However, 55% showed little or less than satisfactory understanding of this concept. Female respondents were more aware regarding compound interest than male respondents. Young respondents were clearer about the concept of compound interest. These results generally affirm the findings of earlier studies regarding financial numeracy such as Col, Sampson, and Zia (2009).

The knowledge about stock market functioning was tested. Around 21% respondents showed average knowledge of stock exchange. While 72% respondents had a very little understanding of the functioning of stock market. Among the knowledgeable respondents on stock exchange, around 45% were male and 55% female. The people having very little knowledge on stock market were 49% females and 51% males. People in the age bracket of 31-35 were well aware of the stock market functioning. People over 40 years of age were little aware of market. These results are unique for this population. In the western world awareness level on capital markets is quite high. People especially youth is very eager to invest in financial markets as observed by Hogarth and Beverley (2003). It may be inferred that idiosyncratic nature of population under study is a cause of differences in results. It also shows the precaution on the part of respondents to invest in risky avenues like capital markets.

The question regarding choice of institution other than banks for earning profit was put to respondents. It was found that 62% respondents were not aware of any alternative for placement of funds. These findings support the study conducted by Zia (2010). Only 16% opted for mutual funds and investment companies while 19% opted for insurance schemes. It shows that very few people are aware of other alternatives for placement of funds. Among 62% people who were ignorant, 53% were females and 47% were male. Among the respondents who were aware of insurance schemes, 46% were males and 54% were females. Females were more aware of mutual funds than males. Middle age and high income group people had more awareness on insurance schemes and mutual funds. These results are by and large reaffirm the studies conducted by Col, Sampson, & Zia (2009).

Results of financial awareness have been summarized in Table 4.1. Table shows the bifurcation of results with respect to male and females. In this Table, responses on household budget planning, choice of respondents on placement of funds, their knowledge of interest rate and stock market have been tabulated.

MEDIA AND FINANCIAL LITERACY

The role of media in financial literacy was studied with the help of ten questions. With these questions people interest, choice of media, persuasion and trust on media were looked into. As far as interest is concerned, results show that 47% respondents expressed their willingness that they would like to be informed regarding personal finance on media. However, 41% respondents were disinterested. The interested respondents include 51% male and 49% females. However interested people fall in the age bracket of 31-40 years. These results resemble with the findings of Zia (2010).

The question was put to respondents as to how they should be educated on finance related issues. Their response shows that 45% respondents would like to be educated on electronic media through expert advice. About 38% respondents suggested that finance related channels on social media may be helpful in disseminating financial education. About 17% respondents opted for news bulletin in newspaper for their awareness. These results are a little deviation from studies conducted by McKenzie and Weber (2009).

As far as topic of interest is concerned, the respondents were asked to tell which topic they want to be informed on media. Results show that about 27% showed interest in share trading and 15% showed interest in investing in fixed income securities, i.e. bonds. Around 32% people showed interest in investment in immovable property while 27% showed interest in insurance policy. These results are unique to this study and do not affirm the study conducted by Bernheim (1995). One of the reason may be the differences in level of financial information possessed by different populations.

People’s choice and reliability of media was also assessed. Results show that Newspaper is the first source of financial information of 51% respondents. This is consistent with the findings of Zia (2010). Television is the first source of information for 21% respondents while internet is relied upon by 26% respondents. This result is different from earlier studies conducted by Stango and Zinman (2008). Respondents were asked to reply up to what extent they trust the authenticity of financial information disseminated on the media. Our results show that around 43% people believe that the information disseminated on media is reliable and authentic while 38% people believe that such information is not reliable. However, around 19% people were unable to answer.

Respondents were asked to state which media they spend most of their spare time on. Results show that around 37% replied in favor of television, 10% in favor of Radio, 15% in favor of Newspaper and 28% in favor of Social Media and Internet. These results are by and large consistent with Lusardi and Mitchell (2007).

Media effectiveness for financial literacy is very significant. It was assessed with the help of four questions. Respondents were asked to state whether media gives ample coverage to financial literacy. Around 31% respondents understand that media coverage is ample while 47% respondents do not agree with this. Respondents were asked do they need a specialized channel focusing on financial education. Around 48% people responded in favor of a separate channel dedicated for financial education while 43% did not agree to this. Respondents were asked to state whether media persuades or motivates them to invest or take financial decision. Around 11% respondents feel motivated by media in their financial decision making while 74% do not feel any persuasion from media. Respondents were asked do they understand that financial edition of newspapers are attractive and satisfy the informational needs of readers. In response to this around 34% people answered that financial edition of newspapers are attractive and informative as well. However, 47% respondents were of the view that such editions are neither informative nor attractive. These results speak in favor of earlier studies done for developing countries as carried out by Col, Sampson, and Zia

(2009). However broader generalization of results is not appropriate using small sample.

V. DISCUSSION

Through telephonic survey we assessed the level of awareness on financial matters. The aspects of financial awareness i.e. budget planning, placement of savings, knowledge of markup and functioning of stock market was assessed. It was found that very few respondents plan their household budgets. It means for majority of respondents; financial discipline is lacking. It was interesting to note that females are more financially disciplined than males. The people with moderate level of income plan their household budget. However, people with high and low level of income do not make household budgets. A question arises whether this trend of budget planning can be attributed to level of education. More educated people have a stronger tendency towards budgeting to keep their expenses within their resources. These findings were consistent with the study conducted by Zia (2010). This also draws support from cognitive learning theory.

For fund placement majority of respondents expressed banks as their first choice. Mutual funds/investment companies and insurance companies were the choice of 17% and 20% respondents' respectively. It means awareness level of public for mutual funds and investment companies is very low. Efforts are needed on the part of media to enhance awareness level.

Knowledge of compound interest or markup was low especially among those who did not take up any course on finance. Media may help build basic skills of masses in this regard. Likewise functioning of stock market was not exposed to many respondents. Market awareness sessions on media may be helpful in this regard. Financial knowledge of products to earn profit other than banks was also found low. These results are in line with the studies conducted by Bernheim (1995) and Lusardi and Mitchel (2007).

Role of media in financial literacy was studied with the help of media effectiveness, choice and reliability of media. Around 47% of people showed interest that they want to be educated on financial matters on mass media. This should be increased to arouse the interest of more people. Respondents asked for expert advice on electronic media regarding their personal finances. They also desired to have financial information and education on social media and newspapers. Regarding their favorite programming content on mass media it was found that information regarding shares trading, investing in bonds and mutual funds are in demand. Internet and TV are the media where people spend most of their spare time. Therefore, these may be targeted for message dissemination. Majority of respondents are not convinced that mass media has motivated them to take financial decision. It was found that less than half respondents believe that the information disseminated on mass media is reliable. This trust gap between masses and media needs to be filled. This is consistent with Stango and Zinman (2008). About fifty percent respondents were in support of establishing specialized channels for imparting finance related education on electronic media and social media. Majority of the respondents were of the view that the coverage on money related matters by mass media was not adequate.

As far as media effectiveness is concerned, the results are mixed. Around 31% respondents understand that media coverage is ample while 47% respondents do not agree with this. Respondents were asked do they need a specialized channel focusing on financial education. Around 48% people responded in favor of a separate channel dedicated for financial education while 43% did not agree to this. Respondents were asked to state whether media persuades or motivates them to invest or take financial decision. Around 11% respondents feel motivated by media in their financial decision making while 74% do not feel any persuasion from media. Respondents were asked do they understand that financial edition of newspapers are attractive and satisfy the informational needs of readers. In response to this around 34% people answered that financial edition of newspapers are attractive and informative as well. Some of the responses speak in favor of earlier studies done for developing countries as carried out by Col, Sampson, and Zia (2009). However broader generalization of results is not appropriate using small sample.

VI. CONCLUSION AND RECOMMENDATIONS

On the basis of our results we conclude that by and large media has not played a satisfactory role in imparting knowledge on finance related matters. Moreover, there is a need for good programming content and expert advice on financial issues. Level of mass awareness is also not up to the mark. Moreover, the reliability of the information disseminated over media is not up to the mark in the eye of respondents. It is also inferred that difference in findings of this study from earlier studies is due to the characteristics of the sample. In western countries level of education is high and people are better aware of managing their personal finances. One of the reasons why media has not been able to impart financial education is poor programming content which cannot attract viewers/readers towards financial knowledge.

Based on the findings of the study, it is recommended that mass media may be used in promotion of financial literacy. Programs on mass media relating to budget planning and financial numeracy may be broadcasted, telecasted and webcasted.

Mass media needs to establish its credibility among masses so that its message becomes effective. The areas which are neglected ones like mutual funds, stock market and investment companies should be exposed to the masses.

To promote financial literacy, mass media should focus on programming contents related to expert advice on investment related matters and weekly or daily finance related bulletin in newspaper.

Banks and other financial institutions may join hand with mass media to broadcast, telecast, and webcast programmes on financial literacy. This may be a mutually rewarding whole for both media and financial institutions. Media may get financial incentives and banks and financial institutions may grow.

Financial institutions and mass media should join hands with each other for dissemination of financial knowledge and inform masses about financial products and services that best suit the needs of different segments of society.

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APPENDIX

TABLE A

Awareness with Financial Knowledge

			Male	**Female**
1	Financial numeracy	15%	47%	53%
2	Choice for funds placement			
	Commercial Banks	63%	55%	45%
	Financial Institutions	20%	54%	46%
	Other	17%	55%	45%
3	Knowledge of compound interest			
	Satisfactory	45%	51%	49%
	Less than satisfactory	55%	43%	57%
4	Knowledge of stock market			
	Satisfactory awareness	21%	62%	38%
	Less than satisfactory	72%	52%	48%
	no knowledge	7%	63%	37%

Questionnaire on financial literacy

Extent of mass awareness on financial matters

1.Do you plan your budget every month?

2.If you have surplus money, then where you will place this money?

3.Are you aware of concept of compound interest/mark up?

4.Are you aware of stock market functioning?

5.Which institutions other than banks offer you opportunities to earn profit on your savings?

Media and financial literacy

1.Would you like to be informed on financial matters on media?

2.Which media is your best source of information on matters related to personal finances?

a TV b. Radio c. Newspaper d. Internet

3.Are financial pages in the newspaper attract you or satisfy your informational needs? A. Yes b. No c. Cannot say anything

4.Do you thing print and electronic media is giving coverage to personal financial matters.

a.Yes b. No c. Indifferent

5.Is there any need of specialized channel to impart education on financial numeracy and promote financial literacy?

a.Yes b. No c. Indifferent

6.Do you feel motivated to invest or save from media? And if so which media encouraged you to invest or save.

a yes b. No c. Indifferent

7.Do you thing financial information disseminated on media is reliable?

a. Yes b. No c. Indifferent

8.In which manner you would like to be educated on matters relating to personal finances.

9.How much time you spent on different media?

a.TV b. Radio c. Newspaper d. Internet

10.Which of the following you find most interesting to be informed on?

a.Trading in shares b. Investing in Bonds

c. Buying immovable property d. Insurance policy