The Influence of Financial Literature, Financial Technology, and Income on Financial Behavior

Amelia Apriyanti [1]; Rifka Ramadita [2]

[1] Ameliaapriyanti22@gmail.com, Manajemen S1, Economy and Business, Mercubuana University, Indonesia
[2] Rifkaramadita06@gmail.com, Manajemen S1, Economy and Business, Mercubuana University, Indonesia

Article Informatin:	Abstract
	The purpose of this study was to analyze the effect of Financial Literacy, Financial Technology, and Income on Financial Behavior. The population of this research is Management Students at Mercu Buana University located in West Jakarta. The sample was selected using the convenience sampling method as many as 48 respondents. The data processing technique uses structural equation modeling assisted by the SmartPLS program. 3.2.7. The results of this study indicate that Financial Literacy and Income have a positive and significant effect on Financial Behavior (Financial Behavior), while Financial Technology is negative and does not significantly affect Financial Behavior (Financial Behavior).

INTRODUCTION

Financial behavior is an issue or topic that is being hotly discussed by many people, especially at this time of the development of sophisticated technology. However, this irrational behavior can be interpreted that individuals cannot carry out financial planning and financial control properly. Good financial indicators can be seen from individual behavior in managing cash outflows and inflows, credit problems, savings and investments. A person only needs a short period of time for occasional consumption or doing impulsive shopping without allocating income for long-term needs (investment) which causes financial problems due to irresponsible financial behavior.

Organization for Economic Co-operation and Development (2016) defines financial literacy as and understanding of financial concepts and risks, the following skills, motivation, and confidence to apply this knowledge and understanding in order to make effective financial decisions, improve financial well-being (well-being). financial) individuals and society, and participate in the economic field.

Financial literacy is an important element of economics and finance, both for individuals and for the global economy. Widespread developments in financial markets have contributed to raising awareness about the level of financial literacy of the world community. Moreover, the recent financial crisis has shown that wrong financial decisions, often caused by a lack of financial literacy, can have tremendous negative consequences.

The survey results from the Financial Services Authority (OJK) noted that the financial literacy index reached 38.03 percent. That is, out of 100 people around 38 people have adequate knowledge, skills, and beliefs about financial products and services (well-literate). This means that the Indonesian people do not yet have sufficient knowledge on how to optimize the use of money for productive activities. The public also does not understand well the various financial

products and services offered by formal financial services institutions and are worried that they will be more attracted to consumerism, even other investments that are dangerous (bodong).

Students in the era of the educated young generation will have an influence in creating a more stable country's economy. Financial system stability is expected to be achieved efficiently and effectively so that it can withstand internal and external vulnerabilities. Therefore, all elements, including financial institutions, financial markets, financial infrastructure, as well as non-financial companies and every individual, especially millennials can interact with each other in funding and providing financing for a healthy economy.

The development of technology and information at this time is growing rapidly. Currently, there are quite a number of users of communication and information technology that have had an impact on changes in people's lifestyles, one of which is in terms of finance (finance). Technological developments that have had an impact on digitalization have been accepted by all sectors, especially in the financial sector. The emergence of digitalization has given birth to a technology that makes it easier for the public in terms of finance which is usually used by students or the public in making digital payment systems which are commonly referred to as financial technology or known as Fintech.

Reported from the news source sindo news Fintech in Indonesia in its development, especially during this pandemic, looks positive. Statistical data from the Financial Services Authority (OJK) states that the total disbursement to fintech grew 113.05% Rp128.7 trillion until the third quarter of 2020. In addition, the accumulation of loans also grew by 103.46% or also grew by 29.21 million. Thus, public interest in doing credit during the pandemic through fintech in 2021 will grow. It can be key that financial technology can greatly influence a person's financial behavior. Moreover, plus there are several fintechs that offer credit, it will make someone tend to make transactions digitally.

Millennial generation students like this have quite different preferences compared to the previous generation. With more varied fields of work and competencies, these young people, as reported by BigAlpha, have quite an astonishing income.The amount of income earned in the productive age may be very adequate if it is determined by considering people from the previous generation. The question is, where do these millennials get their money?

Lifestyle is the key. A survey shows that more than three-quarters of young people want to own the same clothes, cars and tech equipment as their friends. Socio-economy and lifestyle have a big role in showing their daily existence. Saving is done not to buy assets, but the preference is to fulfill a lifestyle, such as hanging out, drinking coffee, shopping, and luxury vacations. Meanwhile, there are still young people who do not do financial planning like the previous generation.

For each level of income or income, proper financial management and supported by good financial knowledge are expected to improve the status of social life. Regardless of the increase in a person's income level, without proper financial management, financial security will definitely be difficult to achieve. Low financial knowledge can lead to wrong financial planning.

Based on the research gap, there are factors that can influence financial management behavior, including financial literacy (Wagner, 2014). Financial literacy is an understanding related to knowledge and attitudes in matters relating to finance (Putri & Rahyuda, 2017). Wagner (2014) states that the optimal level of understanding of individuals related to finance can help individuals to carry out better financial management. This is supported by Sholeh (2019) showing the influence of the financial literacy variable. While Yap et al. (2016), Zahriyan (2016) stated that a person's low level of financial literacy will not affect his financial

behavior. Based on previous research using the same variables by Nyoman Trisna Herawati (2015, Pipit Rosita Andarsari, Mega Noerman Ningtyas (2019), Ahmad Humaidi1 Muhammad Khoirudin, Ainun Riska Adinda & Achmad Kautsar (2020) , Ari Susanti , Ismunawan, Pardi, Elia Ardyan (2017), Nurul Safura Azizah (2020), Delyana R. Pulungan (2017), Ari Susanti , Ismunawan, Pardi , Elia Ardyan (2017), states that financial literacy is significantly positive on financial behavior. Meanwhile, the research conducted by Nisa Ihlasul Amaiyah and Hadi Ismanto (2020), Alfrin Erman Sampoerno and Nadia Asandimitra (2021), explained that from the results of their research that financial literacy had no significant or insignificant effect. Stating that Financial Literacy is significantly positive on financial behavior. Meanwhile, the research conducted by Nisa Ihlasul Amaiyah and Hadi Ismanto (2020), Alfrin Erman Sampoerno and Nadia Asandimitra (2021), explained that from the results of their research that financial literacy had no significant or insignificant effect. Stating that Financial Literacy is significantly positive on financial behavior. Meanwhile, the research conducted by Nisa Ihlasul Amaiyah and Hadi Ismanto (2020), Alfrin Erman Sampoerno and Nadia Asandimitra (2021), explained that from the results of their research that financial literacy had no significant or insignificant effect.

The second factor that can influence financial behavior is financial technology (FINTECH). The Effect of Financial Technology on Financial Satisfaction Through Financial Behavior The variable use of financial technology on financial satisfaction through financial behavior shows insignificant results with a CR value of 1.395 (less than 1.96) and a significance level (p-value) of 0.163 (greater than 0.05). Thus, the use of financial technology has no effect on financial satisfaction through financial behavior as an intervening variable. Mercubuana students in DKI Jakarta can access account information at almost no cost and can behave comfortably in financial transactions using financial technology. This clearly affects the financial behavior of students. But not only positive financial behavior, but also negative financial behavior, one of which is consumption behavior. the use of financial technology makes it easier for everyone in online shopping transactions that are booming lately. Satisfaction with spending needs is met, but financial satisfaction with future availability of money makes everyone worry about their financial condition. The results of this study are in accordance with (Widiastuti & Wahyudi, 2021) who found that Financial Technology has no effect on financial behavior, meaning that existing Fintech promo applications (such as go-pay, ovo, and others) have no effect on financial behavior. However, in a previous study by Khoirudin et al (2020) obtained the results that Financial Technology had a significant effect on Financial Behavior. The results of this study are in accordance with (Widiastuti & Wahyudi, 2021) who found that Financial Technology has no effect on financial behavior, meaning that existing Fintech promo applications (such as go-pay, ovo, and others) have no effect on financial behavior. However, previous research by Khoirudin et al (2020) and Erlangga & Kresnawati (2020) found that Financial Technology had a significant effect on Financial Behavior. This means that existing fintech promo applications (such as go-pay, ovo, etc.) have no effect on financial behavior. However, previous research by Khoirudin et al (2020) and Erlangga & Kresnawati (2020) found that Financial Technology had a significant effect on Financial Behavior. This means that existing fintech promo applications (such as go-pay, ovo, etc.) have no effect on financial behavior. However, previous research by Khoirudin et al (2020) and Erlangga & Kresnawati (2020) found that Financial Technology had a significant effect on Financial Behavior.

Income is an individual's income that is earned through profits and has not been taxed, referred to as gross profit and the calculation is also adjusted by the individual to determine income (Ida & Dwinta, 2010). Purwidianti (2013) states that the higher a person's income level, the higher his financial responsibility for managing finances. This is supported by Fatimah & Susanti (2018) the influence of income variables on FMB. Meanwhile, Ida & Dwinta (2010) stated that the amount of a person's income does not affect financial management behavior. Previous research conducted by Wida Purwidianti and Rina Mudjiyanti (2016), Nisa Ihlasul Amaiyah and Hadi Ismanto (2020), Robin Alexander, Ary Satria Pamungkas (2018), Naila Al Kholilah Rr. Iramani (2013), Alfrin Erman Sampoerno and Nadia Asandimitra (2021), stated that income had a significant positive effect on financial behavior. Meanwhile, research conducted by Robin Alexander, Ary Satria Pamungkas (2018), Alfrin Erman Sampoerno and Nadia Asandimitra (2021), Tirani Rahma Brilianti (2019), Robin Alexander, Ary Satria Pamungkas (2019), explains that from the results of their research that income is not significant or insignificant effect.

LITERATURE REVIEW AND HYPOTHESES

Financial Literacy

A person's competence to manage finances is a skill and ability that is formed to utilize resources in an effort to achieve a goal. An inseparable dimension of financial literacy is one's financial knowledge (Huston, 2010). Several other opinions about the indicators that affect financial literacy are budgeting, savings, credit and investment (Remund, 2010) conclude that the four indicators that most influence financial literacy. Matters related to financial literacy are how to manage income, manage finances, investments, credit or credit and manage savings. Financial literacy does not only involve knowledge and ability to handle financial problems, but also non-cognitive attributes (PISA, 2012). Attitude is not important in financial literacy. Financial attitude is defined as a person's psychological related to personal financial problems (Gutter, 2008). Attitudes such as finance are open to information, assess the importance of managing finances, not impulsive in consumption, orientation to the future, and responsibility. Chen and Volpe (1998) define literacy
Finance as the ability to manage finances, according to Lusardi & Mitchell (2007) financial literacy can be interpreted as financial knowledge, with the aim of achieving prosperity. This can be interpreted to mean that preparations need to be made to face globalization (prepare yourself), and more specifically, globalization in the financial sector.

Financial Technology

Financial Technology (Fintech) is the result of a combination of financial services and technology that ultimately changes the business model from conventional to moderate, which first has to meet face-to-face and bring in a number, can now be done remotely. transactions by making payments that can be made in seconds (www.bi.go.id). According to Bank Indonesia regulations, fintech is a technology technology that produces new products, technology services, and models and can have an impact on monetary security, or the efficiency of financial systems, security, and payment systems (PBI, 2017: 3). The purpose of Financial Technology (Fintech) is for Bank Indonesia to regulate the application of financial technology to encourage innovation in finance by applying the principles of consumer protection and risk management

as well as prudence in order to maintain security, the financial sector, and the payment system. efficient, smooth, safe and reliable (PBI, 2017: 4).

Income

According to Barker (2010:154), "Income is an increase in equity, excluding contributions from equity participants, capital maintenance adjustments and other reserve changes." Meanwhile, according to Garman & Forgue (2000: 36-37), "Income or income is not only obtained from salary or wages but there are many types of income that individuals must also include in income such as bonuses and commissions, child support and allowances, public assistance, benefits, etc. social security, pensions and profit-sharing income, scholarships and grants, interest and dividends received (from savings accounts, investments, bonds, or loans to others), income from the sale of assets, and other income (gifts, tax money, rent, royalties). Based on some of the income, it can be said that income is an increase or increase in all distributive transactions received by an individual, a family or a household during a certain period. And transactions received are only obtained from salaries or wages but from bonuses & commissions, pensions, social security, child benefits, investment returns from interest and dividends received, income from asset sales and other income.

Financial Behavior

Financial behavior (financial behavior) can be defined as a person's behavior in matters relating to financial management in everyday life (Xiao, 2008; Risman et al., 2021)). In general, his behavior includes behavior related to income, expenses, credit, savings, and protection. Thus, financial behavior relates to the management of income and the use of that income to meet the needs of today's consumption and business for the future.

A person's financial management behavior can be seen from four things (Dew & Xiao, 2011), namely:

1. Consumption in the household is expenditure on various goods and services. Financial behavior can be seen from how individuals carry out daily consumption activities,
2. Cash flow management (cash flow management) is the main indicator of financial health which is a measure of the ability to pay all costs owned. Good cash flow management is an action that can balance between income and expenses. Cash flow management can be seen from whether in paying bills on time, paying attention to records or proof of payments, making financial budgets and future financial planning.
3. Savings and Investments (savings and investments) are part of income that is not consumed in a certain period. From this unused income, it is saved for future use in the event of an unforeseen event. Investment is an action in allocating or investing existing resources with the aim of getting benefits in the future and
4. Debt management (credit management) is a person's ability to take advantage of debt so as not to produce losses that will result in destruction, in other words debt can be used to increase.

HYPOTHESIS

Relationship between Financial Literacy and Financial Behavior

Mendes-da-silva (2016) in his research states that the term financial literacy has often been used as a synonym for financial education or financial knowledge. However, this construction is actually conceptually different because financial literacy has a deeper meaning than financial

education. Thus, using the two terms interchangeably to mean the same thing can lead to misunderstandings. Financial literacy has two dimensions, namely understanding which represents personal financial knowledge from financial education and use which refers to the management of personal financial knowledge. In this context, a person may have financial knowledge, but to be considered literate, they must have the ability and confidence to implement decisions.

Referring to OJK, there are four levels of financial literacy classification, namely: 1) well literate—more than 80%, have understanding and trust in financial service institutions and financial products and services, including products and features related to financial services, benefits and risks, and rights and obligations, as well as having skills in using financial products and services; 2) have sufficient literacy—60-80%, have understanding and trust in financial service institutions and financial products and services, including features related to financial products and services, benefits and risks, as well as rights and obligations; 3) lack of literacy—30%-60%, only have an understanding of financial service institutions, financial products and services; and 4) illiterate—less than 30%,

This study uses a financial literacy index based on DEFINIT-SEADI-OJK (2013) which refers to the research of Lusardi and Mitchell (2011). There are two indicators, namely basic financial literacy and advanced financial literacy. However, to match the research subjects, most of whom do not really understand the capital market, the indicators used are only basic financial literacy. This basic financial literacy consists of 11 questions which include:
1) Identity when opening an account; 2) Minimum deposit when opening an account; 3) Minimum balance in the account; 4) Savings guarantee; 5) Simple interest; 6) Compound interest; 7) Loan interest; 8) Discounts; 9) Inflation; 10) Temporary value for money; 11) The illusion of money.

This study uses dummy variables (1 and 0) if the respondent's answer is correct, it will be coded 1 and 0 if wrong.

Behavioral finance is associated with a person's responsibilities regarding the way they manage money. Effective financial management includes budgeting, assessing the importance of purchases and prioritizing needs and so on. The budgeting process is carried out to ensure that individuals can manage their financial obligations in a timely manner using the income they receive (Ida & Dwinta, 2010). This financial behavior variable was measured using 8 modified questions from the OECD-INFE (International Network on Financial Education), namely: 1) Be careful in buying goods; 2) Focus on using money; 3) Save; 4) Pay bills on time; 5) Ready to take the risk of an investment; 6) Make a budget; 7) Make a long-term financial plan; 8) Controlling expenses.

Empirical evidence shows that financial literacy has a positive effect on financial behavior. Individuals with the knowledge and ability to manage their finances well will demonstrate good financial behavior such as investing, saving, and using credit cards. An empirical study by Lusardi & Tufano (2015), and Rahman & Risman (2021). shows that people with low financial literacy are more likely to have problems with money.

H1: Financial literacy has a positive effect on financial behavior.

Relationship between Financial Technology and Financial Behavior

When linking financial technology with financial behavior, financial satisfaction can be categorized into two main: functions, namely technology that assists transactions and technology that assists planning. Transaction-based technologies include ATM cards, credit

cards, telephone & internet banking. ATM cards can be used to access bank accounts at electronic terminals without the hassle of looking for a local bank, especially when traveling. In general, many people use credit cards, mobile banking, and internet banking to compete in today's online purchase transactions. Credit cards create online transactions so the user usually has several transaction alerts linked to the smartphone to unify. You can also use official debit to set up automatic electronic payments for credit. Using financial technology, users can access account information almost at no cost and users can behave comfortably in financial trance actions (Lee & Lee, 2001).

New technologies derived from automation have achieved extraordinary financial results in behavioral finance. Thus, the use of financial technology can influence financial behavior. This is in line with research conducted by Bi, (2015), Hutabarat (2018), and Felicia (2018). New technologies derived from automation have achieved extraordinary financial results in behavioral finance. Thus, the use of financial technology can influence financial behavior. This is in line with research conducted by Bi, (2015), Hutabarat (2018), and Felicia (2018). New technologies derived from automation have achieved extraordinary financial results in behavioral finance. Thus, the use of financial technology can influence financial behavior. This is in line with research conducted by Bi, (2015), Hutabarat (2018), and Felicia (2018).

H2: Financial Technology has a positive effect on Financial Behavior

**Relationship between Income and Financial Behavior**

A person who has a lower income is less likely to save (Aizcorbe et al, 2003). In addition, there is a greater possibility that individuals with available sources of funds (income) will exhibit more responsible financial management behavior, considering that the available funds (income) provide an opportunity to act responsibly (Ida and Dwinta, 2010). Working with widely available resources will show more responsible financial management behavior, given that available funds provide an opportunity to act responsibly (Perry & Morris, 2005). Hilgert, Hogarth, and Beverly (2003) reported that according to the Survey of Consumer Finances in 2011,

In addition, Aizcorbe, Kennickell, and Moore (2003) found that families with low incomes tend to report saving behavior. Arifin (2017) finds that there is no influence of Income on Financial Behavior. Income has no relationship to financial behavior, which means that individual income, whether high or low, does not affect individual behavior. Individuals with high income levels are not always able to manage their expenses in a good way, which is caused by irresponsible financial behavior and tends to think short. Perry and Morris (2005) state that income has a positive relationship to financial behavior.

H3 : Income has a positive effect on financial behavior.

Based on the relationship between the variables above, the research model is as follows:

Figure 2. **Research Model**
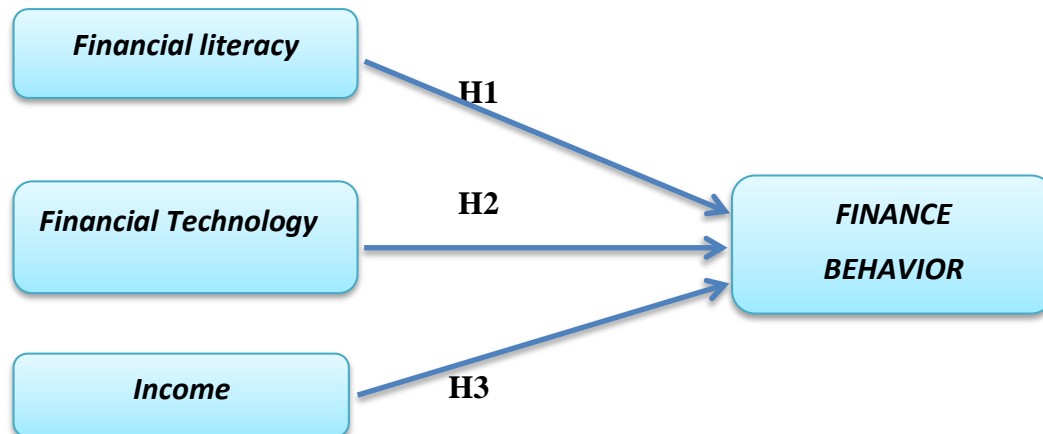
H1: Financial literacy has a positive effect on financial behavior.
H2: Financial Technology has a positive effect on Financial Behavior
H3 : Income has a positive effect on financial behavior.

METHODOLOGY

The design of this study is a descriptive study with a cross sectional design method with the population being all students at Mercu Buana University located in DKI Jakarta with a sample of 61 respondents. The sampling method in this study is a non-probability sampling method with a convenience sampling technique, which means that not all students in DKI Jakarta have the same opportunity to be selected as samples. The sample used in this study had predetermined criteria that this study selected 48 respondents who fit the criteria. The criteria are Management Students at Mercu Buana University located in Jakarta. Based on the data that has been collected, it is known that as many as 41 people (67.2%) are female and the remaining 20 people (32, 8%) are male. A total of 12 people (20%) aged 18-20 years, 47 people (78.3%) aged 21-30 years, and the remaining 1 person (1.7%) aged 31-40 years.

The respondents in this study were the majority of students majoring in Management as many as 48 people (78.4%), the rest were students majoring in Accounting as many as 13 people (21.3%). Several instruments were adapted from previous research to measure research variables as shown in Table 1 using a five-point Likert Scale with 1 indicating "strongly disagree" and 5 indicating "strongly agree" for the variables of Financial Literacy, Financial Technology, Income and Financial Behavior. while Income is measured using the Nominal Scale as a dummy variable. This income variable is coded 1 for an income of IDR 500,000 – IDR. 1.000.000 code 2 Rp. 1,000,000 – 1,500,000, code 3 Rp.1,500,000 – Rp. 2,000,000 and code 4 > Rp. 2,500,000. The instrument has conducted a validity analysis with the results of convergent validity analysis, namely the loading factor value must be greater than 0.7 for confirmatory research and the loading factor value between 0.6 - 0.7 for exploratory research is still acceptable. However, for research in the early stages of developing a measurement scale, the loading factor value of 0.5 – 0.6 is still considered sufficient (Chin, 1998). and the AVE value of all variables is greater than 0.5 (Henseler et al., 2009). Then for the discriminant validity analysis, the cross loading value of each variable indicator is greater than the correlation between other variables and the Fornell-Larcker analysis shows the AVE square root value is greater than the correlation between other variables so that all instruments are declared valid (Hair et al., 2011). Meanwhile, the reliability analysis is based on the value of Cronbach's alpha

and composite reliability, each of which shows a value of more than 0.6 so that all indicators in the study are reliable (Hair et al, 2011). The level of significance used in this study is 5%.

Data collection in this study was carried out by distributing questionnaires manually and online using google-form and analysis using structure equation modeling (SEM) with the help of the SmartPLS 3.2.7 program.

Table 1. Variables of Measurement Data

Variable	Number of Indicators	scale	Source
Independent Variable			
1. Financial Literacy	*9*	*Likert*	*Perry & Morris (2005)*
2. Financial Technology	*8*	*Likert*	*Perry & Morris (2005)*
3. Income	*8*	*Likert*	*Perry & Morris (2005)*
Related Variables			
Financial Behavior	*8*	*Likert*	*Xiao & Dew (2011)*

1. **Validity test**
   a. *Convergent Validity*

Table 2. Analysis Results *Avarage Variance Extracted* (AVE)

Variable	Avarage Variance Extracted *(AVE)*
Financial Literacy	*0.338*
Financial Technology	*0.649*
Income	*0.423*
Financial Behavior	*0.555*

Based on Table 2, it can be seen that the AVE value contains variables that have a value below 0.5 and have an AVE value above 0.5, where there are 2 variables that meet the convergent validity criteria as measured by the AVE value. This shows that there are 2 variables that do not meet the AVE value and there are 2 variables that have met the convergent validity criteria.

Table 3. Results of Loading Factor

Indicator	Financial Behavior	Financial Literacy	Financial Technology	Income
LT1		0.531		
LT2		0.619		
LT3		0.53		
LT4		0.574		
LT5		0.628		
LT6		0.679		
LT7		0.605		
LT8		0.718		
LT9		0.690		
FT1			0.647	
FT2			0.776	
FT3			0.783	

INDIKATOR
Jurnal Ilmiah Manajemen & Bisnis
Scientific Journal of Management & Business

Vol. 6 No. 3, August 2022

p-ISSN: 2598-6783
e-ISSN: 2598-4888

FT4			*0.797*	
FT5			*0.802*	
FT6			*0.844*	
FT7			*0.861*	
FT8			*0.907*	
WW1				*0.700*
WW2				*0.500*
WW3				*0.784*
PD4				*0.746*
PD5				*0.744*
PD6				*0.556*
WW7				*0.555*
WW8				*0.551*
PK1	*0.764*			
PK2	*0.811*			
PK3	*0.719*			
PK4	*0.726*			
PK5	*0.757*			
PK6	*0.719*			
PK7	*0.788*			
PK8	*0.644*			

According to Henseler et al (2009) an indicator can be removed from the research model if the indicator has a loading factor value below 0.4 and the indicator is declared good if it has an outer loading value.

Figure 2. Convergent Validity Analysis Results
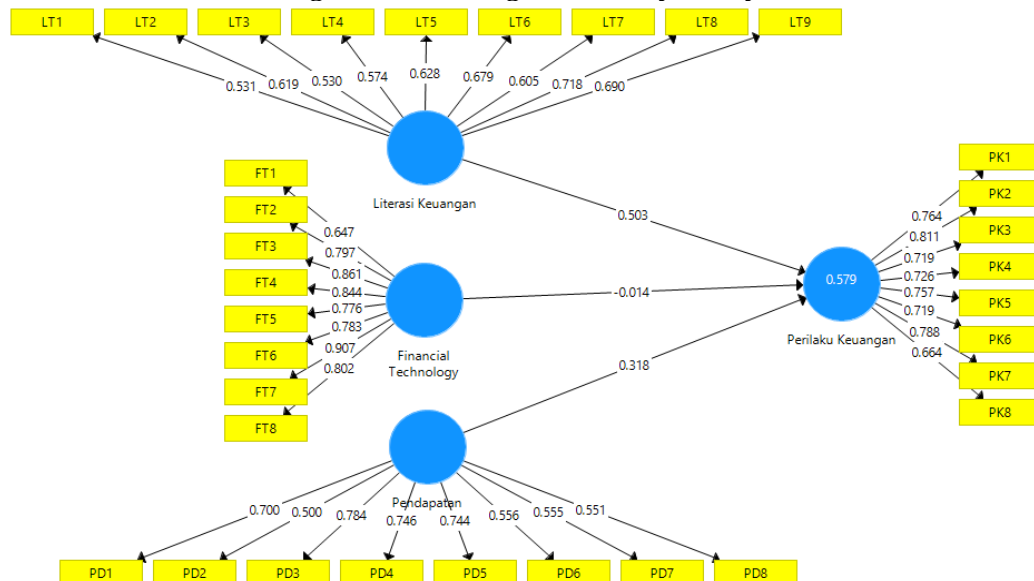
b. Discriminant Validity

Discriminant Validity *measured from the cross loading value of each indicator and the Fornell-Larcker criteria. The following table shows the results of the cross loading values of each indicator.*

Table 4. Results of Cross Loadings . Value

Indicator	Financial Behavior	Financial Literacy	Financial Technology	Income
LT1	0.389	0.531	0.409	0.601
LT2	0.280	0.619	0.421	0.377
LT3	0.378	0.530	0.437	0.463
LT4	0.375	0.574	0.389	0.318
LT5	0.320	0.628	0.442	0.449
LT6	0.590	0.679	0.551	0.436
LT7	0.407	0.605	0.228	0.456
LT8	0.557	0.718	0.540	0.487
LT9	0.393	0.690	0.425	0.521
FT1	0.375	0.367	0.647	0.418
FT2	0.401	0.497	0.797	0.452
FT3	0.376	0.512	0.861	0.446
FT4	0.363	0.458	0.844	0.363
FT5	0.376	0.604	0.766	0.565
FT6	0.432	0.689	0.783	0.553
FT7	0.569	0.649	0.907	0.548
FT8	0.341	0.480	0.802	0.462
WW1	0.393	0.439	0.421	0.700
WW2	0.210	0.383	0.460	0.500
WW3	0.735	0.693	0.390	0.784
PD4	0.471	0.512	0.305	0.746
PD5	0.356	0.497	0.341	0.744
PD6	0.394	0.294	0.337	0.556
WW7	0.336	0.524	0.595	0.555
WW8	0.383	0.438	0.415	0.551
PK1	0.764	0.495	0.329	0.464
PK2	0.811	0.568	0.462	0.520
PK3	0.719	0.534	0.232	0.442
PK4	0.726	0.539	0.200	0.435
PK5	0.757	0.478	0.417	0.436
PK6	0.719	0.570	0.329	0.663
PK7	0.788	0.596	0.464	0.600
PK8	0.664	0.552	0.607	0.469

Based on Table 4, it can be seen that the value of the loading factor of each indicator of each variable is greater than the value of the cross loadings of other variables. This shows that these indicators have met the criteria for discriminant validity as measured by the cross loading value. The following is Table 5 the results of the Fornell-Lercker value analysis of each variable.

Table 5. Results of Fornell-Lercker Analysis

Variable	Financial Behavior	Financial Literacy	Financial Technology	Income
Financial Behavior	*0.745*	*0.732*	*0.514*	*0.686*
Financial Literacy		*0.623*	*0.673*	
Financial Technology			*0.805*	
Income		*0.596*	*0.749*	*0.651*

Based on Table 4, it can be seen that the AVE square root value of each variable is greater than the correlation between variables so that it meets the Fornell-Larcker criteria. This shows that these variables meet discriminant validity.

2. Reliability Test

Reliability analysis was carried out by taking into account the Cronbach's Alpha and Composite Reliability values of the variables in the study which are shown in Table 6 below.

Table 6. Reliability Analysis Results

Variable	Cronbach's Alpha	Composite Reliability
Financial Behavior	*0.885*	*0.909*
Financial Literacy	*0.805*	*0.849*
Financial Technology	*0.921*	*0.936*
Income	*0.806*	*0.851*

Based on the results of the analysis shown in the table above, it can be concluded that all of Cronbach's Alpha and Composite Reliability each variable has a value of 0.6 (Hair et al, 2011), it can be concluded that the variables used in this study reliable.

3. Hypothesis Testing Results

The results of the data analysis can briefly be explained as shown in Table 7, as follows:

Table 7. Hypothesis Testing Results

	Variable	Coefficient	T-Statistics	p-values
H1	*Financial Literacy Behavior Finance*	*0.503*	*3.496*	*0.001*
H2	*Financial Technology -> Financial Behavior*	*-0.014*	*0.092*	*0.927*
H3	*Income -> Financial Behavior*	*0.318*	*2.052*	*0.041*

Based on Table 7 above, it can be concluded that the Financial Literacy variable has a positive and significant influence on Financial Behavior as evidenced by the t-statistics value

of 3.496 and the coefficient value of 0.503. Meanwhile, for the results of testing the second hypothesis, Financial Technology has a negative and insignificant effect on Financial Behavior with a t-statistics value of 0.092 and a Coefficient value of (-0.014); while income has a positive and significant influence on financial behavior with a t-statistics value of 2.052 and a coefficient of 0.318.

Discussion & Conclusion
1. The Effect of Financial Literacy on Financial Behavior

The results of this study indicate that Financial Literacy has a positive and significant effect on financial behavior, as shown in table 7 above where the t-statistic value is greater than 1.96 which means that H1 is not rejected. This positive influence indicates that the greater a person's financial literacy, the better a person's financial behavior will be. The results show that respondents have a high level of financial literacy because the respondents work as students, where students must have a literacy level and understand finance so that students will have the skills, motivation, and confidence to apply their knowledge and understanding in order to make financial decisions. effective way to improve financial well-being and participate in the economy.

The results of this study are in accordance with previous research by Financial Literacy as this can be implemented in its ability to control greater finances. Previous research conducted byNyoman Trisna Herawati (2015, Pipit Rosita Andarsari, Mega Noerman Ningtyas (2019), Ahmad Humaidi1 Muhammad Khoirudin, Ainun Riska Adinda & Achmad Kautsar (2020)), Ari Susanti , Ismunawan, Pardi, Elia Ardyan (2017), Nurul Safura Azizah (2020), Delyana R. Pulungan (2017), Ari Susanti, Ismunawan, Pardi, Elia Ardyan (2017), stated that financial literacy was significantly positive on financial behavior.

2. The Influence of Financial Technology on Financial Behavior

The results of this study indicate that it has a negative and insignificant effect on financial behavior, as shown in table 7 above where the t-statistic value is smaller than 1.96 which means that H2 is not rejected. This negative effect shows the minus coefficient. It can be said that a person's high or low Financial Technology cannot affect a person's financial behavior. This phenomenon can be explained that someone who has knowledge of Financial Technology (Fintech) is not based on one's financial behavior.

This is in line with research (Widiastuti & Wahyudi, 2021) which results that Financial Technology has no effect on financial behavior, meaning that existing Fintech promo applications (such as go-pay, ovo, and others) have no effect on financial behavior. Meanwhile, in the study (Widiastuti & Wahyudi, 2021) which found that Financial Technology had no significant effect on Financial Behavior, it means that existing Fintech promo applications (such as go-pay, ovo, and others) have no effect on financial behavior.

3. Influence of Income on Financial Behavior

The results of this study indicate that positive income has a significant effect on financial behavior, as shown in table 7 above where the t-statistic value is greater than 1.96 which means that income will affect a person's financial behavior, either high or low, does not affect individual behavior. . This phenomenon can be explained by the way that individuals with high income levels are not always able to manage their expenses in a good way, due to irresponsible financial behavior and a tendency to think short. Thus, often an individual with a high income

INDIKATOR
Jurnal Ilmiah Manajemen & Bisnis
Scientific Journal of Management & Business

Vol. 6 No. 3, August 2022

p-ISSN: 2598-6783
e-ISSN: 2598-4888

level still encounters financial problems. Generally, whenever an individual experiences an increase in income, then expenditure also increases and even exceeds additional income (Kholilah and Iramani, 2013). The results of this study are in line with the research of Perry & Morris (2005) which states that income has a positive relationship to financial behavior. Someone with a high level of income is able to manage expenses well. The results obtained from several student respondents who can manage their income carefully based on good financial behavior so that student financial behavior is able to make students smart in managing their finances for the future. Someone with a high level of income is able to manage expenses well. The results obtained from several student respondents who can manage their income carefully based on good financial behavior so that student financial behavior is able to make students smart in managing their finances for the future. Someone with a high level of income is able to manage expenses well. The results obtained from several student respondents who can manage their income carefully based on good financial behavior so that student financial behavior is able to make students smart in managing their finances for the future.

On research previously conducted by Purwidianti and Mudjiyanti (2016), Amaiyah and Ismanto (2020), Alexander, Pamungkas (2018), Iramani (2013), Sampoerno and Asandimitra (2021), stated that income had a significant positive effect on financial behavior.

Suggestion

In connection with the results of this study, the researcher will provide some suggestions that may be useful for other researchers or for further research, namely by taking a wider range of sampling so that it can strengthen and complement previous research. To further increase the number of respondents, so that the results obtained are more accurate and can strengthen the results of the study. And add several other variables such as Financial Knowledge, Financial Education, Emotional Intelligence and other variables that influence financial behavior.

Basically this section describes how the research was conducted. The main materials of this section are: (1) research design; (2) population and sample (research target); (3) data collection techniques and instrument development; (4) and data analysis techniques. For research that uses tools and materials, it is necessary to write down the specifications of the tools and materials. Tool specifications describe the sophistication of the tools used while.

REFERENCES

Aizcorbe, AM, Kennickell, AB, & Moore, KB (2003). *Recent Changes in US Family Finances: Evidence from the 1998 and 2001 Consumer Finance Surveys. Federal Reserve Bulletin, 86, 1-32.*

Alfrin Erman Sampoerno & Nadia Asandimitra Haryono. *Financial Management Behavior. Journal of Business and Accounting, 12(3), 131–144.*

Fatimah, N. and Susanti. (2018). *The Effect of Learning Financial Accounting, Financial Literacy, and Income on Financial Behavior of Students of the Faculty of Economics, University of Muhammadiyah Gresik, Journal of Accounting Education (JPAK), 6(1), 48–57.*

Hieminga, G., Lande, F. and Nijboer, F. (2016). *FinTech For Micro, Small and Medium Sized Enterprises, ING Economics Department, (October), 1–38.*

Hair, JF, Ringle, CM, & Sarstedt, M. (2011). *PLS-SEM: Indeed a Silver Bullet. Journal of Marketing Theory & Practice, 19(2), 139-151.*

Ida, & Dwinta, CY (2010). *The Influence of Locus of Control, Financial Knowledge, Income on Financial Management Behavior. Journal of Business and Accounting, 12(3), 131-*

144.Financial Fervices Authority. (2017). *Public Lecture on Financial Technology in Indonesia. Jakarta: OJK.*

Perry, VG, & Morris, MD (2005). *Who Controls? The Role of Self-Perception, Knowledge, and Income in Explaining Consumer Financial Behavior. Journal of Consumer Affairs, 39(2), 299-313.*

Purwidianti, W. (2013). *Analysis of the Effect of Financial Experience and Income Level on Family Financial Behavior in East Purwokerto District. Benefit, Journal of Management and Business, 1(2), 141–148.*

Pulungan, Delyana rahmawany, Koto, M., & Syahfitri, L. (2018). *The Influence of Hedonic Lifestyle and Emotional Intelligence on Student Financial Behavior. Royal National Seminar (SENAR), 1(1), 401–406.*

Putri, & Rahyuda, H. (2017). *The Influence of Financial Literacy Level and Sociodemographic Factors on Individual Investment Decision Behavior. E-Journal of Economics and Business Udayana University, 9, 3407. https://doi.org/10.24843/eeb.2017.v06.i09.p09*

Rahman, A., Risman, A., (2021), *Is Behavior Finance Affected by Income, Learning Finance and Lifestyle? , The EUrASEANs, No 4(29)*

Risman, A., Prowanta, E. & Siswanti, I. (2021). *Behavioral Corporate Finance. Yogyakarta: Penerbit KBM Indonesia*

Wagner, J. (2014). *An Empirical Analysis Linking a Person's Financial Risk Tolerance and Financial Literacy to Financial Behaviors. Journal of Economic Psychology, 1–27.*

Widiastuti, E., & Wahyudi, S.2021. *"Technology Based Financial Services Innovation, Financial Literacy and Its Impact on Financial Behavior". Journal of Accounting, Management, and Economics. 23(1), 1-8.*

Yap, RJC, Komalasari, F. and Hadiansah, I. (2019). *The Effect of Financial Literacy and Financial Management Behavior on Retirement Confidence, International Journal of Administrative Science & Organization, 23(3), available at: https://doi.org/10.2991/piceeba-19.2019.90.*

Zahriyan, MZ (2016). *The Effect of Financial Literacy and Attitudes towards Money on Family Financial Management Behavior. Journal of Business and Banking, 1, 1–10.*