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THE INFLUENCE OF FINANCIAL LITERACY, LIFESTYLE, AND MOTIVATION ON THE CONSUMPTIVE BEHAVIOR OF GENERATION Z

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ABSTRACT

In today's rapidly advancing and modern era, technological progress has a profound impact on the lives of Generation Z individuals. This generation, known for its familiarity with the digital world, enjoys the convenience of fulfilling their needs. However, this accessibility can also lead to tendencies of extravagance and consumptive behavior. This study aims to investigate the impact of financial literacy, lifestyle, and motivation on the consumptive behavior of Generation Z students at the Faculty of Economics and Business, Sultan Aji Muhammad Idris Samarinda State Islamic University. The research involved 100 students as participants, focusing on their consumptive behavior. Data were collected through questionnaires using stratified sampling techniques. The quantitative correlation method was employed, with the multiple linear regression test used for data analysis. The findings revealed a significant value of 0.000 < 0.05, indicating that financial literacy, lifestyle, and motivation collectively influence the consumptive behavior of Generation Z students at the Faculty of Economics and Islamic Business. However, when examined individually, the financial literacy variable showed a sig value of 0.301 > 0.05, and the motivation variable had a sig value of 0.143 > 0.05, suggesting no significant influence on the consumptive behavior of Generation Z. In contrast, the lifestyle variable demonstrated a sig value of 0.000 < 0.05, signifying a significant impact on the behavior of Generation Z students at the Faculty of Economics and Islamic Business.
***Keywords**: Financial Literacy; Lifestyle; Motivation; Consumptive Behavior*

INTRODUCTION

Nowadays, the development of the times is increasingly sophisticated, rapidly developing technology has a major impact on the dynamic lifestyle of Generation Z along with their increasing needs (Asisi & Purwantoro, 2020). Consumptive behavior is behavior where wants take precedence over needs, and people buy products without thinking. Responding to changing needs is important to enable individuals to live in harmony with their environment. Consumptive behavior focuses on enjoyment, pleasure, and gratification from excessive consumption of goods (Alianti et al., 2021).

According to a survey conducted by We Are Social in April 2021 found that 88.1% of Indonesians have used e-commerce services to purchase certain items in the past few months (Qomariyah et al., 2022). This statistical data is reinforced by information on the percentage of internet users who regularly conduct online shopping transactions every week around the world. In a more in-depth analysis, based on information reported from similar sources regarding the stages of internet users in Indonesia in 2022, it can be concluded that as many as 99.16% of individuals in the 13-27 age group are connected to the internet. This phenomenon indicates that this age group can be categorized as part of generation Z, which has significantly high access and involvement in the online world.

Basically, the lifestyle of generation Z is a group of young people who enjoy life now without worrying about life in the future, including prioritizing needs over wants. And not being seduced by emerging influences (Laturette et al., 2021).

Among the problems they face today is that Generation Z still does not have good financial management awareness. In fact, nowadays people, including generation Z, must have good financial management skills. Monthly income requires Generation Z to be frugal and smart in financial management in order to be able to fulfill all their needs (Ayuningtyas & Irawan, 2021).

Mitchell and Lusardi (2021) suggest that financial knowledge can influence consumptive behavior. Studies on financial behavior were also conducted by Kaiser et al (2020), finding that financial literacy can influence consumptive behavior. Financial education for young people can improve their ability to prepare for retirement, most importantly if it helps them better manage savings, debt and expenses throughout their lives (Wahyuni & Setiawati, 2022) .

Lifestyle has a significant impact on Generation Z's shopping habits. Lifestyle is defined as the way individuals live their lives, including activities, interests, attitudes, consumption, and expectations (Azizah, 2020). Changes and developments in the lifestyle of modern society occur over time. In the past, appearance and lifestyle were not the main focus of society, but today the situation has changed. This lifestyle permeates all levels, including university students. Modern college students often adopt lifestyles that do not always conform to ethical norms or educational standards. They also face many contradictions in their family's economic situation. Despite this, most college students still try to fit in with those around them who have financial stability (Rahmawany et al., 2018).

In the digital world, people can obtain information easily, which affects Generation Z's ability to fulfill their daily needs, leading them to engage in food production. According to his understanding, needs arise or arise, either internally or externally, when a person acts or tries to satisfy his needs. Gitosudarmo argues that motivation can influence consumer behavior because motivation is one of the factors that drive human behavior (Faizah & Manunggal, 2023).

Students of the Faculty of Business and Islamic Economics at Sultan Aji Muhammad Idris State Islamic University Samarinda are divided into three academic programs which on average have completed courses related to financial management in accounting programs, Islamic financial management, and others. Helping students make and manage financial decisions. But unfortunately we have neglected education and investment in this country. Often students start their university career without knowing how to apply what they have learned. Based on the 2023 population census website managed by the Central Bureau of Statistics, the largest population group in Indonesia is Generation Z with 74.93 million people. According to the Financial Management Authority (OJK), Generation Z's financial literacy rate in 2019 was 44.04%. Generation Z's literacy rate is below 60%. This means that their level of financial literacy is minimal.

In previous research with the title "The Impact of Lifestyle and Financial Literacy on Generation Z Consumption Behavior During the Pandemic" (Case Study of Sharia Business Administration Students of UIN Raden Intan Lampung Class of 2019) "which only uses two variables to determine the effect on consumptive behavior. So researchers add motivational variables that can influence or make solutions so as not to behave consumptively (Faizah & Manunggal, 2023). So that researchers draw a discussion with the title "The Effect of Financial Literacy, Lifestyle and Motivation on Generation Z Consumptive Behavior" in the Environment of the Faculty of Economics and Islamic Business, Sultan Aji Muhammad Idris University Samarinda (Study of FEBI UINSI Samarinda Students).

LITERATURE REVIEW

Financial Literacy

According to Wicaksono (2015:86), Vidovicova (2012) defines it as knowledge and understanding of financial products and concepts supported by information and advice. Financial education also includes the ability to understand and analyze financial problems in order to make good financial decisions (Rumbianingrum & Wijayangka, 2018).

According to Lusardi (2014), people's financial skills and knowledge are important to manage or use money effectively to improve life and well-being (Yushita, 2017). Everyone needs financial knowledge as the key to avoiding financial problems. Financial weakness can be caused by low income, but it can also be caused by financial mismanagement, such as underutilization of credit or lack of financial planning. Some financial worries can cause stress and lower your confidence. Financial literacy occurs when financially literate people acquire a set of abilities and skills that enable them to use available resources to achieve their goals. Learning to read and write is an important part of achieving personal goals. Financial literacy refers to a person's ability to understand, evaluate and obtain information relevant to making decisions that consider significant financial implications (Suare Marcillo, 2012).

Financial intelligence means having an understanding of managing all aspects related to budgeting, spending, saving money, and using financial products and services. This includes everyday activities such as banking, borrowing, investing and planning for the future (Sugiharti & Maula, 2019). As individuals who have received education and knowledge, students should have a good understanding of money management. Financial literacy covers areas such as spending and borrowing, insurance policies, and savings and investments. Financial literacy refers to an individual's ability to control and manage their spending and use of credit. In this context, it is important to plan expenses appropriately and to be committed to following the budget plan. How one can make an organized spending plan so as not to be tempted to spend beyond set limits and financial capabilities. Such as when acquiring items that are actually very important or necessary rather than just desirable. Careful attention to this is important because it aims to avoid shortages, because avoiding and preventing shortages is the essence of healthy spending (Suare Marcillo, 2012).

Lifestyle

Based on the research of Nadziri and Ingariant (2015), it can be concluded that the hedonism lifestyle can be interpreted as a lifestyle that a person carries out with the aim of obtaining pleasure in life. Their time is often used to have fun with their friends. By buying things they shouldn't need and always having the desire to be the center of attention around them (Anggraini & Santhoso, 2017).

Hawkins states that the way of life chosen by a person will affect his needs, desires, and behavior, including purchasing behavior (Anggraini & Santhoso, 2017). According to Susanto's research (2013: 1), lifestyle is a person's habits that are reflected in their activities, interests and opinions. In general, a person's lifestyle can be known from his routine activities, thoughts on everything around him, his level of concern for these things, his view of himself, and his view of the outside world.

Lifestyle represents consumption patterns that reflect a person's preferences in the use of time and money (Sumarwan, 2011). In Fudyartanta's research (2012) documented in the Kanserina journal (2015), it is known that students' lifestyles can change. However, these changes are not caused by changes in needs.

From the viewpoints presented above, it can be underlined that lifestyle refers to a person's habits and preferences that reflect their daily behavior. To understand a person's lifestyle, we can look at their interests and views.

Motivation

Hedonism refers to an individual's belief in achieving happiness by seeking prosperity according to their needs and trying as much as possible to avoid unpleasant feelings. Hedonism is a concept of pleasure that involves people's views and actions regarding their lives (Samuri et al., 2018). Meanwhile, the reason someone shops (shopping motivation) is because they feel a certain urge (Samuri et al., 2018). Hedonic shopping motivation is the desire of individuals to get personal happiness that can be felt by spending time in shopping places such as supermarkets, feeling the atmosphere and crowd in the shopping center itself, even just looking around without buying anything (Mulyana & N.I, 2020). To summarize, hedonic shopping motivation is when someone shops because they want to feel satisfied and only seek pleasure.

One important sign of hedonic shopping is value shopping. Hedonic shopping value is related to the value derived from purchases that provide pleasure through fantasizing using the five senses and presenting an emotional experience (Permatasari et al., 2017). There are six types of hedonic shopping motivations which include adventure shopping, social shopping, self-fulfilling shopping, idea-based shopping, role-based shopping, and value-based shopping (Sampurno & Winarso, 2015). In all six categories, the relationship between value shopping and impulse buying is possible. There are studies that show that when shopping, people constantly feel impulsive. Many times, people do not manage to resist the urge and tend to buy unplanned items without considering the possible consequences.

Previous research shows that shopping motivation with hedonic goals has a significant influence on impulse buying behavior (Baladini et al., 2021). These customers are very concerned about their appearance so they shop hedonistically and are always looking for new things, especially fashion items. Hedonistically motivated buying is an activity that brings happiness and pleasure to a person (Baladini et al., 2021). Such motivations can be explained by the consumer's focus solely on achieving satisfaction, without really looking at the need or use of the product that has been purchased.

Constantly changing fashions encourage people to shop with lust to follow trends by purchasing items without prior planning. Shopping inspired by motivations that are not based on excessive desire is not likely to trigger excessive shopping behavior (Lumintang, 2013). Therefore, individual emotions play a crucial role in making purchasing decisions. Because in most cases, people are more likely to rely on feelings than facts in buying products. In previous research, it was found that emotional shopping has a favorable and significant impact on impulse buying actions (Darmayasa & Sukaatmadja, 2017). This sense of shopping can arise when visitors see the condition of the store from the outside or when they enter the store and feel a pleasant influence. According to Nurlie et al. (2021), emotions when shopping affect the extent to which consumers make decisions. The complexity and duration of decision making by consumers tends to decrease as consumers' positive feelings increase, which results in consumers being encouraged to make spontaneous purchases (Sudarsono, 2017).

Consumptive Behavior

Consumption is the part of economic activity where the value of goods is used to meet daily needs. Consumption is a form of consumption activity related to the consumption or use of the use value of a good or service. The factors that influence consumption are in two parts, namely: (1) internal factors, namely internal factors. factors that influence consumption decisions arising from the consumer's personality, such as motivation, lifestyle and income level, and (2) external factors, which include for example: factors such as family, spouse, environment and product. factors that come from outside the individual consumer, including influences such as product prices and costs (Puspitasari et al., 2021).

Consumer behavior is characterized by extravagant and excessive living needs and the tendency to consume goods to achieve desires and secure physical well-being, without distinguishing between wants and needs. There is no rational basis for this approach. According to Lestar 2017, consumer behavior arises when people only seek goods and services that meet their needs and no longer realize their importance and benefits. This kind of behavior usually occurs during adolescence. Consumer behavior is also called a person's tendency to over-consume products that are not actually needed and are not based on rational considerations. Continuing to do so will result in undesirable behavior. People who consume something excessively tend to buy or use products that are not needed at all, this behavior is also called consumptive behavior (Kurniawan, 2023).

RESEARCH METHODS

This research uses a type of quantitative analysis of the correlation method and data obtained from questionnaires given to students of the Faculty of Economics and Islamic Business UINSI Samarinda who meet the criteria of Generation Z. The population of this study is a limited population where the respondents are divided into 3 study programs of Sharia Economics, Sharia Banking and Sharia Business Management, the number of which can be accessed from the PDDIKTI page. The sample amounted to 100 respondents who took non-probability sampling techniques with purposive sampling methods. To estimate the sample size, the Slovin formula is used with a margin of error of 0.1. The data analysis uses several types of tests such as validity and reliability tests, then the coefficient of determination (R^2) for hypothesis test analysis, simultaneous test (F test) and partial test (t test). Meanwhile, SPSS 21 was used for data processing.

RESULT AND DISCUSSION

1. Classical Assumption Test

a. Normality Test

Table 1
Autocorrelation Test Results

	Sig.
Asymp. Sig. (2-tailed)	0.783

Source: Data Processed (2023)

From the results table, it is known that the significance value: Monte Carlo Sig (2-tailed) of 0.783 is greater than 0.05. Therefore, in making basic decisions on the normality test, the Monte Carlo approach can be used to conclude that the data is normally distributed. The sig value is 0.783 dangt; 0.05 so the distribution is normal.

b. Multicollinearity Test

Table 2
Multicollinearity Test Results

	Tolerance	**VIF**
Financial Literacy	0.753	1.328
Lifestyle	0.501	1.997
Motivation	0.412	2.427

Source: Data Processed (2023)

Tolerance Value

Financial Literacy (X1) = 0.753, Lifestyle (X2) = 0.501 and Motivation (X3) = 0.412. The three tolerance values of the economic literacy variables (X1), (X2) and (X3) are above 0.10 so it can be concluded that there are no multicollinearity symptoms based on the multicollinearity test decision.

VIF Value

Financial Literacy (X1) = 1.328, Lifestyle (X2) = 1.997, Motivation (X3) = 2.427. The three VIF values of the Financial Literacy (X1), Lifestyle (X2) and Motivation (X3) variables are below 10.00 so that based on the multicollinearity test decision it can be concluded that there are no multicollinearity symptoms.

c. Heteroscedasticity Test

Table 3
Heteroscedasticity Test Results

	Sig.
Financial Literacy	0.301
Lifestyle	0.000
Motivation	0.143

Source: Data Processed (2023)

The sig value of Financial Literacy (X1) = 0.654, the sig value of Lifestyle (X2) = 0.764 and the sig value of Motivation (X3) = 0.768. All three sig values are greater than 0.05 (0.654> 0.05, 0.764> 0.05 and 0.764> 0.05) meaning that there are no symptoms of heteroscedasticity.

d. Autocorrelation Test

Table 4
Autocorrelation Test Results

	Sig.
Asymp. Sig. (2-tailed)	0.841

Source: Data Processed (2023)

From the output table, it is known that the sig value = 0.841> 0.05, so it can be concluded that there is no autocorrelation.

2. Multiple Linear Regression Test
a. Simultaneous F Test

Table 5
SPSS Anova Output Results

	Sig.
Regression Residual	0.000

Source: Data Processed (2023)

The sig value known from the table is 0.000 <0.05, which means that the effect of financial literacy (X1), lifestyle (X2) and motivation (X3) (simultaneously) on consumption behavior (Y) and the regression equation model is included in the appropriate criteria.

b. Partial t Test

Table 6
SPSS Output Results Coeffisients

	Sig.
Financial Literacy	0.301
Lifestyle	0.000
Motivation	0.143

Source: Data Processed (2023)

1) From the table it is known that the sig. value between Financial Literacy (X1) on Consumptive Behavior (Y) is 0.301> 0.05, which means that there is no influence (partially) Financial Literacy (X1) on Consumptive Behavior (Y).
2) From the table it is known that the sig. value between Lifestyle (X2) on Consumptive Behavior (Y) is 0.000 <0.05, which means that there is an influence (partially) Lifestyle (X2) on Consumptive Behavior (Y).
3) From the table it is known that the sig. value between Motivation (X3) on Consumptive Behavior (Y) is 1.143> 0.05, which means that there is no influence (partially) Motivation (X3) on Consumptive Behavior (Y).

The Effect of Financial Literacy on Consumptive Behavior

The results of data processing (t-test) the effect of financial literacy on consumer behavior show that the sig. value obtained is 0.301> 0.05 and the coefficient value (-0.183). Based on these results, H1 which states that the financial literacy variable has a significant negative effect on the consumer behavior of Muslim business students of UINSI Samarinda is not accepted. This means that when financial literacy increases by one, consumer behavior increases (-0.183) The effect of financial lifestyle on consumer behavior.

Effect of Financial Literacy on Consumptive Behavior

The results of the consumption behavior lifestyle test (t test) show 0.000 < 0.05 and the coefficient value is 0.814. Based on these results, H0 is accepted, which means that lifestyle has a positive and significant effect on the consumer behavior of students of the Faculty of Economics, UINSI Samarinda. This means that if the lifestyle increases by 1, the consumption behavior increases by 0.814.

The Effect of Financial Literacy on Consumptive Behavior

The results of the subtest (t test) of the effect of motivation on consumer behavior show a significance of 0.143 > 0.05 and the coefficient value is 0.262. Based on these results, H1 is accepted that motivation has a significant negative effect on the consumer behavior of UINSI Samarinda Faculty of Business students. This means that if the hedonic match increases by 1, it will increase consumption behavior by 0.262.

CONCLUSIONS

Based on the results of the data analysis above, it can be concluded that the consumer behavior of Generation Z students at the Faculty of Economics and Business, UIN Sultan Aji Muhammad Idris Samarinda is not influenced by financial literacy. The better the financial literacy of Gen Z students, the better their knowledge in financial management. As an individual who has good financial literacy, he is able to make the right financial decisions and manage his finances better. In addition, consumption behavior is also influenced by lifestyle, where the higher the lifestyle of students, the worse their consumption behavior. In this case, the lifestyle in question is a hedonic lifestyle. The level of motivation has no effect on the consumptive behavior of Generation Z students. Therefore, the higher the motivation of students in controlling consumptive behavior, the better their ability to control impulsive shopping habits. The motivation referred to here is the urge to avoid spontaneous spending.

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