The reality of the financial culture in the city of Setif- A survey stud -

<div dir="rtl">

واقـــــع الثقافـــــة الماليـــــــة في مدينة سطيف - دراسة استقصائية –

</div>

Babas Mounira[1], Fali Nabila[2]

1Ferhat Abbas University Setif 1 (Algeria), pgmimi2005@yahoo.fr
[2] Ferhat Abbas University Setif 1 (Algeria), nabila.fali@yahoo.fr

Abstract:

This research aims to study the reality of financial culture in the city of Setif - a survey - on a sample of 317 individuals aged over twenty years old;

The findings showed that the level of financial culture for most of the population of the city of Setif is very low. This was shown by the main and secondary study axes, where it was found that the level of banking culture, including: the bank accounts axis, the savings axis and the borrowing axis is very low due to several factors, exceptionally for the payments axis which recorded a high level, while the insurance and stock market culture have recorded very low levels. So, through the statistical testing of the hypotheses, it was the null hypothesis which was accepted. That's to say, the residents of Setif do not have a financial culture (banking, insurance, and stock exchange)**.**

Keywords: Financial culture; Banking culture; Insurance culture; Stock exchange culture.

JEL Classification Codes: G40, G41, G51, G52, G53.

<div dir="rtl">

ملخص:

يهدف هذا البحث إلى دراسة واقع الثقافة المالية في مدينة سطيف — دراسة استقصائية– لعينة تتكون من 317 فردا، تزيد أعمارهم عن عشرين سنة؛

</div>

---

[1] *Corresponding author: BABAS Mounira, e-mail: pgmimi2005@yahoo.fr*

وقد أظهرت النتائج أن مستوى الثقافة المالية لمعظم سكان مدينة سطيف منخفض جدا، وتجلى

ذلك من خلال محاور الدراسة الرئيسية والثانوية، حيث تبين أن مستوى الثقافة المصرفية، بما في ذلك محور

الحسابات المصرفية ومحور الادخار ومحور الاقتراض منخفض للغاية بسبب عدة عوامل، باستثناء محور

المدفوعات الذي سجل مستوى عال نسبيا. في حين سجلت ثقافة التأمين وثقافة البورصة مستويات

منخفضة للغاية. ومن خلال الاختبار الإحصائي للفرضيات، تم اعتماد الفرضية الصفرية التي كان مفادها:

أن سكان مدينة سطيف ليس لديهم ثقافة مالية (البنوك والتأمين والبورصة).

كلمات مفتاحية: ثقافة مالية، ثقافة مصرفية، ثقافة التأمين، ثقافة البورصة.

تصنيفات **JEL** : G53 ، G52، G51، G41،G40 .

1. INTRODUCTION

The financial culture reflects the awareness and knowledge of the financial information of members of the community, and the ability to make sound financial decisions to effectively manage financial resources, in order to achieve financial well-being and neutralize future risks. The financial culture includes many fields, like: banking culture, which in its turn includes the culture of saving, the culture of lending and borrowing, the culture of payments, and the insurance culture, which is mainly concerned with knowledge of the basics of insurance and its various types, forms and purpose, and the culture of the stock exchange, which specializes in the knowledge of different long capital markets products;

The importance of the financial culture has increased at present and has become the focus of attention for many developing and developed countries and international institutions, particularly with increased attention to the issue of financial inclusion on the one hand, the development of the economic and financial environment, and the complexity of its banking, insurance and stock market products on the other hand;

In order to know the reality and the level of the financial culture (banking, insurance and stock exchange) among the inhabitants in Setif, being aged over twenty, the problematic of this research was formulated in the following main question:

What is the reality of financial culture of the inhabitants of Setif?

The main question has the following sub-questions:

- What are the basics of financial culture?
- What is the level of banking culture of the inhabitants of Setif?
- What is the level of insurance culture of the inhabitants of Setif?
- What is the level of stock market culture among the inhabitants of Setif?

To answer the main question and sub-questions, the following two hypotheses have been adopted:

a- **H_0**: Setif inhabitants do not have a financial culture;

b- **H_1**: Setif inhabitants have a financial culture.

- **Research Importance**: The topic is of great importance, as it has become a topic of interest to many countries and international institutions, especially in the light of the issue of financial literacy and the dissemination of culture and financial knowledge, especially among the poor, to achieve financial inclusion, as many countries in the world still do not exceed The level of financial culture, 50%, including Algeria with just 33%. So, it is necessary to know and measure the level of financial culture in the Algerian society to know its reality, to work to spread it and reduce its constraints.

- **Research Objectives:** This research paper aims to achieve the following points:

1- Identify the basics of financial culture;
2- Identify the level of banking culture for inhabitants of the city of Setif;
3- Realize the reality of insurance culture among the inhabitants of Setif;
4- Knowing the reality of the stock market culture for inhabitants of the city of Setif.

- **Research methodology**: To study this topic, an analytical descriptive method that relies on data collection has been adopted for study and analysis, with a view to studying the topic in all its aspects. In order to achieve this objective, many references that were closely related to the topic were adopted in the interest of scientific objectivity.

- **Literature of previous studies:** Among the previous studies we mention the following:

- Study of *Boglàrka Zsotér* (2018), **The aspects of financial culture among young adults**, Ekonomske Ideje, Paraksa, Brodj 30, pp51-62. This

study reviewed the financial culture theoretically, -relying on it in research papers and articles (108 papers and articles)- and its relationship to financial behavior, financial attitudes and financial well-being...etc. The researcher concluded that these elements do not cover the full definition of financial culture but are necessary, and other elements such as financial management skills, financial confidence and institutional trust must be taken into account.

- Study of *Ágnes Csiszárik-Kocsir and all* (2016), **The value based analysis of the financial culture**, The journal of macro trends in social science (JMSS), Vol 2, pp89-99. This study was carried out on a sample of 2675 people in Hungary, using the questionnaire which was distributed electronically. The questionnaire was divided into four main axes (Money as the value of tools, The social values of money, Money as short-termed target-value, Money as traditional value.), and it was reached:

   - Money is a valuable tool that provides safety and happiness to individuals (the first axis);

   - Money is the basis for forming joy and happiness, and it is possible to form friendships (the second axis);

   - Today's money is better than tomorrow's money, and a risk must be taken in order to obtain higher income in the future (the third axis);

   - Social responsibility must be assumed while making financial decisions in addition to helping others (the fourth axis).

- Study of *Annamaria Lusardi and Leora Klapper* (2015), **Financial Literacy Around the World: Insights from the S&P Global FinLit Survey**, Gallup, Washington DC, pp2-16. It is a survey conducted by S&P's Global Financial Literacy Survey of more than 150000 adults in more than 140 countries in 2014, and the questionnaire is based on studying four basic concepts: knowledge of interest rates, interest compounding, inflation and risk diversification. The study found:

   - Low levels of financial culture around the world;

   - Numeracy and inflation are the most understood concepts;

   - Risk diversification is the least understood concept;

   - Women's financial culture levels are lower than men's.

- Study of *Régis Bigot and all* (2011), **la culture financière des Français**, Crédoc, pp6-131. This document presents the results of a study carried out by the Institute for Public Financial Education in partnership with the Financial Markets Authority, on the financial culture of the French population. This study is based on a survey of a representative sample of the French population: 1502 people aged 18 and over were interviewed by telephone in June 2011. The topics covered are grouped into six parts: Managing your budget, Holding financial assets, Managing your finances, The feeling of competence in financial matters, Perception of the risks associated with financial investments, Financial culture and knowledge. It was concluded that the French did not have a good financial culture, our fellow citizens are struggling to master even basic concepts in this area and they also have difficulty doing simple financial calculations.

- ***Our study*** differs from previous studies in the following points:

    - The difference in the study sample, its location and time (317 individuals over 20 years in the city of Setif in 2020);

    - The different axes of the questionnaire, which includes three axes (banking culture axis, insurance culture axis and stock market culture axis) and the approved questions;

    - Different method of analysis.

- **The research plan**: This research consists of three main axes:

    - The first axis: is devoted to studying the basics of financial culture;

    - The second axis: is devoted to reviewing the study methodology;

    -The third axis: deals with the presentation and analysis of the results of the questionnaire.

2. Financial Culture: Theoretical Background

2.1. Definition of financial culture:

The concept of financial culture is an old concept, dating back to 1900 AD, but despite the introduction of this concept, it did not have a specific and precise definition, as this topic has known increasing interest by many researchers during recent years, especially after the global financial crisis in 2008. Until now, they are discussing whether financial culture is an expression or a concept. In this regard, *Béres and his*

colleagues say that financial culture is more than just a definition, so it could be Special Concept. (Ágnes Csiszárik-Kocsir, 2016, p. 89)

Among the various concepts and definitions of financial culture the following has been addressed:

- "Financial culture is the financial knowledge, the ability to process financial information and the ability of making good financial decisions." (Zsotér, 2018, p. 53)

-*The Organization for Economic Co-operation and Development (OECD) and the International Network on Financial Education (INFE)* defined financial culture as: "A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing." (EPALE, 2017)

-*The International Program for the Monitoring of Student Achievement (PISA)* defined financial culture as: "Financial literacy refers to the knowledge and understanding of financial concepts and risks, as well as the skills, motivation and confidence to use this knowledge and understanding to make informed decisions in a wide range of financial contexts, to improve the financial well-being of individuals and society, and to participate actively in economic life." (OCDE, 2016)

-*The President's Advisory Council on Financial Literacy* said of financial culture as: "knowledge of basic economic and financial concepts, as well as the ability to use that knowledge and other financial skills to manage financial resources effectively for a life time of financial well-being." (Angela A. Hung, 2009)

Proceeding from that, financial culture can be defined as follows:

It is the knowledge of the terminology and institutions of the financial system, including the banking and insurance sector and financial markets, in order to rationalize financial decisions and achieve financial well-being.

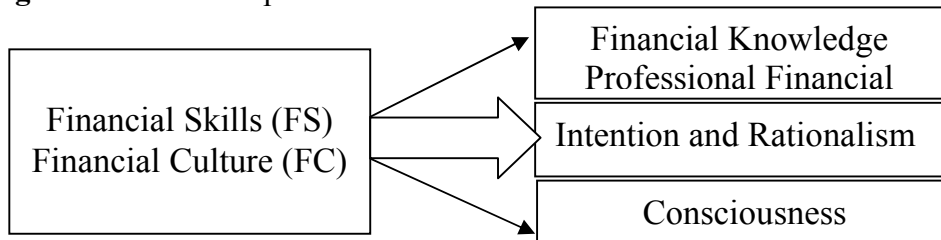## 2.2. The relationship between financial culture and financial skills:

Financial culture can be defined as a set of financial skills and quality that are shared between actors in the economy, where financial skill has three basic components: (Ágnes Csiszárik-Kocsir, 2016, p. 92)

- **The financial knowledge, competence and the ability of analyzing**: This is to understand financial operations;

- **The desire to learn**: It is not enough for the individual to be in the procession of knowledge and competence, but must have the desire to learn and make these skills ideal and used during financial decision-making;

- **The consciousness**: This is in order to embody the desire to calculate, plan and achieve security. The figure (1) shows this.

Fig.1. The relationship between financial culture and financial skills

Source: Ágnes Csiszárik-Kocsir and all (2016), p.93.

Where: Financial Culture (x) = f (Financial Skills)

$$FC(x) = f (FS)$$

Hung and his colleagues emphasized this relationship in their 2009 article entitled "*Defining and Measuring Financial Literacy*", where the authors emphasized that financial culture means skills, and how individuals can manage their financial affairs through their knowledge and skills, which leads to achieving their well-being. (Angela A. Hung, 2009, pp. 9-10)

2.3. The importance of financial culture:

The importance of financial culture can be summarized in the following points: (Zucchi, 2019)

- **Consumers are shouldering more of the financial decisions**: One of the examples of this is planning for retirement. Previous generations relied on retirement plans managed by employers, as workers did not participate in making decisions and did not contribute their own money, and today pensions have become more scarce, it has become important that employees be given the ability to participate in retirement plans by making their investment decisions and determining the percentage of contribution that will secure them a better retirement future;

- **Complex options**: Financial institutions and products have become more sophisticated in the current era, which makes it difficult for the consumer to make decisions. There are many options for investment and savings products with varying interest rates and varying financial benefits. There

are also many institutions, such as banks, insurance companies, and credit card companies, where they can make decisions on complex financial instruments with a wide range of options affects a consumer's ability to purchase a home, finance education, or save for retirement, which increases the pressure on decision-making;

- **Lack of government aid**: Social security is one of the most important sources of income for retired individuals, but given the limited funds that social security pays that may be canceled, the individual must think about financial plans to secure their future;

- **Longer life spans**: An individual can live for a long time, so more money is needed.

- **Changing environment**: The contemporary financial environment has become more advanced and volatile, as there have been many actors and influencing factors, technological progress has made many developments, as it has made financial markets faster and more volatile, which has made it difficult to create, implement and monitor a financial roadmap.

3. Methods and Materials:

3.1. Determining the study population and the sample size:

This study was applied to the population of The City of Setif, and focused on individuals over 20 years of age, and due to the large size of the community, it was decided to rely on the sample method, where the optimal size of the sample was estimated on the basis of the estimate of the percentage of community members who have a particular characteristic in question. So the sample size was 317 individuals by applying the following relationship: (بن فرحات، 2007)

$$n = \frac{t_\alpha^2}{4d_0^2}$$

Where: **α**: risk score, **d_0**: preview error.

The risk score α was determined by 5%, to be the required accuracy degree of 95%, and $t_\alpha = t_{0.05}$. By referring to the natural table, this value is equal to 1.96, and the amount of the preview error d_0 was determined by ± 5,5%, and from this the sample size becomes:

$$n = \frac{(1.96)^2}{4(0.055)^2} = 317.48 \approx 317$$

3.2. Building the questionnaire:

The interview-based questionnaire method was determined as a data collection tool, according to research hypotheses developed and in view of the nature of the study community, the formular was divided into three parts in addition to preliminary data related to gender, age, educational level, and can explain the three parts of the formular as follows:

-The first part: Addressing the banking culture of 34 questions, the first axis on bank accounts included 8 sub-questions, the second on savings 11 sub-questions, the borrowing axis included 7 sub-questions, and the fourth part on payments included 8 sub-questions;

-The second part: In which the culture of insurance was addressed, included 11 questions;

-The third part: was devoted to the culture of the stock exchange, where 11 questions were included.

To determine the answers to the study axes, the Triple Likert scale was adopted, which included the answers: agree, disagree, do not know, and weights of the Likert triple scale were determined in the table (1).

Table 1. Triple Likert Scale Weights

Weight	1	2	3
The opinion	Agree	Does not agree	I do not know

Source: prepared by the two researchers.

To determine the value of the weighted mean and the degree of approval, the range was calculated for the scale values estimated by (3-1 = 2), and by dividing the range by the number of cells of the scale: 2/3 = 0.66 we get the actual length of each answer field, and from this we get the following categories in the table (02)

Table 2. Weighted Average of the Likert Triangular Scale

Weighted average	From 1 to 1.65	From 1.66 to 2.31	From 2.32 to 3
Degree of approval	Agree	Does not agree	I do not know

Source: prepared by the two researchers

3.3. Validity and reliability of the formular:

Using the SPSS program, the Alpha Kronbach coefficient was calculated to find the internal consistency of the combined study questions shown in table (03), its value was 69.1% and it is more than 60% approved

in the social sciences, which indicates the instrument's reliability, consistency, and possibility of adoption in the study.

Table 3. Calculating the validity and reliability factor of the formular

The axes	Number of items	Stability coefficient (Alpha Kronbach)	Coefficient of honesty
Total	56	0.691	0.831

Source: prepared by the researchers based on the results of the SPSS program.

3.4. The statistical tools used:

For the purpose of tabulating and analyzing the collected data, some of the statistical tools provided by the SPSS program were used, and these tools include the following:

- **Descriptive statistics methods**: Absolute frequencies; percentages; arithmetic mean and standard deviation;

- **Inferential statistics methods**: All hypotheses were tested at the level of significance 05%, where one sample T-test was used to compare the general average of answers with the hypothetical mean, where the decision rule was as follows, "to accept The hypothesis if the calculated value of (T) is greater than the tabular value (T), and its level of statistical significance is less than 05%."

4. Results and discussion :

The results will be analyzed as follows:

4.1. General information: It is determined by gender, age, level of education as follows:

a- **Gender**: The results of the statistical analysis of general information showed the distribution of the sample population of Setif, by gender, as shown in table (04). In view of the repetition of the study sample, whose total volume is 317 individuals, we note that males represent 46.1%, while females represent 53.9%, and this is due to the fact that females represent a significant proportion compared to men in our society.

Table 4. Distribution of study sample individuals according to gender variable

Gender	Male	Female	Total
Absolute frequency	146	171	317
Relative frequency	46.1	53.9	100

Source: prepared by the researchers based on the results of the SPSS program.

b- **Age**: The distribution of the members of the study sample according to the age variable can be shown according to absolute and relative frequencies through table (05). It is clear from these data that the equivalent of 72.8% of the respondents is between the ages of 20 and 40 years. As for the other age groups, they are of varying proportions, in which people over 50 years represent 2.8% as a minimum percentage.

Table 5. Distribution of study sample individuals according to the age variable

Age	From 20 to 30 years old	From 31 to 40 years old	From 41 to 50 years old	More than 50 years old	Total
Absolute frequency	107	124	77	9	317
Relative frequency	33.7	39.1	24.2	2.8	100

Source: prepared by the researchers based on the results of the SPSS program.

c- **Educational level**: With regard to the academic level of individuals in the studied sample, the results of the statistical analysis of them were as shown in table (06). As it is noted that most of the surveyed individuals have a university level of 89.6%, while illiterate represents only 0.6%, the primary level is 0.3%, while the secondary level scored an average of 8.2%, and this indicates that most of the sample members are educated.

Table 6. Distribution of study sample individuals according to the educational level variable

Educational level	Without a level	Primary	Intermediate	High school	University	Total
Absolute frequency	2	1	4	26	284	317
Relative frequency	0.6	0.3	1.3	8.2	89.6	100

Source: prepared by the researchers based on the results of the SPSS program.

4.2. Banking Culture: The main elements of banking culture were identified in the following areas: bank accounts, savings, borrowing, and payments.

a- Bank accounts: It is clear from the data in the table (07) that the general trend of the opinions of the surveyed individuals is disagreement, and this is expressed by the arithmetic mean for most items, as well as the general arithmetic mean (=1.70) that was within the field [1.66- 2.31], except for

the ownership of postal accounts and the use of these accounts for a personal purpose, and the ownership of one of the family members for a bank or postal account.

Table 7. Statistical indicators for the items of bank accounts axis

Items	Mean	Standard deviation
1- You have a bank account.	1.73	0.444
2- You have a CCP account.	1.47	0.500
3- You have an account with other financial institutions.	1.98	0.125
4- The purpose of opening a bank account is personal.	1.45	0.260
5- The purpose of opening a bank account is to do business.	1.93	0.498
6- The account is characterized by the intensity of deposit transactions.	1.93	0.255
7- The account is characterized by the intensity of withdrawal transactions.	1.81	0.395
8- A member of your family has a bank account.	1.3	0.464
Mean and standard deviation (general)	1.71	0.187

Source: prepared by the researchers based on the results of the SPSS program.

These results indicate:

- The tendency of respondents to own the postal account compared to the bank account, and this is mostly for a personal purpose of obtaining wages;

- Accounts of most of the inhabitants of Setif are not characterized by the intensity of withdrawals and deposits;

- Nearly everyone in Setif has a bank or postal account, to facilitate their transactions, especially paying bills (electricity, gas, phone, and water) and receiving wages.

b- Saving: It is clear from table (08) that the majority of the study sample members have a low degree of approval on most items that reflect the saving axis, but in varying proportions.

Table 8. Statistical indicators for the sentences of saving axis

Items	Mean	Standard deviation
1- Save in banks	1.86	0.350
2- Save in the post	1.73	0.445
3- Save in the CNEP	1.89	0.310
4- Not having savings in previous institutions is due to insufficient income.	1.31	0.464
5- Not having savings in previous institutions because you don't trust them.	1.78	0.418
6- Not having savings in previous institutions because interest is prohibited.	1.19	0.395
7- Your lack of savings in previous institutions is due to the distance from them.	1.94	0.244
8- Not having savings in previous institutions is due to the high costs of saving.	1.86	0.350
9- Not having savings in previous institutions is due to the lack of necessary documents necessary for that.	1.87	0.336
10- Not having savings in previous institutions because you do not need the financial services provided by them.	1.72	0.450
11- You have savings but do not save them in previous financial institutions and put them at home.	1.46	0.499
Mean and standard deviation (general)	1.69	0.143

Source: prepared by the researchers based on the results of the SPSS program.

These answers indicate the following:

- Most of the inhabitants of Setif do not have accounts in financial institutions due to insufficient income, as the average responses of the sample members were 1.31;

- Most of the inhabitants of Setif do not have accounts in financial institutions for religious reasons (interest rates are prohibited), as the average responses of the sample members were 1.19;

- Most of the inhabitants of Setif put their savings at home rather than in financial institutions, with an average of 1.46 answers;

- The following elements: confidence, distance, excessive documentation, high costs, lack of need for financial institutions' services are not important for inhabitants of Setif to determine the rate of savings in financial institutions.

c-Borrowing: Table (09) data indicates the trend towards disapproval of what came in the items of the borrowing axis and this is reflected in the arithmetic averages for these items, as well as the general arithmetic mean (1.98) for this axis that came within the low approval range expressed in [1.66- 2.31], and these results indicate On:

  - Most people in Setif do not borrow from the financial institutions;

  - The people of Setif need a car, a house, a house expansion, or a project, but they don't borrow from the banks;

  - The inhabitants of Setif do not borrow from financial institutions for religious, social and psychological reasons.

Table 9. Statistical indicators for the items of borrowing axis

Items	Mean	Standard deviation
1-You borrowed from banks in the last year	1.99	0.079
2- You borrowed from poste in the last year	2.00	0.000
3- You borrowed from the CNEP in the last year	1.99	0.097
4- You borrowed from microfinance institutions in the last year.	2.00	0.000
5- You borrowed over the last year to buy a car.	1.99	0.112
6- You borrowed over the last year to prepare and expand a home.	1.97	0.175
7- You borrowed over the last year to set up a project.	1.98	0.136
Mean and standard deviation (general)	1.98	0.055

Source: prepared by the researchers based on the results of the SPSS program.

d- Payments: From table (10), it is noted that the average of the respondents' answers about the axis of payments statements, fall within the answer areas with different degrees of approval and different standard deviations, where it is noticed that all fall into the areas of the approval [1- 1.65]. These results indicate:

  Most members of the study sample use their bank account to receive wages;

  - The check is an important means in the daily life of individuals in the city of Setif;

  - Most members of the study sample have an electronic withdrawal and payment card;

  - However, it was found that most residents of Setif do not use the ATM to obtain their money, and that their use of a mobile phone to receive and pay money and pay bills is very low.

Table 10. Statistical indicators for the items of payments axis

Items	Mean	Standard deviation
1- Use your bank account to receive wages.	1.16	0.371
2- Use your bank account to receive payments.	1.77	0.424
3- Using a check is necessary in your life.	1.43	0.495
4- Use your account to send money to your family members who live elsewhere.	1.32	0.500
5- You have a debit or electronic payment card.	1.59	0.392
6- You have been using an ATM during the last year	1.72	0.449
7- The mobile phone is used to pay and receive money.	1.97	0.166
8- Use the mobile phone to pay bills.	1.96	0.191
Mean and standard deviation (general)	1.59	0.200

Source: prepared by the researchers based on the results of the SPSS program

4.3. **Insurance Culture**: It appears from table (11) that most of the responses occurred within the field of disapproval, except for the element related to a member of your family who insures, indicating:

Table 11. Statistical indicators for the items of Insurance axis

Items	Mean	Standard deviation
1- Do the insurance	1.73	0.428
2- You insure the car	1.73	0.428
3- You insure the house.	1.74	0.000
4- You insure the life	2.00	0.353
5- You insure agricultural crops	2.00	0.125
6- Do not do the insurance because you do not need it.	1.75	0.435
7- Do not perform the insurance operation for the distance.	1.98	0.125
8- Do not take out the insurance process because the costs are high.	1.91	0.284
9- Do not carry out the insurance process due to insufficient income.	1.84	0.365
10- Do not go into the insurance process because you are unaware of its purpose.	1.91	0.284
11- A member of your family takes out insurance.	1.24	0.238
Mean and standard deviation (general)	1.80	0.116

Source: prepared by the researchers based on the results of the SPSS program.

- Most of the study sample members do not carry out the insurance process;

- The following factors are not considered: high costs, distance, insufficient income and ignorance of its purpose are specific factors of

insurance for the people of Setif; response averages recorded averages within the range of disapproval;

- Most members of the study sample, one of their family members insures.

4.4. Stock Market Culture: Most of the responses of the individuals in the study sample came within the limits of the area of disapproval [1.66- 2.31], and this means that respondents are not familiar with the stock market culture, as the results indicated the following:

- The members of the study sample do not know the meaning of the stock exchange, because most of them do not know what is the share or what is the bond, nor did they read any article or watch any program on the stock exchange;

- Most of the study members do not want to invest in shares or bonds, because they are unaware of what these products are and how to deal in the stock market and their fear of losing their money;

- Most of the people of Setif want to be partners in the institutions, but their lack of familiarity with the stock market products and operations prevents this;

- Most inhabitants of Setif do not know the meaning of the sukuk.

Table 12 . Statistical indicators for the items of stock exchange axis

Items	Mean	Standard deviation
1- Know the term stock exchange.	1.73	0.431
2- Know the meaning of the share.	1.75	0.411
3- Know the meaning of the bond.	1.79	0.343
4-You read articles about the stock exchange	1.84	0.371
5-You watched programs about the stock exchange	1.82	0.382
6- You prefer to invest in shares.	1.86	0.343
7- You prefer to invest in bonds.	1.92	0.270
8- you would like to be a partner in an organization by buying her shares.	1.35	0.478
9- Not knowing how the investing process in the stock market prevents you from investing your money in it.	1.49	0.501
10- Fear of losing money prevents your money from investing in the stock market.	1.77	0.429
11-Know the meaning of sukuk	1.88	0.325
Mean and standard deviation (general)	1.74	0.203

Source: prepared by the researchers based on the results of the SPSS program.

4.5. Hypotheses test: The main hypothesis H1 states that "there is a banking, insurance and stock exchange culture among the inhabitants of Setif." To test this hypothesis, we use a one-sample T-test to compare the general average of answers with the hypothetical mean at the significance level of 05%. It depends the decision rule for this type of test is to "accept the hypothesis if the calculated value of (T) is greater than the tabular value (T), and the level of statistical significance is less than 05%." The tabular (T) value was extracted from the Student Table at a probability of 95% and degrees of freedom 316, and it was estimated at 1.645. The table (13) shows us the test results.

Table 13. One-sample T test to compare average answers with hypothetical mean

							The level of confidence	
						Hypothetical mean = 2		
The axis	Calculated T value	The value of the tabular T	Degrees of freedom	Significance level	The difference between the two means is the confidence level		Minimum value	maximum value
1	-28.307	1.645	316	0.00	-0.29811		-0.3188	-0.2774
2	-38.229	1.645	316	0.00	-0.30857		-0.3245	-0.2927
3	-3.338	1.645	316	0.00	-0.01037		-0.0165	-0.0043
4	-36.475	1.645	316	0.00	-0.40852		-0.4306	-0.3865
5	-26.059	1.645	316	0.00	-0.19644		0.2113	-0.1816
6	-22.287	1.645	316	0.00	-0.25466		-0.2771	-0.2322
All axes	-62.360	1.645	316	0.00	-0.24611		-0.2539	-0.2383

Source: prepared by the researchers based on the results of the SPSS program.

From table (13) we can extract the values that enable us to test the main hypothesis:

- The calculated value of T in all axes is less than the tabular T value;
- The level of statistical significance is 0,000 and is less than 0.05;

Since the value of T is less than zero (negative) and the level of statistical significance belongs to the domain [0.00 - 0.02], this means that the level of the phenomenon studied is very low, that is, the level of banking and insurance culture and stock market culture is very low among the inhabitants of Setif, and this is confirmed by all the axes also, where:

- The level of banking culture represented in the axes: 1, 2, 3, and 4 is very low, as demonstrated by the value of T which was negative and the level of statistical significance 0.00;

- The same thing with regard to the insurance culture represented in the fifth axis, it was found that there is no insurance culture among the inhabitants of Setif, based on a negative T value and the level of statistical significance 0,00;

- As for the sixth axis, which represents the stock market culture, it was also very low for the inhabitants of Setif, where T also recorded a negative value and a level of statistical significance 0,00.

Based on the decision rule outlined earlier, we can accept the null hypothesis H0 and reject the alternative hypothesis H1, meaning that: "There is no banking, insurance and stock market culture for the inhabitants of Setif."

5-Conclusion:

Financial culture indicates an understanding and awareness of the terminology and fields of the financial sector, including the banking sector, the insurance sector, and the stock market sector. To measure it, the authors conducted a survey on a sample of 317 people from the city of Setif aged over 20 about the reality of their financial culture. It was found that most residents of Setif do not have a financial culture, where:

-The low level of banking culture among the residents of Setif, especially in the area of using bank accounts, savings and borrowing, where it was found that most of the population have more postal accounts than bank accounts, rather used for receiving wages with very low rotation, that is to say they do not represent a massive deposit accounts to finance the economy.

- It was also found that most of the surveyed individuals hoard their money at home and do not put it in the banks because of the religious factor (the interest rate is prohibited) and the low level of income, while other factors such as distance, high costs, documents and the level of confidence are not considered among the main determinants in making a savings decision for the residents of Setif;

- In the same way, surveyed individuals avoid borrowing from banks despite their needs loans to buy a house, expand it, or buy a car.

- As for payments, it was found that most of the residents of Setif use their accounts to receive wages or send money to family members living in other regions. The use of check and electronic card for withdrawal and payment are most preferred to the use of mobile phone to receive and send money and pay bills.

- The low level of insurance culture, as most of the population of Setif do not subscribe insurance contracts except the compulsory ones. Other factors such as the cost of insurance, the level of income, ignorance of the benefit of insurance and its purpose are unimportant determinants of the insurance decision;

-The low level of the stock market culture, because most of the population are not interested to not know about stock exchange, shares, bonds or sukuks. Consequently, they are not ready to investin shares and bonds, and they do not read articles and do not see programs about the stock market.

To improve the reality of financial culture among the people of the city of Setif in particular, and the Algerian community in general, the following steps are needed:

- Central bank, commercial banks, financial institutions, the government and the private sector should cooperate to reinforce financial education and develop appropriate strategies for that;

- Raising the level of financial culture because the financially educated investor will diversify his investments in different financial sectors and markets in order to reduce risks, which leads to the development of the financial sector with the diversity and abundance of dealers in various financial products;

- Intensifying advertising sequences to improve awareness of financial culture;

- Speed up the launch of Islamic financial products to suit the religious belief of the Algerian Muslim individual.

6. Bibliographie

- Ágnes Csiszárik-Kocsir, all. (2016). The value based analysis of the financial culture. *Macro trends in social science (JMSS) , 2*, 89-99.
- Angela A. Hung, all. (2009). *Defining and Measuring Financial Financial Literacy.* RAND corporation.
- Bigot, R. (2011). *La culture financière des français.* Crédoc.
- EPALE, E. P. (2017, 9 1). *Building Sustainable Businesses: The importance of Financial Literacy for Entrepreneurs*. Consulté le 11 9, 2019, sur https://epale.ec.europa.eu/en/blog/building-sustainable-businesses-importance-financial-literacy-entrepreneurs
- Klapper, A. L. (2015). *Financial Literacy Around the World: Insights from the S&P Global FinLit Survey.* Washington DC: Gallup.
- OCDE. (2016). *Cadre d'évaluation de la culture financière de l'enquéte PISA 2015.*
- Zsotér, B. (2018). The aspects of financial culture among young adults. (Paraksa, Ed.) *Ekonomske Ideje* , 51-62.
- Zucchi, K. (2019, 10 11). *Why Financial Literacy Is so Important*. Consulté le 12 10, 2019, sur Investoprdia: https://www.investopedia.com/articles/investing/100615/why-financial-literacy-and-education-so-important.asp
- ساعد بن فرحات. (2007). منهجية البحث التسويقي: دراسة ميدانية حول مؤسستي HENKEL وENAD. *مجلة العلوم الاقتصادية وعلوم التسيير* (7)، 230.