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Financial Knowledge and Credit Card Behavior of College Students

| Original Paper | Published: 08 May 2011

| Volume 32, pages 690–698, (2011) [Cite this article](#)

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Abstract

This study examined the relationship between financial knowledge and credit card behavior of college students. The widespread availability of credit cards has raised concerns over how college students might use those cards given the negative consequences (both immediate and long-term) associated with credit abuse and mismanagement. Using a sample of 1,354 students from a major southeastern university, results suggest that financial knowledge is a significant factor in the credit card decisions of college students. Students with higher scores on a measure of personal financial knowledge are more likely to engage in more responsible credit card use. Specific behaviors chosen have been associated with greater costs of borrowing and adverse economic consequences in the past.



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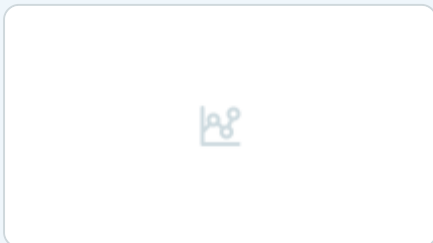
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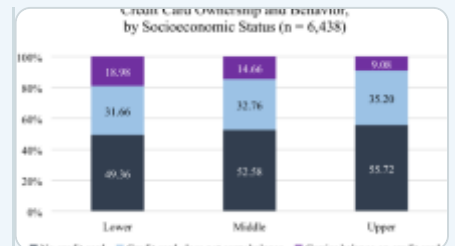
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Cite this article

Robb, C.A. Financial Knowledge and Credit Card Behavior of College Students. *J Fam Econ Iss* **32**, 690–698 (2011). <https://doi.org/10.1007/s10834-011-9259-y>

Published

08 May 2011

Issue Date

December 2011

DOI

<https://doi.org/10.1007/s10834-011-9259-y>

Keywords

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[Credit cards](#)

[Financial knowledge](#)

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