



8th International LAB Meeting - Spring Session 2007

European Ph.D. on
Social Representations and Communication
At the Multimedia LAB & Research Center, Rome-Italy

Social Representations in Action and Construction
in Media and Society

"Experimental designs
in investigating Social Representations
in action in Media and Society
and
influence processes"

From 28th April to 6th May 2007

http://www.europhd.eu/html/_onda02/07/09.00.00.00.shtml

Scientific material

European Ph.D

on Social Representations and Communication

International Lab Meeting Series 2005-2008



www.europhd.psi.uniroma1.it
www.europhd.net
www.europhd.it



ELSEVIER

Journal of Economic Psychology 20 (1999) 499–519

JOURNAL OF
**Economic
Psychology**

www.elsevier.com/locate/joep

Savings and investment decisions within private households: Spouses' dominance in decisions on various forms of investment

Katja Meier ^{*}, Erich Kirchler, Angela-Christian Hubert

Institute of Psychology, University of Vienna, Universitätsstr. 7, A-1010 Vienna, Austria

Received 1 February 1999; accepted 12 June 1999

Abstract

The present study aims at describing spouses' relative dominance in decisions concerning different forms of investment. As determinants of spouses' dominance, partnership characteristics, such as partnership role attitudes, marital satisfaction and individual expertise in relation to different investments, were considered. A questionnaire on spouses' dominance in making decisions on various investments, on the characteristics of particular investments and on partnership characteristics was completed by 142 Austrian couples. Basically, wives appeared to adapt to the dominance exerted by their husbands in savings and investment decisions. Wives' dominance was highest in egalitarian partnerships, where autonomic and wife-dominated decisions were reported more frequently than in traditional partnerships. Additionally, spouses' relative expertise in relation to the investments in question showed strong effects on dominance distribution: Spouses with higher expertise than their partners exerted more dominance in decision-making processes. © 1999 Elsevier Science B.V. All rights reserved.

PsycINFO classification: 3920; 2950

JEL classification: D12; D91; P46

^{*}Corresponding author. Tel.: +43-1-4277478/86; fax: +43-1-4277478/89; e-mail: katja.meier@uni-vie.ac.at

Keywords: Savings; Investment; Private household; Couple decision-making

1. Introduction

In traditional partnerships, husbands are assumed to take the role of head of the household. They represent the family outside the home and are in charge of spending and savings decisions (Schmölders, 1969). In recent years, traditional partnerships have tended to give way to partnerships with a more equally distributed dominance structure between the two spouses (Kirchler, 1989). And yet time appears to have stood still as far as dominance in saving decisions is concerned. Kirchler reported in 1989 that husbands were still making decisions almost entirely on their own regarding households' saving behaviour. The contradiction between changing partnership roles and husbands' apparently stable dominance in savings decisions forms the backdrop to the present study.

Individual savings behaviour and asset management were studied in detail by members of the VSB-Center Savings Project at Tilburg University (for example, Wärneryd, 1993,1999; Hochguertler, 1997). However, there have been few empirical studies of households consisting of two or more persons. Some data have been collected in research projects focusing on purchasing decisions within the private household (for example, Bonfield, 1978; Davis & Rigaux, 1974; Kirchler, 1989). It is impossible to draw a clear distinction between purchasing and savings decisions, because people opting for different investments are in fact purchasing services offered by banking establishments.

1.1. Savings and investment decisions: Forms of investment

Households choose different forms of investments in order to achieve particular financial goals, such as special items of expenditure (for example, the purchase of an apartment or house), provision for retirement or the accumulation of wealth. The goals differ in their characteristics, and "may vary considerably with respect to their appearance and their functions" (Groenland, Bloem & Kuylen, 1996, p. 692).

Typical characteristics of investments are profitability, risk and commitment. Profitability refers to the return on the investment as determined by interest rates or dividends. Risk expresses the probability of fluctuations in the return on the investment, whilst commitment indicates the period of time

for which money is tied up and cannot be invested elsewhere. Adelt, Müller and Wiswede (1993) introduced complexity as a fourth characteristic of investments. Complexity refers to the amount of cognitive effort and information processing required in order to manage the investment. These investments' characteristics are inter-dependent (Adelt et al., 1993; Socher, 1977; Wiswede, 1994). For example, high profitability usually coincides with high risk, high commitment and high complexity. With regard to these characteristics, investments can be represented by a risk 'pyramid' (Fig. 1), with instant-access savings accounts forming the base (no risk, no commitment, minimal complexity, low profit), with shares at the summit (risky, highly complex, likelihood of high profit).

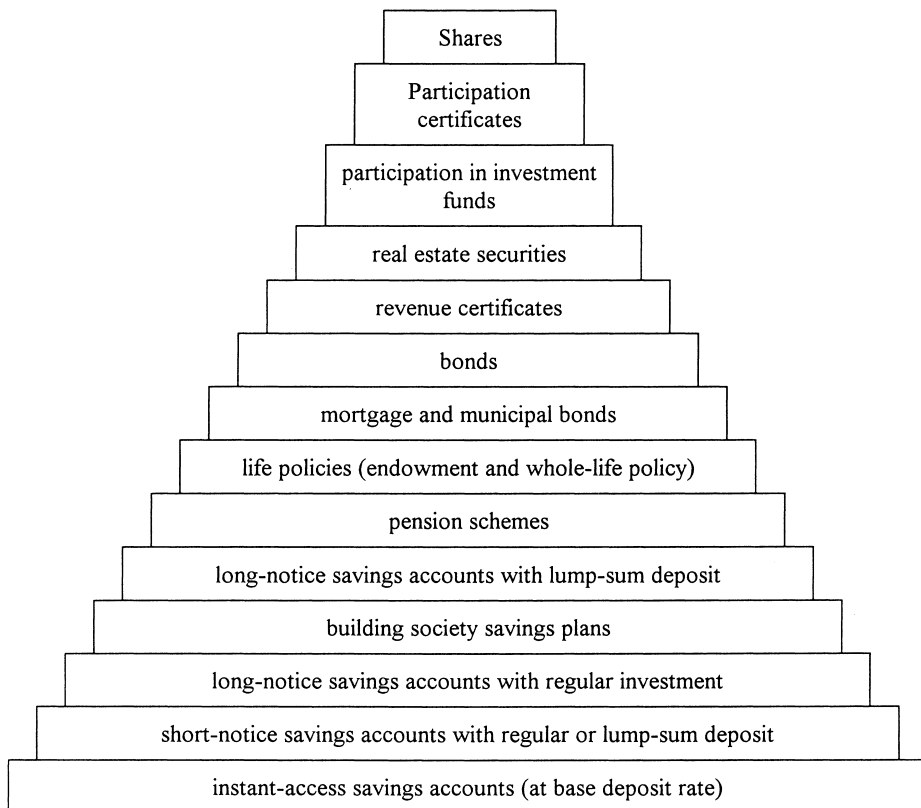


Fig. 1. Pyramid of investment forms.

Besides these technical distinctions, investments can also be divided into typical and atypical forms of savings. According to Groenland et al. (1996), savings accounts, pension schemes and life policies are more often perceived as typical forms of savings, and therefore constitute savings 'prototypes'. Shares or bonds, on the other hand, are seldom mentioned as typical forms of savings. Thus, it is important to differentiate between savings and investment decisions depending on the different forms of investment being considered.

Spouses' dominance in decisions may differ not only due to the type of investment, but also due to particular characteristics of the partnership, such as partnership role attitudes, marital satisfaction and spouses' individual resources.

1.2. Determinants of spouses' dominance

Partnership role attitudes. Partnership role attitudes express spouses' views about authority and responsibility for certain tasks, and can be identified on a continuum from traditional to egalitarian (Peplau, 1983). Traditional partnerships are characterised by a highly segmented division of labour. Spouses are responsible for specific duties and tasks, and accept each other's right to take decisions in these specific areas. In egalitarian partnerships, wives and husbands have approximately the same rights and obligations; dominance merely based upon gender is regarded as unjustified.

In traditional marriages, husbands represent the partnership and the family to the world outside, mainly through their occupation and status (Losh-Hesselbart, 1987). Husbands dominate decisions about technical matters and important financial affairs involving large amounts of money, insurance policies, investments and wealth (Assar & Bobinski, 1991; Kirchler, 1989; Schmölders, 1969). The husbands' dominance in these decision areas stems from their frequent function as breadwinners, and from their major financial contributions to the household budget. In contrast, wives are responsible for day-to-day routines (for example, decisions about day-to-day expenditure, payment of minor bills) and keeping papers in order (for example, bookkeeping, balancing of cheque-books).

As egalitarian partnerships are based on equal dominance, it was assumed that decisions would typically be taken in a joint manner (Mayer & Boor, 1988; Qualls, 1982; Webster, 1995). This assumption was not supported by Kirchler (1989): Spouses have increasingly inclined towards egalitarian partnership roles in recent decades, but no increase in joint decision-making has been observed. What Kirchler (1989) did find was a decrease in strictly

wife-dominated and husband-dominated decision areas, which leads to the conclusion that egalitarian partnerships are associated not necessarily with joint, but rather with autonomic decision-making. Decisions are defined as being autonomic, "...when an equal number of decisions is made by each spouse, but each decision is individually made by one spouse or the other" (Engel, Blackwell & Miniard, 1995, p. 749). Husbands and wives' dominance therefore does not depend on specific decision areas, but on other gradually changing characteristics, such as the individual ownership of the desired good (Assar & Bobinski, 1991), time resources or specific interests.

Marital satisfaction. It seems reasonable to assume that spouses with high marital satisfaction tend to make decisions in a joint fashion. This popular assumption (Park, Tansuhaj & Kolbe, 1991) was not supported by Schaninger and Buss (1986), who, in a longitudinal study, compared contented couples with couples who later divorced. Both groups, that is, both contented and discontented couples, indicated about the same frequency of joint decision-making, but differed in the number of financial decisions made by the wife on her own, which was higher in contented partnerships. However, even if contented couples do not necessarily prefer joint decisions, marital satisfaction may interact with other partnership characteristics and was therefore included in the present study as a determinant of spouses' dominance distribution.

Financial resources. It can be assumed that wives' dominance in financial decisions increases if they contribute financial resources to the household budget. This assumption is based on relative resource contribution theory (Blood & Wolfe, 1960), which suggests that an exchange of resources is perceived as just and satisfying if a subjective balance between both spouses' inputs (for example, financial contributions, status, education, help) and outputs (for example, dominance) is achieved. Hence, adding financial resources to the household budget can be linked to assigned and accepted dominance in specific decision areas. The relationship between wives' occupational status and exerted dominance was supported by Burgoyne and Lewis (1994), Ruhfus (1976) and Mayer and Bohr (1988). They concluded that husbands' dominance decreased and joint decisions were more frequent if the wife had an independent income. Working women not only gained dominance in formerly husband-dominated areas through more joint decisions, but also made more financial decisions on their own (Rosen & Granbois, 1983). However, the increased dominance of wives with an independent income was not equivalent to the amount of money they added to the household budget. Even if wives earned as much as – or more than – their

husbands, their dominance in savings decisions was still lower than their husbands' dominance.

Expertise. Individual expertise concerning matters to be decided upon proved to be a significant positive determinant of dominance in households' decision-making (for example, Böcker & Hubel, 1986). The effects of spouses' expertise became evident when the spouses had different attitudes to the matter being decided upon (Corfman & Lehmann, 1987) or disagreed about certain aspects of a product (Kirchler, 1996). Kirchler (1996) concluded that perceived expertise strengthened dominance in the decision process in both directions: Firstly, spouses considering themselves as experts reported more dominance in the decision process. Secondly, if the partner was perceived as possessing profound knowledge, he or she was allowed to exert more dominance in the decision process.

2. Aims of the study

Spouses having greater relative expertise concerning the different forms of investment are assumed to exert more dominance in decisions on investments, especially in decisions regarding high-risk investments. Decisions involving high risk are a probable threat to the household budget, therefore good factual knowledge and extensive information processing are needed in order to assess different forms of investment correctly and minimise the financial risk. In addition, an interaction between partnership role attitudes and spouses' relative expertise is assumed. In egalitarian partnerships, wives' expertise is taken into account, no matter if the husband is less expert, whereas husbands in traditional partnerships may be reluctant to relinquish their dominance, even if their wives know more about the specific investment than they do themselves.

Partnership role attitudes are assumed to affect spouses' dominance distribution in the decision process, in that wives in egalitarian partnerships generally exert more dominance than in traditional partnerships (i.e., Pahl, 1995). Egalitarian partnerships are characterised by an equal spread of dominance between the two spouses, which is reflected in joint and autonomous decision-making. In contrast, in traditional partnerships household savings decisions are likely to be dominated by the husband due to the role-based segmentation of decision areas. Husbands' dominance in traditional partnerships may be even stronger if the wife does not have a paid job, because in this case only the husband contributes financial resources to the

household budget and may therefore have the exclusive right to decide on the budget.

In addition, perceived marital satisfaction is expected to have an effect on the distribution of dominance in decision processes. If marital satisfaction is high, there will be more joint decision-making, because all decisions are aimed at improving the spouses' shared well-being. Furthermore, some interaction between marital satisfaction and partnership role attitudes is assumed. Especially discontented couples in traditional partnerships may report even more husband-dominated decisions, because the husband is unwilling to relinquish any of his dominance to the wife, whereas contented traditional couples will decide more often in a joint process. Dominance patterns in egalitarian couples may be affected in different ways by marital satisfaction; contented egalitarian couples are assumed to make more joint decisions, whereas discontented egalitarian couples might avoid unwelcome discussions by opting for autonomic decisions.

3. Method

3.1. *Participants*

In all, 142 married or cohabiting Austrian couples took part in the present study. People were contacted in leisure clubs, at various places of work or in shopping malls, and invited to participate in the study by completing a questionnaire which took about 45 minutes. The sample represents a convenience sample with unhappy couples most likely being missing. Therefore, generalizability of results might be limited.

Ages of women and men ranged from 29 to 75 years, with the average age of $M=47.5$ years for women ($SD=8.5$) and $M=50.2$ years for men ($SD=8.8$). The monthly net household income was on average $M=36972.3$ ATS ($SD=13352.2$), equivalent to approximately US\$3080. In all, 3.5% had attended primary school, 52.1% had completed vocational school, 34.5% held a secondary school diploma and 9.9% held university degrees.

3.2. *Material*

Forms of investment. In all, 14 different forms of investment were presented: Four different savings accounts, building society savings plans, pension schemes, life insurance policies, mortgage and municipal bonds,

bonds, revenue certificates, real estate securities, investment funds, participation certificates and shares (Fig. 1). Subjects indicated the profitability, commitment, risk and complexity of each investment, and their subjective level of expertise regarding these forms of investment on 7-point scales (ranging from 1 = low to 7 = high estimation of the given characteristic). In addition, participants indicated whether or not their household held each of the presented investments.

Individual expertise regarding the 14 forms of investment. Two different methods were used to assess respondents' expertise in relation to the 14 forms of investment. Firstly, respondents' estimations of the profitability, commitment, risk and complexity of each form of investment were compared with the assessments of 25 experts working in different Austrian banking establishments. If a subject's responses corresponded to experts judgements of profitability, commitment, risk and complexity of a form of investment, he or she gained one knowledge-point. Hence, for each form of investment, subjects were able to receive from zero points minimum to four point maximum as an indicator of their specific expertise. Secondly, respondents were asked what they knew about the 14 forms of investment. Again, with the help of the 25 experts, a categorisation scheme was produced, and correct answers added further points to the expertise scores for each form of investment.

In order to reduce data, expertise scores were averaged across all those forms of investment which both spouses reported holding. On this combined expertise scale, ranging from 0 to 7, husbands achieved a score of $M = 1.95$ ($SD = 1.33$) and wives $M = 1.54$ ($SD = 1.26$). As spouses' relative expertise was of interest, differences between husbands' and wives' expertise were computed. In 34 partnerships wives had more expertise (scores lower than -0.40), in 60 couples the husband had greater expertise (scores higher than 0.38) and in 48 partnerships the husband's and wife's expertise was about equal.

Spouses' dominance in decision processes. A questionnaire was developed based on the work of Davis and Rigaux (1974), who distinguish three phases of the decision process: The problem recognition phase, information search and final decision phase. In the present study, analyses were restricted to the information and final decision phase. Due to the retrospective nature of the inquiry, it might be difficult to recall who had started the decision process. Respondents indicated for each of the two decision phases and for each form of investment held whether (a) the husband, (b) both together, or (c) the wife dominated in the decision process.

According to Davis and Rigaux (1974), decisions can be represented by two dimensions: The first dimension expresses spouses' individual dominance and varies between two extremes, namely husbands' total dominance on the one hand and wives' total dominance on the other. Individual dominance ratings were therefore scored as follows: The response "husband-dominated" was assigned a score of 1, "both together" = 2 and "wife-dominated" = 3. The scores of the total sample were averaged. The second dimension describes the level of joint participation in the decision process, which varies between no joint participation (0%) and 100% joint participation in the decision process. The second dimension is expressed as the percentage of joint decision-making (percentage of answers "both together" relative to all possible answers).

Davis and Rigaux (1974) plotted both dimensions on a graph, showing individual dominance ratings on the y -axis and the percentage of joint participation on the x -axis. As both dimensions are inter-dependent, all values are located in a triangle bounded by strictly wife-dominated decisions (0, 3), strictly joint decisions (100, 2) and strictly husband-dominated decisions (0, 1). In addition, Davis and Rigaux (1974) distinguish between four areas in the described triangle: wife-dominated ($y > 2.5$), joint ($x > 50$), autonomic ($x < 50$, $y > 1.5$ and < 2.5) and husband-dominated decisions ($y < 1.5$).

Marital satisfaction, partnership patterns and demographic characteristics. Seven items on a five-point response scale were presented in order to assess spouses' marital satisfaction (Hassebrauck, 1991; Kirchler, 1993). The items read as follows: "In general, how happy are you with your partnership?"; "How much does your partner meet your needs?"; "How happy are you with your relationship as compared to average marital relationships?"; "How often do you regret being related to your partner?"; "How satisfied are you with your partner?"; "How much do you love your partner?"; "How many problems do you have with your relationship?". All seven items were answered on 7-point scales. Answers were re-coded, so that higher values indicate marital satisfaction and lower values dissatisfaction, and afterwards averaged (Cronbach $\alpha = 0.91$ for the male sample, and $\alpha = 0.94$ female sample). As husbands' and wives' average responses were highly correlated ($r(142) = 0.74$, $p < 0.001$), both scores were averaged as couples' indicator of marital satisfaction. On the basis of this index the sample was split on the median ($Md = 4.28$) up into contented and rather discontented couples.

Partnership role attitudes were expressed by ten items (Brandstätter & Wagner, 1994); for example, "In our partnership the husband is the head of family". Responses ranged from one, indicating disagreement and therefore

attachment to egalitarian partnership roles, to five, expressing agreement and support of traditional partnership roles. Again, responses of the 10 items were averaged (Cronbach $\alpha = 0.82$ for husbands' and $\alpha = 0.83$ for wives' reports). In a next step, husbands' and wives' scores were averaged arithmetically ($r(142) = 0.59$; $p < 0.001$) and couples were split on the median ($Md = 2.7$), forming a group of couples favouring traditional and one group favouring egalitarian partnership roles.

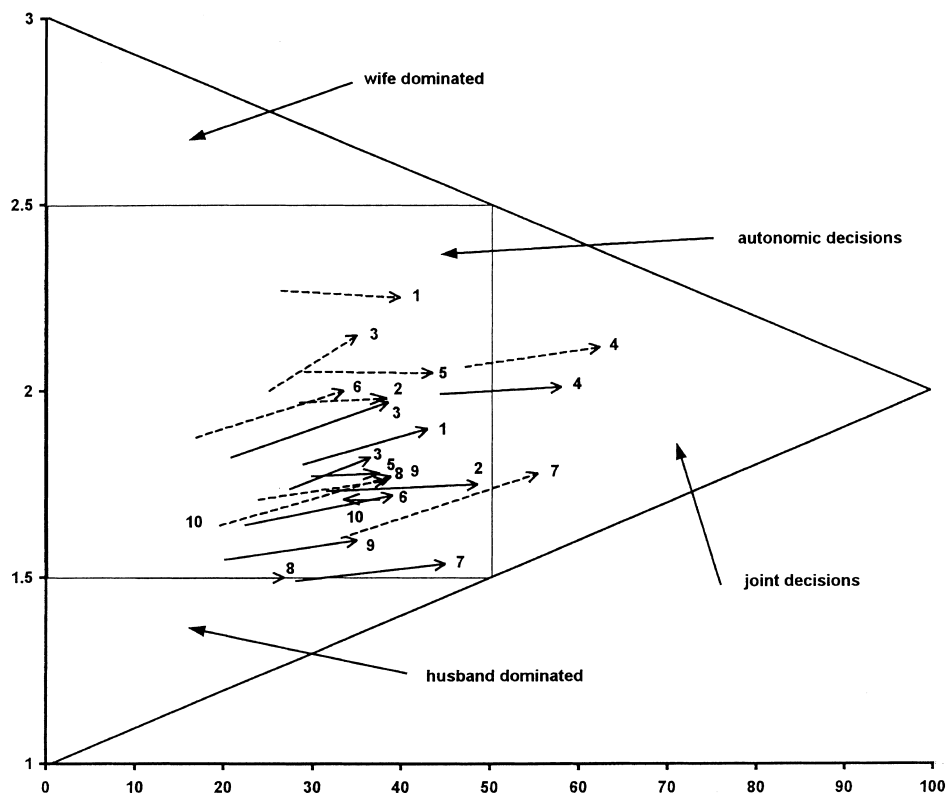
4. Results

4.1. Overview

Looking at the frequencies of forms of investment holding, it appears that building society savings plans (128 couples) and life insurance policies ($f = 108$) are the most widely used services offered by banking establishments, whereas only a small number of participating couples held investment funds ($f = 11$) and shares ($f = 20$). Four forms of investment had to be excluded from further analysis (participation certificates, real estate securities, mortgage and municipal bonds and revenue certificates), because fewer than five couples reported holding these forms of investment. In a first step, husbands' and wives' ratings of dominance exerted in the decision processes regarding the households' investments were plotted in the triangle (Davis & Rigaux, 1974) shown in Fig. 2. Averaged dominance ratings indicated by husbands and wives were considered for the information and final decision phases, and separately for each form of investment.

Decisions on all investments, made in the information phase and in the final decision phase, fall in the area of autonomic decisions or joint decisions, and both decision types indicate more or less equal exertion of dominance by both spouses. Decisions on life insurance policies, bonds, participation in investment funds and shares are close to the husband-dominated area. These investments involve either high risk, high complexity and high profitability or high commitment, as in case of life insurance policies, and seem to be the last resort of male predominance across the wide range of savings and investment decisions.

Both, husbands and wives, overestimated their own dominance relative to their partners' dominance. This overestimation is apparent from the fact that husbands' ratings indicate generally higher husbands' dominance than wives' ratings and vice versa: wives rated their own dominance more highly than



Note: Arrows connect the information phase with the final decision phase.
 Solid lines represent husbands' ratings of dominance, dotted lines wives' ratings.
 Forms of investment are represented by following numbers:
 1...instant-access savings account at base deposit rate (f=68)
 2...short-notice savings account with regular investment or lump-sum deposit (f=49)
 3...long-notice savings account with regular investment (f=31)
 4...building society savings plan (f=128)
 5...long-notice savings account with lump-sum deposit (f=51)
 6...pension scheme (f=34)
 7...life insurance policy (f=108)
 8...bonds (f=26)
 9...participation in investment funds (f=11)
 10..shares (f=20)

Fig. 2. Triangle of spouses' dominance in decisions on various forms of investment.

their husbands did. Husbands and wives disagreed especially when estimating their dominance in decisions on pension schemes and instant-access savings accounts, whereas spouses tended to agree about their dominance in decisions on shares and building society savings plans.

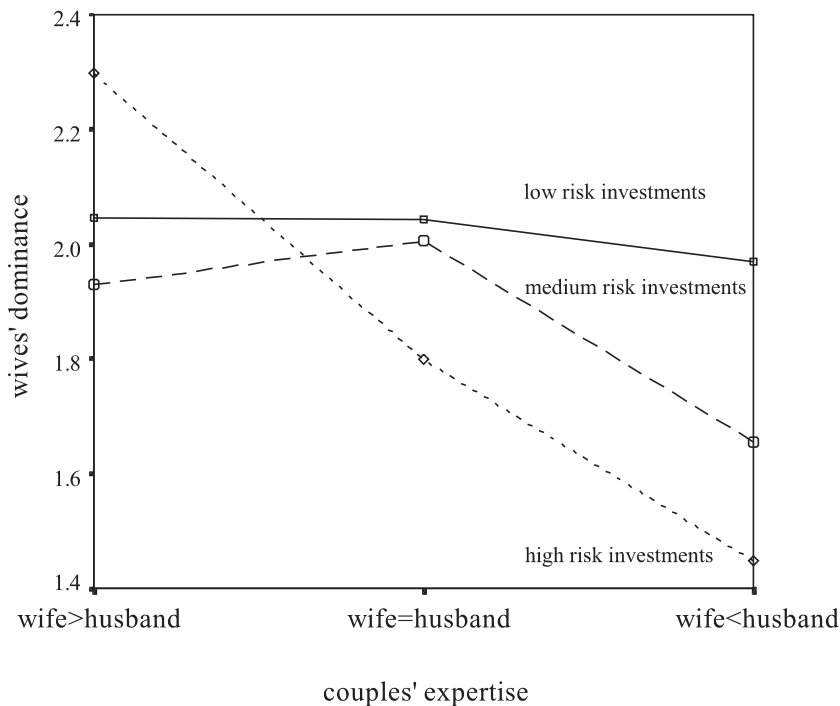
Scores for the information and the final decision phase were connected by arrows, separately for each investment form and for both genders. It is worth noting that most arrows point to the right, except for the arrow describing decisions on shares from the husbands' point of view. In other words, during the decision process the frequency of joint decisions increased. Although spouses seem to decide jointly in the final decision phase more often than in the information phase, most final decisions still fall in the area of autonomic decisions. Exceptions are the final decisions on building society savings plans and life policies from the wives' point of view, which are located in the area of joint decisions.

4.2. Determinants of dominance

In a first step, the impact of various characteristics of the couples on spouses' dominance in decisions on the different forms of investment were analysed. For this purpose, dominance ratings – ranging between strict husband-dominance (score = 1) and strict wife-dominance (score = 3) – were averaged across both spouses. Additionally, couples' dominance ratings were summarised across three classes of forms of investment involving different degrees of risk: the four savings accounts constituted the group of low-risk investment; life insurance policies, pension schemes and building society savings plans formed the group of medium-risk investments, and other investments, such as shares, bonds and investment funds, formed the high-risk group. The couple characteristics considered were (a) partnership role attitudes (traditional versus egalitarian), (b) marital satisfaction (contented versus discontented), (c) wife's occupational status (housework versus paid work) and (d) spouses' relative expertise (husband more expert than wife, equal expertise, wife more expert than husband). Because of small cell sizes, two analyses of variances were computed. In the first analysis of variance, the information phase and the final decision phase, along with the three risk classes were considered as repeated factors. Spouses' relative expertise and partnership role attitudes were implemented as between factors. The results revealed a highly significant effect of spouses' relative expertise ($F(2, 60) = 5.99, p < 0.01$) which was not distorted by the significant interaction with investment risk ($F(4, 120) = 3.06, p < 0.05$). Generally, spouses

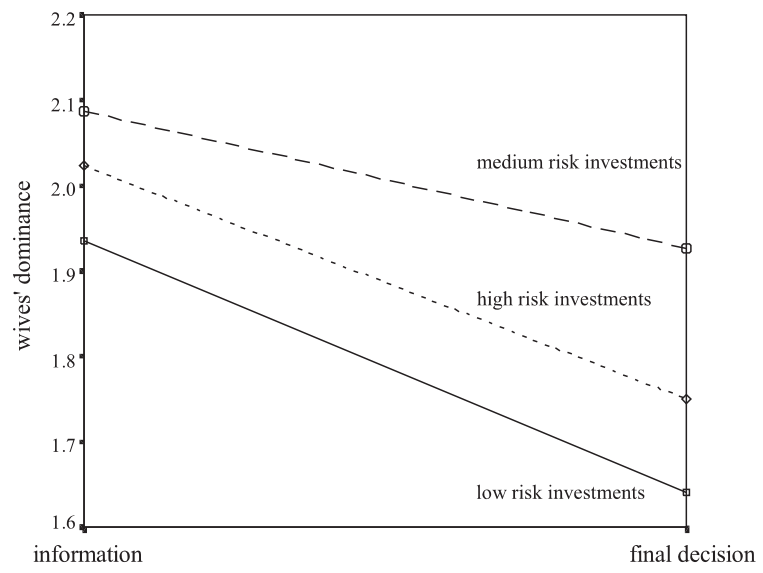
with more expertise gained more dominance in savings and investment decisions. This effect was strongest in decisions on high-risk investments, whereas spouses' relative expertise appeared to have only a small effect on decisions on low-risk investments, such as savings accounts (Fig. 3).

Furthermore, interaction between decision phases, investment risk and partnership roles showed a significant effect ($F(2, 59) = 4.36, p < 0.05$) on spouses' dominance in savings and investment decisions. In egalitarian partnerships, wives' dominance in decisions on all three investment groups declined in the final decision phase, and was lowest in decisions on low-risk investments (Fig. 4). In contrast, in traditional partnerships wives exerted most dominance in decisions on low-risk investments. Additionally, in traditional partnerships wives' dominance in the information and final decision

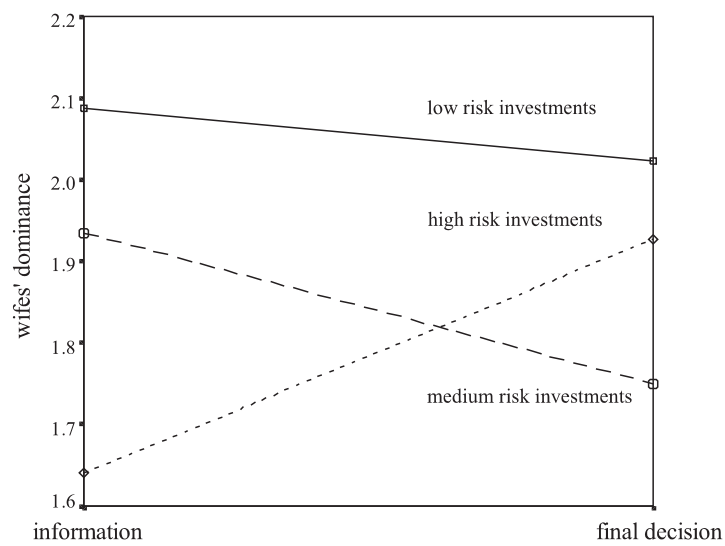


Note: "wife > husband" refers to couples where the wife has more expertise than the husband;
"wife = husband" refers to couples with equal expertise;
"husband > wife" refers to couples where the husband has more expertise than the wife.

Fig. 3. Wives' dominance depending on risk of investments and spouses' relative expertise.



(a) decision phases



(b) decision phases

Fig. 4. Spouses' dominance depending on risk of investments and decision phases, separately for egalitarian and traditional couples; (a) Egalitarian couples; (b) Traditional couples.

phase depended on the risk entailed by the investments in question. In decisions on high-risk investments, wives' dominance increased in the final decision phase, but stayed stable or even declined in decisions on low- and medium-risk investments.

In the second analysis of variance, partnership role attitudes, marital satisfaction and wives' occupational status were considered as between factors. As no interaction with investment risk was expected, only the two decision phases were implemented as a repeated factor. Results showed a significant interaction effect between the decision phases and marital satisfaction ($F(1, 134) = 3.76; p = 0.055$). Only in the information phase contented couples differed from discontented couples, in that discontented wives exerted more dominance than contented wives (information phase, contented: $M = 1.76$ ($SD = 0.4$); information phase, discontented: $M = 1.94$ ($SD = 0.47$); final decision phase, contented: $M = 1.87$ ($SD = 0.36$); final decision phase, discontented: $M = 1.94$ ($SD = 0.43$)).

Partnership role attitudes ($F(1, 134) = 16.81, p < 0.001$) showed a significant effect on spouses' dominance distribution. This effect was not distorted by the significant interaction ($F(1, 133) = 4.71, p < 0.05$) between partnership roles attitudes and wives' occupational status (Fig. 5). In general, couples with traditional partnership roles reported higher husband-dominance than egalitarian couples. Dominance differences between traditional and egalitarian couples diminished if the wife had her own income, but increased if the wife did not have a paid job.

4.3. *Types of decision-making*

In a next step, the effects of the described couple characteristics on couples' preferences for the four described decision types (husband-dominated, wife-dominated, joint and autonomic decisions) were analysed. Dominance ratings were averaged across both spouses, both decision phases, and the forms of investment held. This average dominance score was classed as belonging to one of the four decision types (Davis & Rigaux, 1974), which can be considered as the couples' preferred decision type. The sample was divided into 31 couples where husbands tended to decide on their own, six couples with predominantly wife-dominated decisions, 51 couples deciding in a joint process, and 54 couples tending to autonomic decisions. A chaid model was computed, with couples' preferred decision type as the dependent variable, and partnership role attitudes, marital satisfaction, female occupational

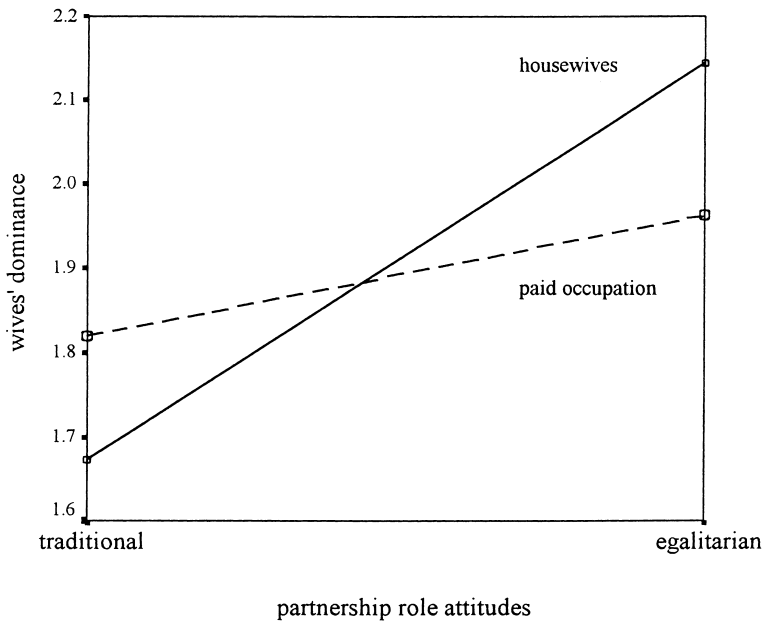


Fig. 5. Interaction between partnership roles and wives' occupational status.

status (all dichotomous), and spouses' relative expertise (again classified into three groups) as independent variables.

The chaid model is useful for analyses of nominal data (Bühl & Zöfel, 1996), and is based on chi-square statistics. In a first step, crosstabs of the dependent variable are computed separately for all independent variables. In addition, the sample is split up according to the independent variable with the highest significant chi-square value. Then again, crosstabs are computed with the remaining independent variables and further sample splitting is carried out. The end of splitting is reached when chi-square tests do not account for significant values or where the split sample size will be lower than 10 cases.

Results revealed that partnership role attitudes had the strongest effect on the distribution of the preferred decision types ($\chi^2 = 15.01$, $p < 0.01$). About half of all egalitarian couples preferred autonomic savings and investment decisions (49%), 32% reported predominantly joint decisions, 12% husband-dominated, and only 7% wife-dominated decisions (Fig. 6). The most frequent decision type in traditional partnerships was the joint decision (40%), followed by husband-dominated decisions (32%), autonomic decisions

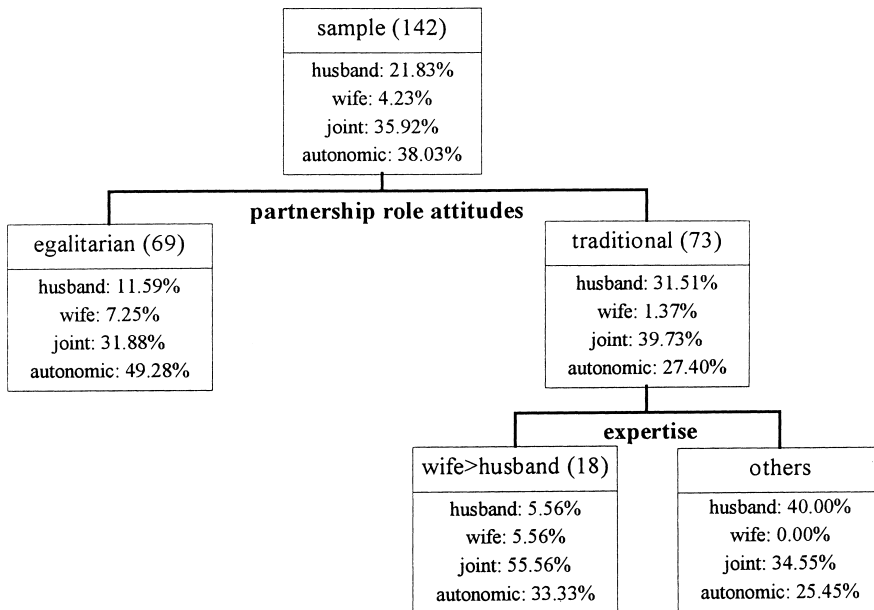


Fig. 6. Distribution of decision types.

(27%) and wife-dominated decisions (1%). It is worth noting that major differences between egalitarian and traditional couples emerged in the percentages of couples preferring husband-dominated and autonomic decisions. Couples where husbands predominantly decided on savings and investment decisions accounted for 32% of the traditional subsample, whereas in the egalitarian subsample they were a relative minority of just 12%.

Different expertise distribution between the spouses split the traditional subsample into further two groups, which differed significantly from one another ($\chi^2 = 11.52$, $p < 0.05$). Of all traditional couples where the husband was more expert than the wife or where both spouses had equal expertise, 40% reported predominantly husband-dominated decisions. If the wife had more expertise, 56% of traditional couples decided in a joint process and only 6% of them decided in a predominantly husband-dominated way. Spouses' marital satisfaction and female occupational status did not evoke significant differences between any subsamples. This might be because their explaining power was exhausted by the two predominant variables of partnership role attitudes and spouses' relative expertise.

5. Discussion

Wives are assumed to becoming more dominant in savings and investment decisions than studies carried out in the past suggest (Kirchler, 1989). Stronger wife-dominance is apparent from the predominance of joint and autonomic decisions in which spouses' dominance is distributed equally. Decisions on only four forms of investment are still husband-dominated, namely life insurance policies, bonds, participation in investment funds and shares. While shares, participation in investment funds and bonds are extremely risky, life policies excel due to the strong commitment involved. It seems that stronger husband-dominance is gradually being restricted to decisions on investments that can pose a serious threat or entail a more long-term strain on the household budget.

As expected, spouses who were more expert than their partners gained more dominance in savings and investment decisions (Corfman & Lehmann, 1987; Kirchler 1996). Spouses' relative expertise proved to be strongest in decisions on high-risk investments, such as shares, bonds or investment funds. As decisions on high-risk investments imply a financial threat to the household budget, it seems only rational that factual information is taken into account and that spouses with more expertise therefore dominate the decisions. Furthermore, spouses' relative expertise coincides with the decision-type preferred by traditional couples. It appears that greater expertise on the part of the husband coincides with more husband-dominated decisions, whereas greater expertise on the part of the wife leads to more joint decisions. It seems that husbands favouring traditional partnership roles involve their more expert wives in the decision process, but are not willing to leave savings and investment decisions entirely up to their wives.

Spouses' dominance distribution in savings and investment decisions was influenced by the partnership role attitudes favoured by couples, in that egalitarian couples reported stronger wife-dominance than traditional couples. This result may be explained by the different dominance distribution between the spouses. Egalitarian couples believe in an equally distributed dominance structure, whereas dominance distribution in traditional partnerships favours the husband. Additionally, the difference between egalitarian and traditional couples was greater if the wife did not have a paid job. This result is supported by relative resource contribution theory (Blood & Wolfe, 1960), which indicates that dominance in financial decisions stems partly from the amount of money contributed to the household budget.

Housewives therefore have no assigned rights and depend on the goodwill of their husbands, who appear to be more approving if they hold egalitarian partnership role attitudes.

As far as decision types are concerned, egalitarian couples decided more often in an autonomic and wife-dominated process, whereas traditional couples reported more husband-dominated and joint decisions. These results are in line with Kirchler (1989), who concludes that egalitarian and traditional couples differ particularly in the frequency of autonomic decision-making, but contradict Kirchler's finding of a similar frequency of joint decision-making in both types of partnership. Husbands' reactions to stronger wife-dominance – for example, due to higher expertise – seem to differ according to the type of partnership. In certain circumstances, husbands in egalitarian partnerships gave way to their wives who thus decided alone on financial matters, whereas husbands favouring traditional partnership roles only let their wives participate in the decision process.

Basically, marital satisfaction did not seem to influence dominance patterns in the decision process, as popular assumptions suggest (Park et al., 1991). Contented couples did not appear to decide more often on a joint process, nor was any interaction between partnership roles and marital satisfaction found. Only in the information phase did marital satisfaction affect wife-dominance, but in the opposite direction from that anticipated. In fact, high marital satisfaction coincided with less wife-dominance in the information phase. This result may be explained by mechanisms of trust. If marital satisfaction results in higher interpersonal trust, contented wives may leave information-gathering to their husbands, because they trust in their husbands' ability to get the right information. Perceptions of interpersonal trust were not considered directly in this study, but might be a topic of future study.

To sum up, the dominance exerted in decision processes is determined by partnership role attitudes favoured by couples and by factual expertise in relation to the forms of investment. For future research it would be worthwhile adding other possible dominance determinants, such as interpersonal trust, or spouses' interest and involvement in the decision topic.

Acknowledgements

The authors express their thanks to two anonymous reviewers for helpful comments on an earlier version of this paper.

References

- Adelt, P., Müller, H., & Wiswede, G. (1993). Ergebnisse des Forschungsprojektes 'Entwicklung eines Meßinstrumentes zur Erfassung der Sparmentalität'. *Mitteilungen der Gesellschaft zur Förderung der wissenschaftlichen Forschung über das Spar- und Girowesen*, 36, 11–44.
- Assar, A., & Bobinski, G. S. (1991). Financial decision making of babyboomer couples. In R. H. Holman, M. R. Solomon, *Advances in consumer research*, 18 (pp. 657–665). Provo, UT: Association for Consumer Research.
- Blood, R. O., & Wolfe, D. M. (1960). *Husbands and wives: the dynamics of married living*. New York: Free Press.
- Böcker, F., & Hubel, W. (1986). Kaufentscheidungsverhalten von Familien bei Gebrauchsgütern. *Planung und Analyse*, 13, 434–440.
- Bonfield, E. H. (1978). Perception of marital roles in decision process: Replication and extension. *Advances in consumer research*, 5, 300–307.
- Brandstätter, H., & Wagner, W. (1994). Erwerbstätigkeit der Frau und Alltagsbefinden von Ehepartnern im Zeitverlauf. *Zeitschrift für Sozialpsychologie*, 126–146.
- Bühl, A., & Zöfel, P. (1996). *Professionelle Datenanalyse mit SPSS für Windows*. Bonn: Addison-Wesley.
- Burgoyne, C. B., & Lewis, A. (1994). Distributive justice in marriage: Equality or equity? *Journal of Community and Applied Social Psychology*, 4, 101–114.
- Corfman, K. P., & Lehmann, D. R. (1987). Models of cooperative group decision-making and relative influence: An experimental investigation of family purchase decisions. *Journal of Consumer Research*, 14, 1–13.
- Davis, H. L., & Rigaux, B. P. (1974). Perception of marital roles in decision processes. *Journal of Consumer Research*, 1, 51–62.
- Engel, J. F., Blackwell, R. D., & Miniard, P. W. (1995). *Consumer behavior* (8th ed.). Forth Worth, TX: Dryden.
- Groenland, E. A. G., Bloem, J. G., & Kuylen, A. A. A. (1996). Prototypicality and structure of the saving concept for consumers. *Journal of Economic Psychology*, 17, 691–708.
- Hassebrauck, M. (1991). ZIP – Ein Instrument zur Erfassung der Zufriedenheit in Paarbeziehungen. *Zeitschrift für Sozialpsychologie*, 22, 256–259.
- Hochguertler, S. (1997). Precautionary motives and portfolio decisions. VSB-CentER Savings Project, progress report, 48.
- Kirchler, E. (1989). *Kaufentscheidungen im privaten Haushalt*. Göttingen: Hogrefe.
- Kirchler, E. (1993). Spouses' joint purchase decisions: Determinants of influence tactics for muddling through the process. *Journal of Economic Psychology*, 14, 405–438.
- Kirchler, E. (1996). Zur Erfassung der Komplexität von ökonomischen Entscheidungen im privaten Haushalt und der Entscheidungsgeschichte. Paper presented at the 40. Congress of the "Deutsche Gesellschaft für Psychologie", Munich, Germany, 22–26 September.
- Losh-Hesselbart, S. (1987). Development of gender roles. In Y. B. Sussman, S. K. Steinmetz, *Handbook of marriage and the family* (S. 535–563). New York: Plenum Press.
- Mayer, H., & Boor, W. (1988). Familie und Konsumentenverhalten. *Jahrbuch der Absatz- und Verbrauchsforschung*, 34, 120–153.
- Pahl, J. (1995). His money, her money: Recent research on financial organisation in marriage. *Journal of Economic Psychology*, 16, 361–376.
- Park, J.-H., Tansuhaj, P. S., & Kolbe, R. H. (1991). The role of love, affection, and intimacy in family decision research. In R. H. Holman, M. R. Solomon, *Advances in consumer research*, 18 (pp. 651–656). Provo, UT: Association for Consumer Research.
- Peplau, L. A. (1983). Roles and gender. In H. H. Kelley, E. Berscheid, A. Christensen, J. H. Harvey, T. L. Huston, G. Levinger, E. McClintock, L. A. Peplau, D. R. Peterson, *Close relationships* (S. 220–264). New York: Freeman.

- Qualls, W. J. (1982). Changing sex roles: Its impact upon family decision making. *Advances in Consumer Research*, 9, 267–270.
- Rosen, D. L., & Granbois, D. H. (1983). Determinants of role structure in family financial management. *Journal of Consumer Research*, 10, 253–258.
- Ruhfus, R. (1976). *Kaufentscheidungen von Familien*. Wiesbaden: Gabler.
- Schaninger, C. H., & Buss, W. C. (1986). A longitudinal comparison of consumption and finance handling between happily married and divorced couples. *Journal of Marriage and the Family*, 48, 129–136.
- Schmölders, G. (1969). *Der Umgang mit Geld im privaten Haushalt*. Berlin: Duncker & Humblot.
- Socher, K. (1977). Sparen aus wirtschaftstheoretischer und wirtschaftspolitischer Sicht. *Dr. Stigleitner Schriftenreihe*, 17, 81–94.
- Wärneryd, K.-E. (1993). The will to save money. An essay on economic psychology. VSB-CentER Savings Project, progress report, 7.
- Wärneryd, K.-E. (1999). *The psychology of saving. A study on economic psychology*. Chetenham Glos: Edward Elgar.
- Webster, C. (1995). Determinants of marital power in decision making. In F. R. Kardes, M. Sujan, *Advances in consumer research*, 22 (pp. 717–722). Provo UT: Association for Consumer Research.
- Wiswede, G. (1994). *Psychologie im Wirtschaftsleben*. Stuttgart: Deutscher Sparkassenverlag.