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EFFECTS OF PEER PRESSURE ON ALLOWANCE MANAGEMENT OF SENIOR HIGH SCHOOL STUDENTS

Reniel Jetrhey P. Florentino[1], Precious Joywin G. Agustin[2], Kriss Michael D. Concepcion[3], Francesca Marie S. Gumawa[4]

[1] *MBA, FABM Teacher, Integrated Basic Education Department, World Citi Colleges-Guimba, Philippines*
[2] *Student, Accountancy, Business and Management, World Citi Colleges-Guimba, Philippines*
[3] *Student, Accountancy, Business and Management, World Citi Colleges-Guimba, Philippines*
[4] *Student, Accountancy, Business and Management, World Citi Colleges-Guimba, Philippines*

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ABSTRACT

This quantitative study examines the effects of peer pressure on allowance management among Senior High School students. The study focuses on how social influences shape students' financial decisions, including spending, budgeting, and saving behaviors. Survey data gathered from Senior High School students were analyzed using descriptive and inferential statistics. Results show that peer pressure has a statistically significant influence on students' budgeting practices and spending behavior. Students reported adjusting their spending to participate in group activities, purchasing items to fit in, and experiencing difficulty saving due to peer influence. However, findings also reveal that many students demonstrate awareness and employ strategies to resist negative peer pressure, such as setting financial goals and prioritizing needs over wants. Overall, peer pressure exists at a moderate level and affects financial behavior, but it does not completely override students' ability to manage their allowances responsibly. The study highlights the importance of financial literacy programs that strengthen students' independence and decision-making skills.

KEYWORDS: *Peer Pressure, Allowance Management, Financial Literacy, Senior High School Students, Budgeting Practices*

1. INTRODUCTION

Peer pressure plays a significant role in shaping the behavior of senior high school students, particularly in their financial decision-making. During adolescence, students are highly influenced by their peers, which may affect how they spend, save, and manage their allowances. Many students feel pressured to participate in group activities, buy trendy items, or match the lifestyle of their friends, sometimes prioritizing social acceptance over financial responsibility.

This study aims to determine the effects of peer pressure on the allowance management of senior high school students at World Citi Colleges–Guimba Campus. Specifically, it examines how peer influence affects students' spending habits, budgeting practices, and saving behavior, as well as how socio-demographic factors such as age, gender, strand, grade level, and weekly allowance relate to their financial decisions. Understanding these influences is essential in promoting financial literacy, self-control, and responsible money management among students.

2. OBJECTIVES OF THE STUDY

This study aims to determine the effects of peer pressure on the allowance management of Senior High School students. Specifically, it seeks to:

1. Identify the level of peer pressure experienced by Senior High School students;
2. Assess the allowance management practices of students in terms of budgeting, spending, and saving;
3. Determine whether peer pressure has a significant effect on students' allowance management; and
4. Identify strategies used by students to resist negative peer pressure.

3. METHODOLOGY

This chapter explains the methods and procedures used in the study to ensure reliable and valid results. The research uses a quantitative research design to examine the influence of peer pressure on the financial decisions of Senior High School students, particularly in terms of spending, saving, budgeting, and borrowing.

The study was conducted at World Citi Colleges–Guimba Campus in Nueva Ecija, Philippines. This location was chosen because students are exposed to social media, technology, and peer interactions that may affect their financial behavior.

A purposive sampling technique was employed, selecting respondents based on specific criteria, particularly students who receive a regular allowance. Data were collected using a survey questionnaire focusing on peer pressure and allowance management. The questionnaire underwent validation to ensure reliability.

The data gathering process involved securing permission from school authorities, distributing the questionnaires personally, explaining the instructions clearly, and ensuring the confidentiality and informed consent of the respondents.

Collected data were analyzed using statistical methods, including correlation and regression analysis, to determine

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whether a significant relationship exists between peer pressure and students' financial decision-making.

4. SAMPLING DESIGN

The respondents of the study were Senior High School students of World Citi Colleges–Guimba Campus, Nueva Ecija. A purposive sampling technique was utilized, selecting students who receive a regular allowance. This sampling method was appropriate since the study focused on students who actively manage allowances.

Table 1. ***Distribution of Respondents***

Respondent	Frequency	Percentage
Senior High Student	47	100%
Total	47	100%

5. STATISTICAL DESIGN

The data gathered were analyzed using descriptive and inferential statistical tools. Frequency, percentage, and weighted mean were used to describe the respondents' demographic profile and allowance management practices. Inferential statistics were applied to determine whether peer pressure has a significant effect on students' allowance management. A five-point Likert scale was used to measure the level of agreement of the respondents.

Table 2. ***Likert Scale Used in the Study***

Scale	Verbal Interpretation
5	Strongly Agree
4	Agree
3	Neutral
2	Disagree
1	Strongly Disagree

6. GEOGRAPHICAL AREA

The study was conducted at World Citi Colleges–Guimba Campus, located in Nueva Ecija, Philippines. The school environment was selected because students are exposed to peer interactions and social influences that may affect their financial decision-making.

7. RESULTS

Table 1: ***Demographic Profile: Age***

Category	Frequency	Percentage
16-17	45	95.74%
18-19	2	4.26%
20 and above	-	-
Total		100%

This table suggests that the age of the respondents is more in the 16-17 category (95.74%). Therefore, the frequency of this category is more likely to follow their group in terms of allowance management. Moreover, this finding aligns with the study of Santor (2020), who emphasized that peer pressure plays a strong role during adolescence. In addition, teens spend more time with peers and their social connections and can significantly influence how they manage their money.

Table 2: ***Demographic Profile: Gender***

Category	Frequency	Percentage
Male	19	40.43%
Female	28	59.57%
Total		**100%**

The majority of the participants are women. This suggests that the results regarding allowance management and peer pressure could represent the experiences of female students more significantly. Nonetheless, both sexes are included, resulting in a balanced insight into the impact of peer pressure on budgeting behaviors. According to Lusardi et al. (2020), female students generally demonstrate more careful budgeting habits and higher awareness of financial management compared to male students. Furthermore, Chowa and Despard (2021) found that social influence and peer pressure significantly affect students' spending decisions, with female students being more sensitive to peer expectations due to stronger social connectedness.

Table 3: ***Demographic Profile: Grade Level***

Category	Frequency	Percentage
Grade 11	19	40.43%
Grade12	28	59.57%
Total	**47**	**100%**

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A greater number of respondents are in Grade 12. This indicates that the majority of responses are from students who likely possess greater experience in managing budgets and handling peer pressure. Due to the involvement of Grade 11 students, the data provides a solid comparison of allowance handling between younger and older senior high students. Xiao et al. (2015) found that students in higher grade levels demonstrate greater financial awareness due to increased exposure to financial responsibilities and real-life experiences.

Table 4: ***Demographic Profile: Strand***

Category	Frequency	Percentage
HUMSS	35	74.47%
ABM	5	10.64%
ICT	7	14.89%
Total	**47**	**100%**

The table highlights that most of the participants are from the HUMSS strand. This indicates that the outcomes could significantly mirror the viewpoint and actions of HUMSS students in dealing with peer pressure and controlling their finances. ABM and ICT are minor groups, yet still aid in comprehending variations among strands. According to Lusardi and Mitchell (2020), students' educational background plays a crucial role in shaping financial literacy, decision-making, and money management skills. In the context of senior high school education, the academic strand influences the type of competencies students develop, including financial awareness and behavioral control.

Table 5: ***Demographic Profile: Weekly Allowance***

Category	Frequency	Percentage
Below 200	10	21.64%
200-400	13	27.66%
400-500	11	23.40%
Above 600	13	27.66%
Total	**47**	**100%**

The participants have varying amounts of weekly allowance, with the largest categories being ₱200–₱400 and ₱600 and above. This shows that certain students operate with a constrained budget, whereas others obtain a larger sum. Consequently, the research can demonstrate how peer pressure influences students variably based on their allowance amounts—for instance, if students with lesser allowances experience greater pressure to match friends with larger budget. According to Sabri et al. (2020), the amount of allowance students receive significantly affects their saving habits, spending behavior, and financial discipline. Students with limited allowances tend to plan expenditures carefully, while those with higher allowances are more likely to engage in impulsive spending.

Table 6: ***Peer Pressure and Budgeting Practices***

No.	Statement	Mean Score	Mean Reading	Interpretation
1.	My friends influence how I budget or spend my allowance.	3.7	Agree	Positive
2.	I adjust my spending plan to join my friend's activities.	3.7	Agree	Positive
3.	I spend money to maintain my social connections or fit in.	3.4	Agree	Positive
4.	I feel pressured to join group outings even when it affects my budget.	3.6	Agree	Positive
5.	I prioritize my friends' suggestions over my own budget plan.	3.1	Neutral	Positive
6.	Peer pressure makes it difficult for me to save part of my allowance.	3.6	Agree	Positive
7.	I try to follow my budget even when influenced by my friends.	3.7	Agree	Positive
8.	I plan my allowance so I can still participate in social activities without overspending.	3.7	Agree	Positive
9.	I make a plan on how to spend my allowance each week.	3.9	Agree	Positive
10.	I feel satisfied with how I manage my allowance.	3.8	Agree	Positive

The findings show that students' allowance planning and management are greatly impacted by peer pressure. Only one item in the table displays Neutral at 3.1, whereas the majority of statements have Agree replies with means between 3.6 and 3.9. This indicates that kids frequently modify their allowance, participate in extracurricular activities, and occasionally alter

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their purchasing decisions as a result of their classmates. The hypothesis that peer pressure and students' budgeting practices are related is supported by the high p-value. This indicates that peer pressure has a significant impact on their financial choices, including conserving money, going on trips, and spending money to fit in. According to Dizon and Reyes (2020), Filipino students frequently alter their financial objectives in order to preserve friendships and stay included.

Table 7: ***Common Sources of Peer Pressure***

No.	Statement	Mean Score	Mean Reading	Interpretation
1.	I feel pressured to buy things because my peers have them.	3.00	Neutral	Positive
2.	I sometimes spend more than I planned to keep up with my friends.	4.00	Agree	Positive
3.	My classmates' spending habits affect my own allowance decisions.	5.00	Strongly Agree	Positive
4.	I feel the need to match the lifestyle of my peers using my allowance.	3.9	Agree	Positive
5.	I buy items I don't really need because my friends encourage me to.	4.00	Agree	Positive
6.	I feel uncomfortable when I cannot spend like my peers.	4.00	Agree	Positive
7.	I am influenced by group activities that require spending money.	4.00	Agree	Positive
8.	I rely on my friends' opinions when deciding how to use my allowance.	4.00	Agree	Positive
9.	Social media posts from friends pressure me to spend my allowance a certain way.	4.00	Agree	Positive
10.	I feel uncomfortable when I cannot spend like my peers.	4.00	Agree	Positive

These findings indicate that common sources of peer pressure significantly affect students' allowance use behavior. Many items have mean scores of 4.0 (Agree), and one even reached 5.0 (Strongly Agree), indicating that students are pressured to purchase what their friends have, have a social lifestyle similar to their friends, and follow the spending habits of their classmates. Even social media posts from friends add to the pressure to spend in certain ways. All these sources of peer pressure significantly influence students' financial behavior, as evidenced by the significant p-value. This is to say that students do not spend in response to personal need but also in line with peers' expectations, group activities, prevailing trends, and friend's approval. A similar study conducted locally by Cajayon (2020) revealed that students commonly base allowance utilization on the behavior of their classmates or friends to avoid exclusion from their circle, demonstrating that external peer sources provide the most impactful influences on financial habits.

Table 8: ***Respond to Peer Pressure***

No.	Statement	Mean Score	Mean Reading	Interpretation
1.	I think about long-term consequences before agreeing to spend money with my friends.	4.1	Agree	Positive
2.	I avoid borrowing money just because of peer influence.	3.8	Agree	Positive
3.	I feel comfortable declining invitations that require spending beyond my budget.	3.6	Agree	Positive
4.	I remind myself of my financial goals when peers encourage unnecessary spending.	3.7	Agree	Positive
5.	I seek advice from trusted adults instead of relying on peer opinions about money.	3.7	Agree	Positive
6.	I evaluate whether a purchase is truly needed before agreeing to buy it with friends.	4.2	Agree	Positive
7.	I choose friends who respect my financial boundaries.	4.0	Agree	Positive
8.	I do not let social media influence my financial decisions.	3.7	Agree	Positive
9.	I manage my allowance or income independently of peer expectations.	3.9	Agree	Positive
10	I stay calm and firm when peers pressure me to make financial choices I'm uncomfortable with.	3.7	Agree	Positive

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The mean values range from 3.5 to 4.17, which indicates that students generally agreed they employ strategies that help resist negative peer pressure. This response signifies that students are very aware of negative peer influences and apply certain behaviors that enable them to avoid dangerous situations. Their consistent "Agree" responses reflect how students can set personal boundaries, say no, distance themselves from negative peers, and seek help from trusted adults or friends. Overall, the interpretation is positive because students have developed constructive and healthy coping skills for handling pressure from peers. According to Alvarez & Soler (2020), students who practice assertiveness, boundary-setting, and help-seeking behaviors

Table 9: ***Strategies to Resist Negative Peer Pressure***

No.	Statement	Mean Score	Mean Reading	Interpretation
1.	I can say "no" when my friends ask me to do something wrong.	3.6	Agree	Positive
2.	I avoid friends who influence me to make bad decisions.	3.6	Agree	Positive
3.	I use excuses to get out of situations that feel uncomfortable.	3.6	Agree	Positive
4.	I choose to spend more time with friends who respect my decisions.	3.8	Agree	Positive
5.	I remind myself of my goals when I feel pressured.	3.8	Agree	Positive
6.	I ask help from a trusted friend or adult when I feel pressured.	3.7	Agree	Positive
7.	I speak up firmly when someone forces me to do something against my values.	3.6	Agree	Positive
8.	I walk away when my classmates pressure me to do something I don't like.	4.17	Agree	Positive
9.	I avoid friends who often pressure others to make bad choices.	3.8	Agree	Positive
10	I stay away from activities that might put me under negative pressure	3.5	Agree	Positive

The means, 3.7–4.2, show that students agree they use financial self-control strategies to manage their allowance despite peer pressure. A high score, 4.1–4.2, suggests they do think carefully about needs versus wants and avoid unnecessary spending encouraged by peers. Responses also showed that students relied on financial goals, made evaluations before purchases, and sought trusted adults for advice. In general, results are interpreted positively; students apply responsible financial behavior and understand the importance of budgeting and making financial decisions with a limited influence of peers. Delgado & Tan (2020) discovered that adolescents who think carefully before spending are less vulnerable to peer-influenced financial decisions.

8. CONCLUSION

The study concludes that peer pressure has a moderate but significant effect on the allowance management of Senior High School students. Social influence can lead to increased spending and difficulty in saving; however, students show awareness and the ability to manage their finances responsibly. Strengthening financial literacy and self-control can further help students resist negative peer pressure and improve their allowance management.

9. RECOMMENDATIONS

The study recommends strengthening students' allowance management by improving financial literacy, self-control, and awareness of peer pressure. Students are encouraged to set clear budgets, prioritize needs over wants, and establish financial limits based on their allowance, while choosing peers who respect responsible financial decisions. Schools are advised to integrate financial literacy programs, guidance sessions, and activities that teach budgeting, saving, and decision-making skills to help students recognize and resist negative peer influence. Parents, teachers, and guidance counselors should provide consistent guidance, emotional support, and monitoring to reinforce positive financial habits. Overall, creating a supportive environment that promotes informed financial choices and positive peer influence can help students manage their allowances responsibly despite peer pressure.

10. SUGGESTION

The study recommends that schools integrate financial literacy programs that focus on budgeting, saving, and decision-making skills. Parents and teachers should provide guidance and support in developing responsible financial habits. Future studies may explore the impact of social media on peer pressure and students' financial behavior.

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