

The Influence of Financial Literacy and Financial Technology on the Financial Behavior of Students of the Management Study Program, Raden Rahmat Islamic University, Malang

Ahmad Feri Dian Sandi¹, Yenie Eva Damayanti²✉

^{1,2}Raden Rahmat Islamic University, Malang, Indonesia

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ABSTRACT: The Influence of Financial Literacy and Financial Technology on the Financial Behavior of Management Study Program Students, Raden Rahmat Islamic University of Malang.

This study aims to examine the influence of financial literacy and financial technology on students' financial behavior. This study is a quantitative study with data collection techniques using questionnaires. The sample used was 168 active students of the Management study program at Raden Rahmat Islamic University. The analysis technique used was multiple linear regression analysis which was used to determine the effect of independent variables on dependent variables. Data analysis includes normality test, heteroscedasticity test, multicollinearity test, multiple regression analysis, t test, f test and determinant coefficient test (R²). The results of the study showed that financial literacy and financial technology had a positive and significant effect on the financial behavior of students of the Management study program at Raden Rahmat Islamic University Malang.

Keywords: financial literacy, financial technology and financial behavior

I. INTRODUCTION

In today's era of globalization, we see many changes in behavior, especially in terms of finance. This phenomenon has a significant impact, especially for the younger generation, including students. This generation tends to be influenced by the flow of globalization, vulnerable to the influence of business actors who target them as consumers. They are susceptible to being tempted by new products and well-known brands, especially

students who are often a promising target market. Especially for students who actively follow trends, supported by consumerism and technological advances, making it easier for them to spend money, not only for daily needs, but also to fulfill their desires. Unfortunately, many young people today are experiencing financial losses due to a lack of understanding of financial literacy.

Financial behavior of students is often influenced by various factors, including financial literacy. Financial literacy is very important so that individuals can avoid financial problems. This is often caused by trade-offs, where individuals must choose between one interest at the expense of another. The trade-off problem arises because of the limitations of an individual's financial ability to fulfill all their desires (Laily, 2016). This means that each individual must be able to choose and control themselves in making purchases according to the decisions that have been taken.

The importance of financial literacy among students is reinforced by the fact that good financial literacy can help reduce the risk of financial problems such as excessive debt, inability to manage a budget, or unwise investment decisions. According to the Financial Services Authority Regulation (POJK) Number 76/POJK/07/2016, financial literacy is defined as knowledge, skills, and beliefs that influence a person's attitude and behavior in improving the quality of decision-making and financial management in order to achieve prosperity.

Financial technology according to the Financial Stability Board (FSB) is a technological innovation that can produce new business models, applications, processes, and products with material

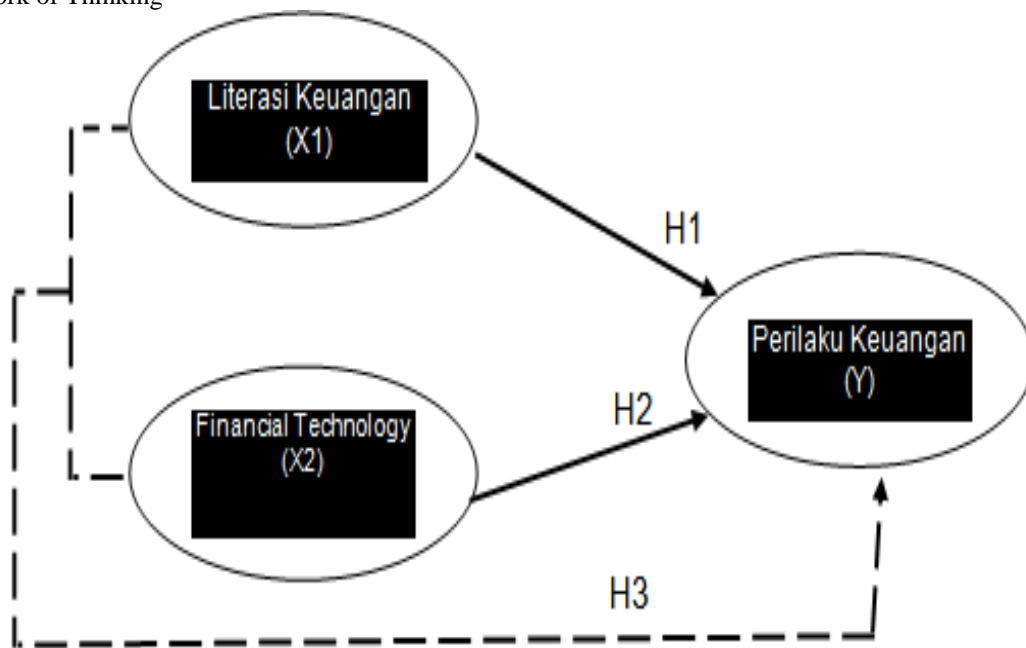
effects related to the provision of financial services (Rahadiyan, 2022). The types of payment, clearing, and settlement are fintech products built by a number of financial startups to provide payment gateways or e-wallets.

Students as the next generation of the nation are expected to have high financial literacy. Good financial literacy will shape students' financial intelligence. With high financial intelligence, students are able to manage their finances well amidst the influence of a hedonistic lifestyle. Financial intelligence in the long term will result in students having wise financial behavior in consuming appropriately and correctly and not being easily influenced by product offerings that tend to position the younger generation as a marketing segmentation. Thus,

students will develop into a generation that is able to control finances well and correctly, which in general will have an impact on the mentality of creating a future generation that is anti-corruption.

From the various conditions above, this study aims to determine the effect of financial literacy and the use of fintech on students' financial behavior. Knowing how these two factors are interrelated and impact students' financial decisions can help in the development of more effective financial literacy programs, as well as provide insight to students and financial service providers on how to optimize the use of financial technology and stay in balance with financial health. Based on the description above, the conceptual framework in this study is as follows:

Framework of Thinking



Source: Data processed, 2024

II. METHOD

This study is a study with a quantitative research method conducted at Raden Rahmat Islamic University of Malang located at Jl. Raya Mojosari No. 2, Dawuhan, Jatrejoyoso, Kec. Kapanjen, Malang Regency. The research will be conducted in January 2024 and completed in March 2024. The sample in the research amounted to 168 respondents from the 2020 to 2023 batch of management study program students.

Conceptual variables in this study are three variables: Independent Variables and Dependent Variables. Where the definition is as follows:

a) Financial Literacy (X1), According to Chen

and Volpe (1998) financial literacy is the ability to manage finances so that life can be more prosperous in the future. With 4 indicators following: General knowledge about finance, Savings and loans, Insurance, Investment.

b) Financial Technology (X2), According to Pribadiono (2016) Financial Technology (Fintech) is a combination of technology and financial features or can also be interpreted as innovation in the financial sector with a touch of modern technology. With 4 indicators follows: Increase transactions, Digital products, Get convenience and efficiency, Provide solutions to financial problems.

c) Financial Behavior (Y), According to Kholiah and Iramani (2013) Financial behavior is a person's ability to organize planning, budgeting, auditing, managing, controlling, searching for and storing daily financial funds. With 6 indicator as following: Pay bills , Make a budget, Record expenses , Emergency fund , Save , Compare store prices .

III. RESULTS AND DISCUSSION

The results of the discussion obtained from the data analysis carried out with the title "The Influence of Financial Literacy and Financial Technology on the Financial Behavior of Students of Raden Rahmat Islamic University of Malang". The results of the data research which has been obtained from the test using SPSS. The following is a discussion from every hypothesis which has tested in this research:

t-test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero order	Partial	Part	Tolerance	VIF
1	(Constant)	3,700	1,504		2,461	.015					
	Financial Literacy	.468	.053	.609	8,800	.000	.712	.565	.473	.605	1,654
	Financial Technology	.190	.080	.163	2,361	.019	.546	.181	.127	.605	1,654

a. Dependent Variable: Financial Behavior

Data source Primary processed with SPSS

F Test

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1396.043	2	698,021	90,268	.000 ^b
	Residual	1275.904	165	7,733		
	Total	2671.946	167			

a. Dependent Variable: Financial Behavior

b. Predictors: (Constant), Financial Technology, Financial Literacy

Data source Primary processed with SPSS

Coefficient of Determination Test

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson	
					R Square Change	F Change	df1	df2		
1	.723 ^a	.522	.517	2.78078	.522	90,268	2	165	.000	2,091

a. Predictors: (Constant), Financial Technology, Financial Literacy

b. Dependent Variable: Financial Behavior

Source: Data Primary processed with SPSS

Influence Literasi Finance (X1) on Financial Behavior (Y)

Hypothesis this aiming For test whether financial literacy influential significant to financial behavior. Based on the test results significance of multiple linear regression analysis, where the significance value of the financial literacy variable is 0.00 or < 0.05, which means that the financial

literacy variable has a significant influence on variable financial behavior. So can be concluded that Hypothesis 1 accepted.

The influence of financial literacy on financial behavior has a significant (positive) effect with a probability value of 0.000 lower than the significance level ($\alpha = 0.05$). The financial regression coefficient analysis is 0.468, which

means that for every 1% increase in financial literacy, financial management increases by 0.468%. Based on the t test, the calculated t is 8,800, which is greater than 0.67598 in the t table. This shows that H1 is accepted, because the calculated t is greater than the t table, which means that financial literacy affects financial behavior.

The results of this study are in line with those conducted by (Ciptani & Anggraeni 2023), (Sari, 2022), & (Solikhatusun 2022). resulting in financial literacy can influence students' financial behavior. It can be said that the better a person's financial literacy, the better the person is at managing their finances.

The Influence of Financial Technology(X2) on Financial Behavior(Y)

Hypothesis This aiming For test does financial technology have an effect ? significant to financial behavior.Based on resultstests significance of multiple linear regression analysis, where the significance value of the variable finance s 1 technology is 0.019 or less than 0.05 which means the variable financial technology has an influence **significant** to financial behavior variables. Then can concluded that Hypothes is 2 accepted.

The influence of financial technology on financial behavior with a probability value of 0.019 is smaller than the significance level ($\alpha = 0.05$) indicating the influence of financial technology on financial behavior. The results of the regression coefficient analysis of 0.190 mean that every 1% increase in financial technology, financial behavior will increase by 0.190%. Based on the results of the t test, the calculated t result was 2.361 which is greater than 0.67598 from the t table, this shows that H2 is accepted, meaning that financial technology has an influence on students' financial behavior.

This study is in line with research conducted by (Apriliani & Yudiaatmaja 2023), (Putri, Fontanella & Desi Handayani 2023) which showed that the ease of fintech services has a positive effect on students' financial behavior. So it can be said that the easier it is to use fintech, the more students' financial behavior in managing their finances will increase. The maximum ease of fintech will have an impact on increasing financial management behavior as well.

Influence Financial Literacy and Financial Technology (X1 & X2) to Financial Behavior (Y)

This hypothesis aims to test whether financial literacy and financial technology have an influence significant to financial behavior. It is known that the sig value for the influence of X1 and X2 on

Y is 0.015 <0.050 and the tcount value -2.461> ttable 0.67598. So it can be concluded that H3 is accepted, which means that there is an influence of X1 and X2 on Y. Based on the results of the significance test obtained, financial literacy and financial technology simultaneously have a significant (positive) effect on students' financial behavior. This shows that students are required to have good knowledge of financial literacy in order to be able to manage their finances. The use of financial technology provides convenience, comfort, and access to manage good finances.

This study is in line with Azaleo Pulo Tukan's research (2019) which states that financial literacy, fintech, and income simultaneously influence financial behavior. Financial literacy greatly helps students in dealing with good financial management. While financial technology can make it easier for students in the digitalization era. So financial literacy and financial technology are very important for students in implementing financial behavior in everyday life.

IV. CONCLUSION

From the results of research on the Influence of Financial Literacy and Financial Technology on the Financial Behavior of Students at Raden Rahmat Islamic University Malang ,there isa number of conclusion that is :

1. The influence of financial literacy has a significant influence on the financial behavior of Management Study Program Students at Raden Rahmat Islamic University, Malang .
2. Financial technology has a significant influence on the financial behavior of Management Study Program Students at Raden Rahmat Islamic University of Malang.
3. The influence of financial literacy and financial technology simultaneously has a significant influence on the financial behavior of Management Study Program Students at Raden Rahmat Islamic University of Malang.

V. SUGGESTION

The suggestions that can be taken from the results of this study are as follows:

1. For academics, it is hoped that they can provide learning to students about financial literacy and financial technology so that students can be better at managing money in the current era of technological advancement.
2. For further researchers, it is recommended to improve the quality of research in the future, especially on the influence of financial literacy and financial technology on students' financial behavior by adding research objects or

variables so that they can further strengthen the results of previous research.

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