



Exploring the Link Between Socio-Economic Determinants and the Financial Capabilities of the Aeta Community

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Abstract

The Aeta people, among the earliest indigenous communities in the Philippines, continue to experience economic difficulties despite their rich traditions and close ties to natural resources. This study explores how socioeconomic characteristics specifically age, gender, educational background, income level, and employment status affect the financial capabilities of the Aeta population in Mabalacat City. Utilizing a descriptive correlational approach, data were gathered from residents of Calumpang, Macapagal Village, and Marcos Village and analyzed through frequency distributions, weighted means, and Chi-square tests of independence. Findings showed that age, education, income, and employment significantly shaped financial behavior, attitudes, knowledge, and skills. While participants demonstrated positive financial attitudes and basic numeracy, shortcomings were observed in savings practices, expense monitoring, and engagement with formal financial systems. These outcomes highlight the importance of customized financial literacy initiatives, vocational training, and employment programs to improve financial well-being and promote sustainable socioeconomic progress within the Aeta community.

Keywords: Aetas, Indigenous Peoples, Socioeconomic Determinants, Financial Literacy, Financial Behavior, Economic Empowerment, Community Development.

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Introduction

The Aetas are among the earliest indigenous groups in the Philippines, traditionally reliant on forest-based livelihoods and rich in cultural heritage. Despite this deep-rooted identity, they continue to experience socioeconomic marginalization, particularly in terms of access to financial systems and economic opportunities. Financial capability, as defined by the World Bank (2018), refers to the combination of knowledge, behaviors, attitudes, and skills that enable individuals to make sound financial decisions. Yet, many Aetas remain excluded from formal financial structures due to limited literacy and access barriers. In the broader Philippine context, financial illiteracy persists as a significant challenge. Reports from the Bangko Sentral ng Pilipinas (BSP, 2022) indicate that only about one in four adults possess basic financial knowledge. Prior studies, such as those of Cabaguing and Villanueva (2022) and Dris et al. (2024), emphasize that targeted financial education can play a pivotal role in empowering marginalized communities. Guided by this perspective, the present study seeks to examine how demographic and socioeconomic characteristics shape the financial capabilities of the Aeta community in Mabalacat City, with the goal of informing strategies that promote both financial inclusion and community development.

Review of Related Literature

Demographic Factors

Demographic and socioeconomic characteristics play a crucial role in shaping individuals' financial literacy and overall financial behavior. Garg and Singh (2018) argued that variables such as age, gender, income, marital status, and education significantly influence financial knowledge, attitudes, and practices, highlighting the interconnectedness of these dimensions. Similarly, Dewi (2022) observed that women tend to be more effective in managing household finances—such as paying bills, monitoring debt, and saving—while maturity with age enhances decision-making capacity and the setting of financial goals. In addition, patterns of consumption expenditure were found to affect the development of financial skills.

In the Philippine context, financial literacy remains uneven across demographic groups. The Philippine Institute for Development Studies (PIDS, 2021) reported that education, income level, and family exposure to financial matters strongly determine financial behavior, while marginalized populations face unique barriers such as limited schooling and restricted access to financial services. Kadayo and Khan (2020) further demonstrated that education, financial asset ownership, and access to financial information contribute positively to financial literacy, whereas unemployment, job insecurity, and financial stress serve as obstacles. Interestingly, their findings indicated that while males often display higher financial knowledge, females exhibit stronger financial attitudes and behavior. Age was also influential: middle-aged individuals generally scored higher in financial knowledge, while younger and older groups showed stronger financial attitudes. Similar trends were noted in global studies. Yakoboski et al. (2019) revealed that men and adults possess higher levels of financial literacy overall, whereas Kim and Mountain (2019) reported no statistically significant differences in financial capability between genders. Complementing these findings, Banthia and Dey (2022) argued that low financial literacy restricts effective saving, investing, and budgeting behaviors, thereby increasing vulnerability to financial challenges. They emphasized the need for improved financial education programs tailored to diverse demographic groups.

Socioeconomic Factors

Socioeconomic background has a direct influence on financial literacy and practices, particularly within marginalized and indigenous communities. Malhotra (2024) observed that cultural beliefs play a critical role in shaping financial behavior, with many indigenous groups favoring traditional systems over modern financial mechanisms. Similarly, Jayasinghe et al. (2020) highlighted persistent challenges such as scarce resources, income inequality, and discrimination, which often restrict the economic participation of Indigenous peoples.

In the context of low-income households, Pecson et al. (2019) reported moderate levels of financial literacy, noting that higher income positively correlates with improved financial knowledge and values, while family size exerted only minimal influence. Marjolin et al. (2018) linked poor financial resilience to limited knowledge, restricted service access, and social isolation. They further noted that factors such as housing stability, education, and mental health strongly shaped resilience, while financial access and literacy were critical determinants of life satisfaction.

Within indigenous settings, Nawarathna and Rathwatta (2023) emphasized the strong association between financial practices and literacy, whereas Tahir et al. (2020) pointed out that financial attitudes often exert greater influence on behavior than knowledge alone. Together, these findings suggest that improving socioeconomic conditions and addressing attitudinal dimensions are essential for strengthening financial capability.

Financial Attitudes and Behaviors

Financial behavior is often shaped by attitudes, beliefs, and personal values. Wutun et al. (2023) asserted that financial attitudes rooted in individual perceptions and emotions strongly influence decision-making. Rahmawati and Marcella (2023) added that individuals with a strong locus of control tend to demonstrate

better financial management. Similarly, Rahman et al. (2021) found that financial stress, literacy, and behavior collectively predict financial well-being, especially among low-income populations.

Improving financial knowledge has also been linked to better outcomes. Wangi and Baskara (2021) stressed that enhancing financial knowledge, attitudes, and behaviors contributes to effective savings and investment management. Johan et al. (2021) discovered that while financial courses improved knowledge, attitudes and behaviors were more strongly shaped by work experience, academic background, and family discussions. Complementing this, Khoirunnisaa and Johan (2020) found that while knowledge levels were moderate, poor behavior and limited self-control weakened outcomes. However, positive attitudes and strong self-discipline supported healthier financial practices.

Several scholars have examined how financial priorities and intentions influence behavior. Castro-González et al. (2020) noted that attitudes reflect underlying financial priorities, while García et al. (2021) emphasized that financial intentions predict actual management practices. Furnham and Creevy (2022) further connected wealth accumulation with education, gender, and income, underscoring the role of financial attitudes and behaviors in building financial capability.

Other studies established direct relationships between literacy and outcomes. Chen and Li (2020) confirmed that higher literacy supports savings and investment, while Park and Kim (2019) observed that positive attitudes strongly predict saving and investing practices. Similarly, Smith and Johnson (2018) showed that financially literate individuals are more likely to prepare for retirement. Goyal and Kumar (2021) concluded that real financial capability is reflected not only in knowledge but in consistent behavior.

In the Philippine context, the Bangko Sentral ng Pilipinas (BSP) and Gonzalvo et al. (2019) highlighted the persistence of low financial literacy from childhood into adulthood, which continues to shape behavior. Morgan and Trinh (2020) noted that higher financial literacy promotes financial inclusion and savings, particularly among educated and wealthier populations.

Theoretical Framework

This study is grounded in two complementary theories. First, Kimberlé Crenshaw's Intersectionality Theory (1989) emphasizes the interconnected nature of social categories such as age, gender, class, and ethnicity, and how these overlapping identities shape lived experiences. In the case of the Aeta community, this framework allows for an understanding of how demographic characteristics—such as gender, age, and educational attainment—interact with structural barriers to influence financial capability. It provides a holistic lens for analyzing the layered challenges and opportunities faced by different subgroups within the community.

Second, Icek Ajzen's Theory of Planned Behavior (TPB) (1985) suggests that human behavior is largely determined by intentions, which are shaped by attitudes, subjective norms, and perceived behavioral control. Applied to this study, TPB explains how the Aeta community's financial attitudes, community-based norms, and perceived control over financial circumstances affect their financial literacy, skills, and decision-making. This theoretical framework supports a nuanced exploration of the psychological and social factors influencing financial behavior among the Aeta people in Mabalacat City.

Research Problems

This study aims to explore the socioeconomic factors influencing the financial capabilities of the Aeta Tribe to inform potential interventions that enhance financial literacy and well-being within the community. Specifically, the study seeks to:

1. What are the socio-economic factors of Aeta Community in terms of:
 - 1.1. Age
 - 1.2. Sex
 - 1.3. Educational attainment
 - 1.4. Income

- 1.5. Employment
2. How the financial capabilities can be described in terms of:
 - 2.1. Financial Behavior
 - 2.2. Financial Attitude
 - 2.3. Financial Literacy
 - 2.4. Financial Skills
3. Are there significant relationships of the Socio-Economic factors of the Aeta community, specifically Age, Sex, Educational Attainment, Income, and Employment on Financial Behavior, Financial Attitude, Financial Literacy, and Financial Skills.

6. Hypothesis of The Study

H₀: Socioeconomic variables, age, sex, educational attainment, income, and employment have no significant relationship with financial behavior, attitude, literacy, or skills.

H₁: Socioeconomic factors significantly relate to financial attitude.

H₂: Socioeconomic factors significantly relate to financial literacy.

H₃: Socioeconomic factors significantly relate to financial skills.

H₄: Socioeconomic factors significantly relate to financial behavior.

Methodology

Research Design

The study employed a quantitative approach to investigate the correlation between socioeconomic variables and Aetas's financial capabilities. Specifically, the researcher employed a descriptive-correlational research design. In contrast to some experimental research designs, in these design types, the researcher did not manipulate the primary area of interest under investigation. Descriptive research designs are used to answer the question, "What is x?" Correlational research designs are used to answer the question, "How are things related?" (Peter et al., 2023). This design was ideal for comprehending the relationship between socioeconomic factors and financial capabilities among the Aetas because it could be used to examine relationships between variables without manipulating them.

Research Locale

The research was conducted in three selected barangays in Mabalacat City: Calumpang, Macapagal Village, and Marcos Village, which had a significant population of Aetas, an indigenous group, making them ideal locations for the study. Various areas within these barangays were chosen to ensure a fair representation of the Aeta population, providing a relevant demographic for studying the socioeconomic factors affecting the financial capabilities of the Aeta community.

Key Informants

In the quantitative phase, the study utilized a stratified sampling technique to ensure accurate representation and enhance the reliability of findings. Respondents were selected based on two criteria: (1) being part of the Aeta community, and (2) residing in one of the three barangays in Mabalacat City with the largest Aeta populations. Based on municipal data, a total Aeta population of 2,158 was identified. Using the Raosoft calculator, an overall sample size of 327 was determined to achieve adequate statistical power.

To ensure proportional representation, the researchers applied the stratum sample formula to calculate the sample size for each barangay. This approach guaranteed that each barangay was fairly represented based on its population size. The stratified method ensured precision and reliability in the study's findings, aligning with established sampling principles (Iliyasu & Etikan, 2021). Sampling remains a vital aspect of research, as it directly influences the validity of the study's outcomes (Singh, 2018).

The study adopted a quantitative, descriptive-correlational research design to analyze the relationship between socioeconomic variables and the financial capabilities of the Aeta community. It was conducted in three barangays of Mabalacat City—Calumpang, Macapagal Village, and Marcos Village where the Aetas

are predominantly located. Using a stratified sampling technique, 327 respondents were selected proportionally from the total Aeta population of 2,158 to ensure representativeness. Data were collected through a researcher-made survey questionnaire, divided into two parts: demographic and socioeconomic information, and financial capability measures across behavior, attitude, literacy, and skills. The instrument utilized a four-point Likert scale and achieved a Cronbach's Alpha reliability score of 0.883, indicating good internal consistency.

For analysis, the study employed frequency and percentage distributions to describe demographic characteristics, as well as weighted means to measure financial capabilities. A Chi-square test of independence was applied to examine associations between socioeconomic factors and financial outcomes, while the Likert scale was interpreted using standardized ranges. Prior to data collection, permissions were obtained from local authorities and the National Commission on Indigenous Peoples (NCIP). Ethical considerations were strictly observed, ensuring informed consent, voluntary participation, confidentiality, and compliance with the Data Privacy Act of 2012 and the Cybercrime Prevention Act of 2012.

Presentation, Analysis, And Interpretation of Data

This chapter presents the collected data, the results of the statistical analyses conducted, and the interpretation of the findings.

Socio-Economic Factors of Aeta Community in Terms of Age

Table 4.1 shows the socio-economic factors of the Aeta community in terms of age. The largest age groups are 21–30 and 31–40, each with 95 respondents, making up 29% of the population. The 15–20 age group follows with 72 respondents, accounting for 22% of the population. The 41–50 age group includes 34 respondents, accounting for 10%, while the 51–60 age group has 24 respondents, representing 7%. Lastly, the 61–70 age group has the fewest respondents, with 7 individuals, making up 2% of the population.

Socio-Economic Factors of Aeta Community in Terms of Sex

Table 4.2 presents the socio-economic factors of the Aeta community in terms of sex. The data show that the male population is slightly higher, with 167 respondents, accounting for 51% of the total population. The female population follows closely, with 160 respondents, representing 49% of the total.

Socio-Economic Factors of Aeta Community in Terms of Educational Attainment

Table 4.3 presents the socio-economic factors of the Aeta community in terms of educational attainment. The largest group consists of Elementary Noncompleters, comprising 144 respondents, accounting for 44% of the population. This is followed by No Formal Education, with 60 respondents representing 18% of the population, and High School Non-completers, with 54 respondents, making up 17% of the population. Elementary Graduated individuals account for 11% of the population, with 36 respondents. Meanwhile, High School Graduated individuals constitute 5% of the population, with 17 respondents, and Vocational/Technical Training accounts for 4% of the population, with 13 respondents. College Non-completers represent 1% of the population, with 3 respondents, while there are no College Graduated individuals among the respondents.

Socio-Economic Factors of Aeta Community in Terms of Income

Table 4.4 presents the socio-economic factors of the Aeta community in terms of income. The largest group consists of respondents earning between ₱1,001 and ₱5,000, with 90 individuals, representing 28% of the population. This is followed by those earning between ₱5,001 and ₱10,000, with 82 respondents, accounting for 25% of the population. Respondents earning less than ₱500 comprise 68 individuals, representing 21% of the population. Those earning between ₱10,001 and ₱20,000 make up 16% of the population, with 51 respondents. Lastly, those earning between ₱501 and ₱1,000 represent 11% of the population, with 36 respondents.

Socio-Economic Factors of Aeta Community in Terms of Employment Status

Table 4.5 presents the socio-economic factors of the Aeta community in terms of employment status. The largest group consists of self-employed individuals, with 78 respondents, representing 24% of the population. This is followed by fulltime employees, with 73 respondents, accounting for 22% of the population. Unemployed individuals and part-time employees both account for 20% of the population, with 65 and 64 respondents, respectively. Seasonal workers represent 14% of the population, with 45 respondents, while retired individuals make up the smallest group, comprising 1% of the population with 2 respondents.

2. How the financial capabilities can be described in terms of:

2.1. Financial Behavior

2.2. Financial Attitude

2.3. Financial Literacy

2.4. Financial Skills

Financial Capabilities of the Aeta Community Can Be Described in Terms of Financial Behavior

Table 5.1 presents the financial capabilities of the Aeta community in terms of financial behavior. The statement "I regularly save a portion of my income" has a weighted mean of 1.98, indicating that most respondents do not save regularly. This low score suggests that saving is uncommon, likely due to limited disposable income, which forces individuals to prioritize immediate needs over long-term savings. According to Pazarbasioglu et al. (2020), low-income households often face challenges in establishing saving habits due to the necessity of using available resources for daily survival. For the statement "I keep track of my spending," the mean score is 2.17, reflecting that many respondents do not actively monitor their expenses. This may result from insufficient financial literacy, as people who lack knowledge about budgeting may not see the value in tracking their spending.

The statement 'I pay my bills on time' received a mean of 1.88, indicating challenges in making timely payments. This difficulty may stem from irregular income sources, leading to cash flow issues that prevent consistent bill payments. However, the higher mean score of 2.68 for 'I avoid borrowing money unless it is necessary' indicates that respondents tend to be cautious about taking on debt, reflecting an understanding of the potential risks associated with borrowing.

Lastly, with a mean score of 2.69 for 'I compare prices before buying expensive things,' respondents demonstrate a practical approach to spending. This indicates that they actively seek value before making significant purchases, which is essential for financial management in a resource constrained environment. The ability to compare prices and make informed purchasing decisions is crucial for maintaining financial stability. The study by Johan et al. (2021) suggests that financial education can promote careful spending behaviors, such as price comparison, especially in resource-limited communities. The Aeta's agreement with this behavior may be a sign of practical money management, an essential skill for maximizing value, particularly among economically disadvantaged groups, emphasizing its importance in the Aeta community's financial behavior (Ubaldo et al., 2019).

Financial Capabilities of the Aeta Community Can Be Described in Terms of Financial Attitude

Table 5.2 presents the financial capabilities of the Aeta community in terms of financial attitude. The statement "I believe it is important to save money for future needs" has a high weighted mean of 3.14, indicating that respondents generally recognize the importance of saving. This awareness suggests that while regular saving may be difficult, there is an understanding of its significance for financial security. According to Miller and McCarten (2020), individuals who understand the importance of saving are more likely to engage in positive financial behaviors, even in low-income environments. The mean score of 3.00 for "I believe that managing money can improve my quality of life" reflects a positive attitude toward financial management.

The mean score of 2.52 for 'I feel it is important to track how much money I have' indicates that while respondents acknowledge the necessity of financial awareness, they may not consistently practice it. Lastly, a mean of 2.87 for 'I think borrowing money should be avoided if possible' reinforces their cautious approach to debt, suggesting a clear understanding of the implications that borrowing can have on their financial situation. Marjolin et al. (2018) found that marginalized communities tend to avoid debt, mirroring the Aeta community's cautious approach to borrowing. However, the lower mean of 2.09 for 'I am comfortable taking financial risks for potential gains' reveals a general discomfort with financial risk-taking. This conservative attitude may result from economic vulnerability, where the potential for loss outweighs the perceived benefits of taking risks. This risk aversion is common among marginalized populations, as highlighted by Goenadi et al. (2022), who found that individuals from low-income backgrounds often prioritize financial stability and security over potentially lucrative but uncertain investments.

Financial Capabilities of the Aeta Community Can Be Described in Terms of Financial Literacy

Table 5.3 presents the financial capabilities of the Aeta community in terms of financial literacy. The results show that the statement, "I know how to count money and make change," had the highest weighted mean of 3.06, indicating that respondents generally agreed with the statement. These findings demonstrate that the Aeta community possesses a basic level of financial literacy necessary for everyday transactions. According to Skagerlund et al. (2018), a key motivation for achieving financial literacy is the capacity to comprehend numerical information and maintain a positive attitude toward numbers, which supports individuals' engagement in mathematical and financial decision-making.

Similarly, the Aeta community demonstrates a moderate understanding of financial concepts beyond basic numeracy. The statement 'I know the difference between needs and wants' received a weighted mean of 2.74, indicating that respondents generally agree and can differentiate between essential and non-essential expenses, which is crucial for effective financial decision-making. Additionally, the statement 'I know the benefits and risks of borrowing money' received a weighted mean of 2.54, indicating that respondents generally agree and have some level of understanding of borrowing and its implications.

On the other hand, the statement 'I am familiar with different types of financial products (savings accounts and loans)' received the lowest weighted mean of 2.03, indicating disagreement among respondents. This shows that the Aeta community lacks familiarity with more complex financial products, such as savings accounts and loans, highlighting a gap in their exposure to formal financial systems. This is a common challenge among indigenous communities, where access to financial institutions is often limited by geographic isolation, socio-economic barriers, or a lack of financial education programs. Supporting this, Pazarbasioglu et al. (2020) found that 65% of adults in the world's poorest economies lack access to even the most basic transaction accounts, which would allow them to send and receive payments more safely and easily, much less the savings, insurance, and credit services that would help them expand their businesses, mitigate risks, and plan for their futures.

Likewise, respondents disagreed with the statement 'I know how to create a simple budget,' which received a weighted mean of 2.31. This indicates a lack of proficiency in basic budgeting skills, suggesting that while the Aeta community may be able to prioritize financial needs, they face challenges in systematically organizing their finances.

Financial Capabilities of the Aeta Community Can Be Described in Terms of Financial Skills

Table 5.4 presents the financial capabilities of the Aeta community in terms of financial skills. The results show that the statement 'I can easily calculate the total cost of items I'm buying' received the highest weighted mean of 2.66, indicating general agreement among the respondents. This demonstrates that the Aeta community possesses a relatively strong ability to perform basic arithmetic in financial contexts, particularly when calculating the total cost of goods. This skill is essential for day-to-day financial transactions and reflects a fundamental level of numeracy that aligns with basic financial literacy. According to Goenadi et

al. (2022), financial literacy is related to consumers' responsibility, which includes financial skills necessary for understanding contracts and being informed about the costs of products they purchase.

Similarly, the statement 'I know how to compare prices to get the best deal' had a weighted mean of 2.55, demonstrating agreement and suggesting that the community possesses a practical understanding of price comparison, which helps them make informed purchasing decisions. Additionally, the statement 'I am aware of the importance of budgeting my resources,' with a weighted mean of 2.51, shows agreement and indicates that respondents recognize the significance of budgeting, even though they may not consistently or effectively apply practical budgeting skills.

On the other hand, the statement 'I know how to use financial resources effectively (government programs and scholarships)' had the lowest weighted mean of 2.11, indicating general disagreement among respondents. This finding highlights a significant gap in the Aeta community's familiarity with advanced financial concepts, particularly regarding access to and utilization of government-provided financial resources like scholarships and programs. This may stem from limited exposure to these resources or a lack of education on how to access and use them effectively. Supporting this finding, the Indigenous Financial Resilience Research (2018) reported that Indigenous people were ten times more likely to experience very low levels of access to, and use of, financial products and services.

Likewise, the respondents disagreed with the statement 'I know how to keep track of what I earn and spend,' which had a weighted mean of 2.24. This indicates that the Aeta community faces challenges in monitoring their income and expenses.

3. Are there significant relationships of the SocioEconomic factors of Aeta community, specifically Age, Sex, Educational Attainment, Income, and Employment on Financial Behavior, Financial Attitude, Financial Literacy, and Financial Skills.

Significant Relationships of the Socioeconomic Factors of Aeta Community on Financial Capabilities

Table 6 presents the significant relationships between the socioeconomic factors and the financial capabilities of the Aeta community. For Financial Behavior, significant relationships were observed with age ($p=0.044 < 0.05$), educational attainment ($p=0.000 < 0.05$), income ($p=0.013 < 0.05$), and employment ($p=0.083 < 0.05$). These p-values are below the 0.05 level of significance, indicating that these socioeconomic factors significantly influence financial behavior in the Aeta community, resulting in the rejection of the null hypothesis for these variables. However, no significant relationship was found between sex ($p=0.621 > 0.05$) and financial behavior, as its p-value exceeds the 0.05 threshold, leading to the acceptance of the null hypothesis for this factor.

Similarly, Financial Attitude showed significant relationships with educational attainment ($p=0.042 < 0.05$), income ($p=0.023 < 0.05$), and employment ($p=0.000 < 0.05$), resulting in the rejection of the null hypothesis for these factors. This indicates that educational level, income, and employment status significantly influence financial attitudes. In contrast, age ($p=0.552 > 0.05$) and sex ($p=0.229 > 0.05$) did not show significant relationships with financial attitude, as their p-values exceed the 0.05 threshold, leading to the acceptance of the null hypothesis for these factors.

For Financial Literacy, significant relationships were observed with age ($p=0.022 < 0.05$), educational attainment ($p=0.000 < 0.05$), income ($p=0.000 < 0.05$), and employment ($p=0.026 < 0.05$). Since these p-values are below the 0.05 level of significance, the null hypothesis for these factors was rejected, indicating that age, educational attainment, income, and employment are significantly related to financial literacy among the Aeta community. However, sex ($p=0.256 > 0.05$) did not show a significant relationship with financial literacy, leading to the acceptance of the null hypothesis for this factor.

In terms of Financial Skills, income ($p=0.040 < 0.05$) and employment ($p=0.002 < 0.05$) demonstrated significant relationships, resulting in the rejection of the null hypothesis for these factors. This indicates that income level and employment status influence the financial skills of the Aeta community. Conversely, age

($p=0.645 > 0.05$), sex ($p=0.315 > 0.05$), and educational attainment ($p=0.236 > 0.05$) did not show significant relationships with financial skills, as their p values exceeded the 0.05 level of significance, leading to an acceptance of the null hypothesis for these variables.

Summary of Findings

1. Socio-Economic Factors of the Aeta Community

The majority of the Aeta respondents are aged 21–30 and 31–40, followed by those aged 15–20. The smallest group is aged 61–70. Most of the respondents are male, with females making up a slightly smaller portion. In terms of education, most are elementary non-completers, followed by those with no formal education. A smaller number are college non-completers. In terms of income, the majority earn ₱1,001– ₱5,000 per month, while some earn only ₱501–₱1,000. Most are self-employed, followed by full-time workers, part-time workers, unemployed individuals, seasonal workers, and a few retired individuals.

2. Financial Capabilities of the Aeta Community

Financial Behavior

The Aeta community shows limited saving habits, with most not regularly saving or tracking expenses, likely due to low and irregular income. Many also experience delays in paying bills. However, they are cautious about borrowing, only doing so when necessary. They also tend to compare prices before buying expensive items, showing practical spending habits.

Financial Attitude

Respondents generally have a positive attitude toward saving and money management. They believe in saving for future needs and see money management as a way to improve their quality of life. They also avoid borrowing when possible. Most think it's important to track their money, although this does not always result in consistent action. A high level of risk aversion was also observed, which is common among communities with limited financial stability.

Financial Literacy

The community has basic financial knowledge, such as counting money and distinguishing between needs and wants. They also understand the risks and benefits of borrowing. However, they lack familiarity with financial products and budgeting, likely due to limited access to financial education and institutions.

Financial Skills

The Aeta respondents demonstrate basic financial skills, such as calculating total costs and comparing prices. They also recognize the value of budgeting. However, they face challenges in using formal financial resources like government programs or scholarships and have difficulty consistently tracking their earnings and expenses.

3. Relationship Between Socio-Economic Factors and Financial Capabilities

Financial Behavior

Significant relationships were found between financial behavior and the factors of age, education, income, and employment. No significant relationship was observed between financial behavior and sex.

Financial Attitude

Educational attainment, income, and employment all showed significant relationships with financial attitude. However, age and sex had no significant relationship with financial attitude.

Financial Literacy

Age, educational attainment, income, and employment were all significantly related to financial literacy. No significant relationship was found between financial literacy and sex.

Financial Skills

Only income and employment had significant relationships with financial skills. No significant relationships were found with age, sex, or educational attainment.

Conclusion

1. The study reveals that the Aeta community experiences low levels of formal education, limited income, and predominantly self-employed or underemployed work. These conditions significantly influence their financial behavior, attitudes, and literacy. The lack of college graduates and the prevalence of low-income levels reflect persistent economic and educational challenges.
2. In terms of financial behavior, the community exhibits limited saving habits, with most respondents prioritizing immediate needs. While price comparison is commonly practiced, many encounter difficulties in consistently tracking expenses and paying bills on time due to irregular income.
3. Despite these limitations, the community maintains a generally positive attitude toward saving and financial management. However, there is a clear reluctance to take financial risks, suggesting a preference for stability in light of their economic circumstances.
4. Financial literacy is evident through basic numerical skills used in daily transactions. However, limited familiarity with formal financial products and services may hinder their ability to engage fully with the financial system.
5. The presence of some financial skills, such as price comparison, indicates a foundational understanding; however, significant gaps remain in areas like budgeting and awareness of government programs and scholarships. These issues highlight the importance of implementing targeted financial education initiatives suited to the community's specific context.
6. The study also finds that age, educational attainment, income, and employment status significantly influence financial capabilities, while sex does not have a notable effect. Financial literacy efforts should therefore prioritize the most influential socio-economic factors to improve the community's financial outcomes.

Recommendations

To support the improvement of the Aeta community's financial capabilities, the following actions are recommended:

1. For Local Government Units (LGUs):

LGUs are encouraged to partner with local businesses to create job opportunities that match the skills and culture of the Aeta community. These should be sustainable and respectful of their way of life. Involving Aeta representatives in planning will help ensure the relevance of these jobs.

2. For Educational Institutions:

Colleges like Mabalacat City College may consider offering short courses or training sessions focused on practical skills such as entrepreneurship or money management. These programs can be developed in collaboration with student organizations and aligned with the interests of the community.

3. For NGOs: Non-governmental organizations can help by designing programs that focus on sustainable practices like resource management or conservation that also provide income opportunities. These initiatives can build long-term economic stability while promoting community participation.

4. For Future Researchers: Future studies could cover more areas and assess the longterm effects of financial literacy programs. Involving community members in research planning can lead to more accurate and meaningful findings, especially when working with marginalized groups.

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