

Original Research Article

Effect Of Financial Factors On Saving Decision Of Z Generation

ABSTRACT

Aims: This study aims to analyze the influence of *financial literacy, materialism, financial behavior, and financial attitude* on saving decisions in Generation Z.

Study design: This study uses a quantitative approach and purposive sampling technique. The sample used was 105 respondents who met the requirements.

Place and Duration of Study: This study uses a sample, namely in generation Z in Banyumas Regency and the research was conducted within the time frame of January 2024 to June 2024.

Methodology: This research method uses the SEM (Structural Equation Modeling) analysis method with the Partial Least Square (PLS) approach. Each hypothesis is tested to understand the relationship between the variables. To test the validity and reliability of the research using the outer model. Hypothesis testing uses the inner model.

Results and Conclusion: The results of this study show that financial literacy does not affect saving decisions, materialism has a positive and significant effect on saving decisions, financial behavior has a positive and significant effect on saving decisions, and financial attitude has a positive and significant effect on saving decisions.

Practical Implications: This study contributes to Generation Z in considering the factors that determine the decision to save to face financial problems in the future. The managerial and practical implications of this study provide information to stakeholders (financial institutions and government) the importance of paying attention to financial behavior and financial attitudes to improve saving behavior in Generation Z.

Keywords: *Financial literacy, Materialism, Financial behavior, Financial attitude, Saving decision*

1. INTRODUCTION

As per the census conducted by the Central Statistics Agency (BPS), it has been observed that in the year 2023, the population of Indonesia was predominantly constituted by Generation Z, encompassing individuals born between the years 1997 and 2012, with an estimated total of approximately 74.93 million people. This constitutes approximately 27.94% of the total population in Indonesia, according to the Central Statistics Agency of Indonesia (2023). The

population data provided by the Central Statistics Agency of Banyumas Regency (2023) reveals that Generation Z constitutes the predominant demographic group in Banyumas Regency, comprising a population of 273,974 individuals. This can be seen in Table 1.

Table 1

Number of generational groupings in Banyumas Regency

No.	Generation	Number (souls)
1	Z (1997-2012)	273.974
2	Milenial (1981-1996)	267.172
3	X (1965-1980)	266.091
4	Baby Boomers (1946-1964)	155.800

Central Statistics Agency of Banyumas Regency, (2023)

Generation Z comprises individuals of a productive age, enabling them to secure employment and earn an income to provide for their daily necessities. However, if Generation Z does not learn how to manage finances properly, then it will have an impact on their finances in the future. The income they receive will be immediately depleted if they cannot manage their finances properly. Consider the potential long-term effects of accruing debt when your current income cannot sufficiently cover your expenses (Financial Services Authority, 2023).

According to OJK's Fintech P2P Lending (co-funding fintech) statistics, 62% of co-funding fintech accounts are owned by customers aged 19-34 years. Not far from this figure, 60% of loans from co-financing fintech are also distributed to customers aged 19-34 years. This means that co-funding fintech users are dominated by Gen Z and Millennials. It is not surprising that Gen Z and Millennials are considered to be prone to debt (Financial Services Authority, 2023). According to BFI Finance (2024), there has been a growing interest among members of Generation Z in engaging in mining activities utilizing the soft saving method. Soft saving is a saving concept that provides flexibility and comfort for individuals in managing their finances (BFI Finance, 2024). Generation Z acquires numerous advantages through the implementation of the soft saving method, including the development of positive saving habits, the maintenance of financial stability and a healthy lifestyle, flexibility in spending, and the mitigation of financial stress. Saving can also serve as a means to deter Generation Z from evading debt, as it empowers them to handle their finances in a more effective and efficient manner [1]. Researchers are investigating the factors influencing Generation Z's decision to save, in light of the observed shift in their financial behavior from favoring debt to embracing saving.

Saving is something that must be considered by generation Z. Therefore, generation Z must be able to make good choices in determining what and where to save assets. Based on this, a decision to save will be created. The decision to save is an action taken by individuals directly to determine a choice in saving the assets they own [2]. Individuals must pay attention to the

steps in saving, namely information related to interest rates, refund policies, and additional services offered by the financial institutions where they save their funds (Sholikha et al., 2024). There are four factors that influence the creation of savings decisions, namely financial literacy, materialism, financial behavior, and financial attitudes [1].

Financial Literacy is one of the factors that can affect the decision to save. According to [1], [3], financial literacy, is financial knowledge about financial management to improve a prosperous life in the future. A person who is financially aware will usually not experience problems in finance later in life because they know how to manage money carefully and how to save to improve their well-being in the future [4]. Based on previous research conducted by [3]–[8] financial literacy has a positive and significant effect on the Saving Decision. Meanwhile, the results of the research conducted stated that [9]–[12] financial literacy does not affect saving decisions.

Materialism is one of the factors that can affect the decision to save. Individuals with a high level of materialism are more likely to behave extravagantly than to save [1]. This is because individuals who have a highly materialistic attitude will spend income beyond their ability to get the things they want, so they tend to postpone saving activities [13]. Based on the results of previous research conducted by [1] and stated that [12] materialism has a negative and significant effect on saving decisions. Meanwhile, the results of research conducted by and stated that [14], [4] materialism has a positive and significant effect on the Saving Decision.

Financial behavior is one of the factors that can affect the decision to save. *Financial behavior* as a habit in the use of finance. *Financial behavior* is very closely related to the main task of management. Financial behavior can also be defined as a person's ability to organize, budget, plan, control, check, manage, search, and store funds that exist in individuals. Based on the results [2] of previous research conducted by and stated that [2], [15] *financial behavior* has a positive and significant effect on savings decisions. Meanwhile, the results of the research conducted by [16] stated that *financial behavior* has an influential but significant negative effect on saving decisions.

Financial attitude is one of the factors that can affect the decision to save. *Financial attitude* itself is defined as a person's state of mind, opinion and assessment of their personal finances which is applied to their attitude [15]. This is because *Financial Attitude* can shape the way people spend, save, hoard, and dispose of money. Financial management practices and wrong financial attitudes can trigger financial problems and *financial behavior* of a person [17]. Based on the results of previous research conducted by and stated that [12], [15], [18] *financial attitude* has a positive and significant effect on savings decisions. Meanwhile, the results of the research conducted by stated that [19] *financial attitude* has no effect on

saving decisions.

This research is a development of research conducted by [1], by adding financial *behavior* and *financial attitude variables*. The reason the researcher added the variables of *financial behavior* and *financial attitude* was because in the research conducted by [15] the one who stated that *financial attitude* and *financial behavior* had a positive effect on the decision to save. Against this background, the purpose of this study is to examine and clarify the influence of *Financial Literacy, Materialism, Financial Behavior, and Financial Attitude* on *Gen Z Saving Decision*.

2. LITERATURE REVIEW

2.1 Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB) will be the grand theory in this study. *The Theory of Planned Behavior (TPB)* was first introduced by Ajzen in 1991 which is an extension of the *Theory of Reasoned Action* (Fishbein & Ajzen, 1975). *The theory of Planned Behavior (TPB)* is one of the most widely used theories when studying human behavior. This theory explains the conceptual basis and classifies behavior patterns and recognizes how each individual makes choices in a behavior [19]. *The Theory of Planned Behavior (TPB)* assumes that the intention is to reveal the motivating factors that can influence behavior with indications in the form of how hard the individual tries to try, how much effort will be made to carry out the plan that has been made to carry out the behavior [20].

2.2 Financial Literacy on Saving Decision

Financial literacy is financial knowledge and the ability to process financial information in making decisions about financial management. According to individuals, if they have a high level of financial knowledge, which includes basic financial knowledge, money management knowledge, and high savings knowledge, the individual has good and correct financial management . Based on previous research by [4], [5], [15] *financial literacy* has a positive and significant effect on Saving Decisions. Based on the results of the review of several previous studies that have been submitted, the following hypotheses can be developed in this study as follows:

H1: *Financial literacy* has a positive and significant effect on *saving decisions*.

2.3 Materialism on Saving Decision

According to Richins (2004) in defining [1 3] *materialism* as an interest that comes from the ownership of material goods in achieving the desired life goals or circumstances. Materialist behavior provides an overview of the lack of financial management skills of individuals. Generation Z needs to be equipped with knowledge and expertise in financial economics to be able to manage their finances and achieve financial prosperity. According to Generation Z, it is facilitated to make healthy financial decisions. They grow up and are able to surf the

Internet giving them access to knowledge. In addition, financial technology is also on the rise. However, there is a negative side to the use of technology in Generation Z. Generation Z will spend most of their time playing social media and playing games. This will expose them to issues related to materialism and make it easier for Generation Z to access or buy non-essential needs [1].

Based on the results of previous research conducted by [1], [13] stated that *Materialism* has a negative and significant effect on the Saving Decision. Based on the results of a review of several previous studies that have been submitted, the following hypotheses can be developed in this study as follows:

H2: *Materialism* has a negative and significant effect on *saving decisions*.

2.4 Financial Behavior on Saving Decision

According to [21] *financial behavior*, it can be defined as any human behavior that is relevant to money management. Common financial behaviors include cash, credit, and saving behavior. A person's financial behavior will be seen from how well a person manages their savings and other expenses. While related savings have regular savings or not, whether they have an emergency fund or not and many others [22].

Based on the results of research conducted by and that [2], [15] *financial behavior* has a positive and significant effect on savings decisions. Based on the results of a review of several previous studies that have been submitted, the following hypotheses can be developed in this study as follows:

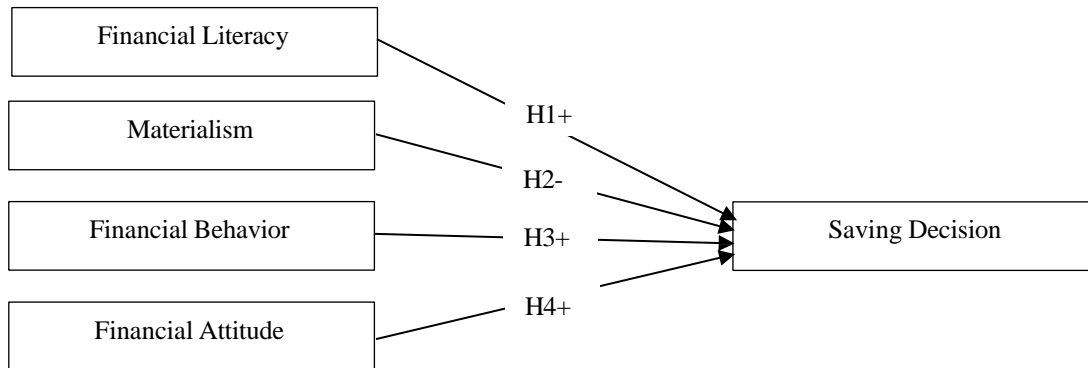
H3: *Financial behavior* has a positive and significant effect on *saving decisions*.

2.5 Financial Attitude on Saving Decision

Financial attitude is the state of mind, opinion and judgment of each individual related to finance or finance [18]. *Financial attitude* can affect a person's saving behavior. The better a person's level of financial attitude, the better his saving behavior and is able to distinguish needs and desires [23].

Based on the results of previous research conducted by [12], [18] stated that *financial attitude* has a positive and significant effect on Saving Decisions. Based on the results of a review of several previous studies that have been submitted, the following hypotheses can be developed in this study as follows:

H4: *Financial attitude* has a positive and significant effect on *saving decisions*.



Source: Processed by researchers (2024)

Figure 1. Framework of Thought

3. RESEARCH METHODS

3.1 Population and Sample

The population of this study is Generation Z born between 1997 and 2012. Thus, the total population in this study is the entire Generation Z in Banyumas Regency with a total of 273,974 people (Central Statistics Agency of Banyumas Regency, 2023). The sampling technique uses the Slovin technique with a margin of error of 10% for as many as 100 samples/respondents. However, to get maximum and efficient results, the researcher added 5 samples/respondents in this study so that the samples/respondents in this study totaled 105 samples/respondents. This study is a quantitative type that uses a questionnaire with a Likert scale of 1 to 5. The sampling method used is purposive sampling with the criteria of generation z who were born in 1997-2012 and generation z who have jobs or income. Data collection was carried out by distributing questionnaires presented in Google Forms containing questions related to each variable and shared with respondents through social media such as Line, Instagram, and Whatsapp

3.2 Operational Definition

The definition of measurement used in *the variables of financial literacy, materialism, financial attitude, financial behavior, and saving decision* can be seen in Table 2.

Table 2
Variable Operationalization

Variable	Indicator	Statement	Scale
<i>Financial Literacy</i>	1. Investment knowledge	• I understand very well how to invest my money	Likert 1-5
	2. Insurance knowledge		

	3. General knowledge of personal finance 4. Savings and debt knowledge	<ul style="list-style-type: none"> I have a good understanding of financial instruments (e.g. bonds, stocks, etc.) I have a clear idea of my financial needs at the time of retirement I have no difficulty managing my finances I have the ability to manage financial records for my income and expenses 	
		Source: [24]	
<i>Materialism</i>	1. Acquisition centrality 2. Possession Defined Success 3. Acquisition as the Pursuit of Happiness	<ul style="list-style-type: none"> I'd rather have money and spend it on myself I like to buy more expensive items The job I want is a high-paying job I really enjoy buying new things 	Likert 1-5
		Source: [25]	
<i>Financial Behavior</i>	1. Consumption 2. <i>Cassh-flow Management</i> 3. <i>Saving and investment</i>	<ul style="list-style-type: none"> I compare prices when buying a product or service I paid my bills on time I keep track of every expense I shop as planned I returned the item to a friend on time (every time I borrowed) I allocated an emergency fund I save for the long term (e.g. buying a cell phone, tuition, house, etc.) 	Likert 1-5
		Source: [25]	
<i>Financial Attitude</i>	1. Control monthly expenses 2. Setting future financial targets 3. Money management today has an impact on the future 4. Follow monthly financial planning 5. Invest regularly.	<ul style="list-style-type: none"> I can control my expenses every month I set financial goals for the future I manage my finances for the future I follow a monthly spending plan I invest regularly 	Likert 1-5
		Source: [19]	
<i>Saving Decision</i>	1. <i>Spending</i> 2. <i>Investing behavior</i>	<ul style="list-style-type: none"> I set aside money for the future For the sake of saving, I plan to reduce my expenses For the sake of saving, I am careful in doing monthly budgeting I have money available in times of emergency 	Likert 1-5

- I save to achieve a specific goal

Source: [24]

Source: *Processed by researchers (2024)*

The data analysis technique in this study uses Partial Least Square-Structural Equation Modelling (PLS-SEM). To test the validity and reliability of the research using the outer model. the outer model is fulfilled if it meets the following conditions loading factor > 0.7, Composite Reliability (CR) > 0.7, Average Variance Extracted (AVE) > 0.5, Discriminant Validity: AVE > Squared Correlation between constructs Ensuring that all of these results meet the set criteria will help guarantee that your outer model is valid and reliable for further analysis. The inner model can be fulfilled if in the inner model test there is an R2 test and path coefficient (bootstrapping)

4. RESULTS AND DISCUSSION

4.1 Respondent's Identity

This study was conducted on Generation Z which became the object of this study with a sample of 105 respondents. Table 3 shows that in this study, the number of respondents is dominated by men as many as 60 respondents (57.1%) with a vulnerable age of 20-24 years as many as 101 respondents (96.2%). 71 respondents (66.4%) in this study were students.

Table 3
Respondent's Identity

Identity	Total	Percentage (%)
Gender		
Man	60	57,1%
Woman	45	42,9%
Age/Age		
15-19 Years	4	3,8%
20-24 Years	101	96,2%
Work		
Students	3	2,8%
Student	71	66,4%
Private employees	15	14%
PNS	-	-
TNI/POLRI	1	0,9%
Employees of SOEs/BUMDs	1	0,9%
Others	16	15%

Source: *Processed by researchers (2024)*

4.2 Outer Model

This study uses the results of the external test of the model calculated using the SmartPLS 3.0 statistical tool:

4.2.1 Convergent Validity

The value of the indicator can be said to be valid if it has a loading *factor* value of > 0.7 which indicates that the research instrument is VALID. But based on Figure 2. Structural Model There

are several indicators that show values below 0.7. These indicators are FB 1, FB 3, FB 4, FA 4, and FA 5. Indicators that show values below 0.7 can result in data corruption in other research test results. Therefore, statements indicating values below 0.7 should be deleted.

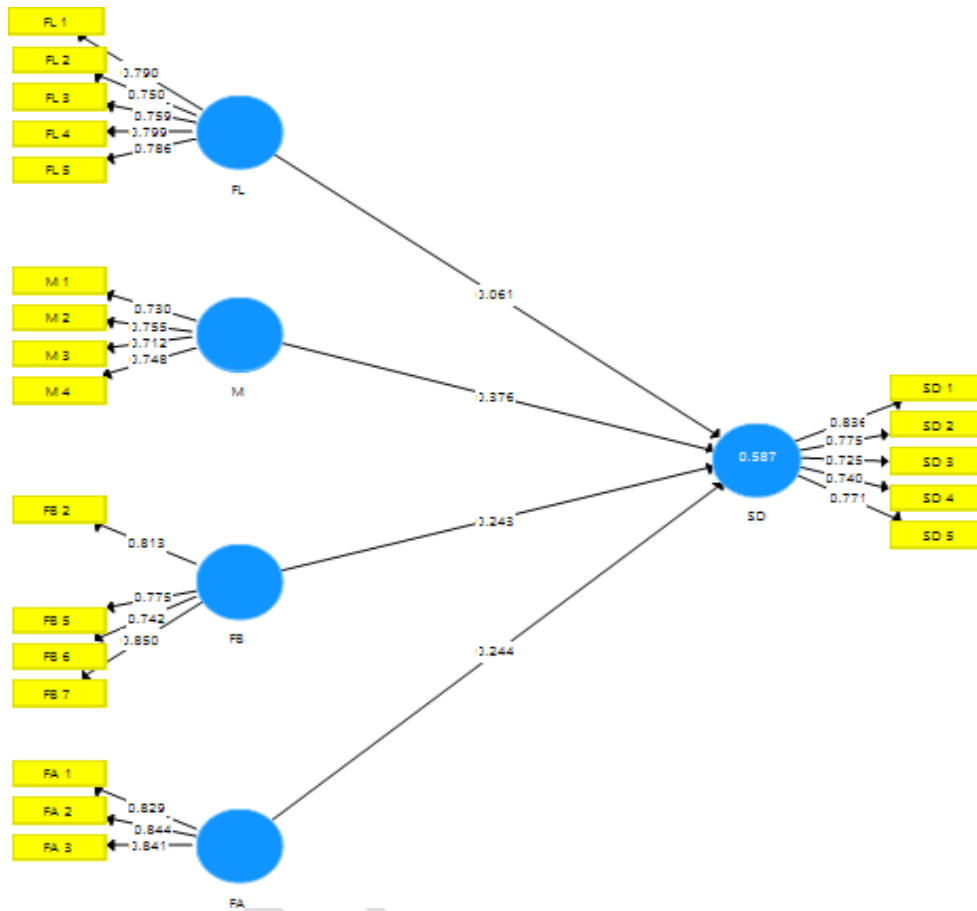
Table 4
Outer Loading value before deletion

	AGO	FB	FL	M	SD
FL 1			0.790		
FL 2			0.750		
FL 3			0.760		
FL 4			0.799		
FL 5			0.786		
M 1				0.730	
M 2				0.755	
M 3				0.712	
M 4				0.748	
FB 1		0.637			
FB 2		0.790			
FB 3		0.568			
FB 4		0.627			
FB 5		0.718			
FB 6		0.738			
FB 7		0.806			
FA 1	0.780				
FA 2	0.815				
FA 3	0.814				
FA 4	0.674				
FA 5	0.607				
SD 1					0.836
SD 2					0.774
SD 3					0.724
SD 4					0.741
SD 5					0.771

Source: Processed by researchers (2024)

Based on the deletion of the outer loading result statement in table 4. Therefore, the results obtained were obtained with valid *outer loading* results because they had met the validity

requirements . The results of the data test can be seen in figure 2 and table 5 below:



Source: Processed by researchers (2024)

Figure 2. Outer Loading Results after Removal

Table 5
Outer Loading value after deletion

	AGO	FB	FL	M	SD
FL 1			0.790		
FL 2			0.750		
FL 3			0.759		
FL 4			0.799		
FL 5			0.786		
M 1				0.730	
M 2				0.755	

M 3				0.712	
M 4				0.748	
FB 2		0.813			
FB 5		0.775			
FB 6		0.742			
FB 7		0.850			
FA 1	0.829				
FA 2	0.844				
FA 3	0.841				
SD 1					0.836
SD 2					0.775
SD 3					0.725
SD 4					0.740
SD 5					0.771

Source: Processed by researchers (2024)

4.2.2 Construct Reliability dan Validity

Table 6
Cronbach's Alpha and Composite Reliability Values

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
FL	0.836	0.842	0.884	0.604
M	0.720	0.723	0.826	0.542
FB	0.808	0.823	0.873	0.634
AGO	0.788	0.788	0.876	0.702
SD	0.829	0.841	0.879	0.594

Source: Processed by researchers (2024)

Based on the data in Table 6. Cronbach's alpha value for each variable > 0.6 and the composite reliability value for each variable > 0.6 which indicates that the research instrument is reliable.

4.2.3 Heterotrait-Monotrait (HTMT)

Table 7
Heterotrait-Monotrait (HTMT)

	AGO	FB	FL	M	SD
AGO					
FB	0.882				
FL	0.761	0.751			
M	0.696	0.630	0.497		
SD	0.790	0.749	0.590	0.820	

Source: Processed by researchers (2024)

According to HTMT, it is said to be valid if the variable value is below 0.90. Based on the results of the HTMT test in table 7, it shows that the Discriminant Validity in this study is valid because it meets the validity standard from [26], which is < 0.9 . Hair et al., (2019)

4.3 Inner model

Internal models are used to evaluate relationships between variables. Changes in R-Square values can be used to observe the impact of changes in relationships.

4.3.1 R-Square

R-Square (R²) is a metric that measures the proportion of variation in the value of a dependent variable that can be explained by the variable that affects it (independent). This metric is used to evaluate the quality of the model. *The R-Square* (R²) is divided into three categories, namely 0.67 for strong (substantial), 0.33 for moderate, and 0.19 for weak [26].

Table 8
R-Square Value

	R Square	R Square Adjusted
SD	0.587	0.570

Source: Processed by researchers (2024)

The data in Table 8 shows the value of R-Square (R^2) against *the saving decision* of 0.587 which is included in the medium category. Therefore, it can be concluded that the contribution of *financial literacy, materialism, financial behavior, and financial attitude* is 58.7% to *saving decisions*. The remaining 41.3% can be caused by other variables that were not studied in this study.

4.3.2 Structural Analysis Model

Table 9
Bootstrapping

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Information
FL -> SD	0.061	0.077	0.089	0.689	0.491	Not Supported
M -> SD	0.376	0.374	0.105	3.592	0.000	Not Supported
FB -> SD	0.243	0.248	0.102	2.387	0.017	Supported
FA -> SD	0.244	0.239	0.101	2.421	0.016	Supported

Source: Processed by researchers (2024)

T-Statistics analysis with criteria must be above 1.96 or have a *P Value* of less than 0.5 is declared significant. Based on the data processing that has been carried out using the smart PLS 4.0 program. *Bootstrapping*, the *T-Statistics value* in the table above is obtained that *Financial Literacy* has no effect on *saving decisions*, *Materialism* has a positive and significant effect on *saving decisions*, and *financial behavior* has a positive and significant effect on *saving decisions*, *financial attitude* has a positive and significant effect on *saving decisions*.

5. DISCUSSION

5.1 The Effect of *Financial Literacy* on *Saving Decision*

Based on the results of the bootstrapping test in table 9. Hypothesis 1 which states that the *financial literacy* variable has a positive and significant effect on *saving decisions*, **is not supported**. Because, based on the results of the bootstrapping test, the P-Value value of the *financial literacy variable* in this study is $0.491 > 0.05$. This means that the results of this study

are in line with research conducted by [1 1], [1 2] which states that *financial literacy* has no effect on *saving decisions*.

The results of this study are not in accordance with *the Theory of Planned behavior* (TPB). Because *the Theory of Planned behavior* (TPB) is a theory that reveals motivational factors that can affect behavior with indications in the form of how individuals try hard to try, how much effort will be made to carry out the plan that has been made to carry out the behavior. Meanwhile, with the absence of [2 0] *financial literacy* on *saving decisions*, it can be said that *financial literacy* cannot make changes for generation Z to be able to save money. The lack of *financial literacy* possessed by generation Z results in generation Z becoming a wasteful generation because it cannot manage finances effectively and efficiently. This is the reason why Generation Z prefers to go into debt rather than save. This is in accordance with the existing phenomenon that shows the high level of debt in generation Z in 2023.

5.2 The Influence of *Materialism* on *Saving Decision*

Based on the results of the bootstrapping test in table 9. Hypothesis 2 which states that the materialism variable has a negative and significant effect on *saving decisions*, **is not supported**. Because, based on the results of the bootstrapping test, the P-Value value of the *materialism variable* in this study is $0.000 < 0.05$. This means that the results of this study are in line with the research conducted by [4], [1 4] those who stated that *materialism* has a positive and significant effect on *saving decisions*.

The results of this study are in accordance with *the Theory of Planned behavior* (TPB). Because *the Theory of Planned behavior* (TPB) is a theory that reveals motivational factors that can affect behavior with indications in the form of how individuals try hard to try, how much effort will be made to carry out the plan that has been made to carry out the behavior. The positive and significant influence of [2 0] *materialism* on *saving decisions* can make Generation Z aware of the impact of *materialist* behavior and begin to be interested in saving because Generation Z already knows about *materialistic* behaviors that can disrupt their financial system. This is in accordance with the existing phenomenon where generation Z is starting to be interested in saving with *the soft saving* method where even though the amount saved is not large, generation Z already has an interest in saving for long-term needs.

5.3 The Influence of *Financial Behavior* on *Saving Decision*

Based on the results of the bootstrapping test in table 9. Hypothesis 3 which states that the *financial behavior* variable has a positive and significant effect on *saving decisions*, **is supported**. Because, based on the results of the bootstrapping test, the P-Value value of the *financial behavior variable* in this study is $0.017 < 0.05$. This means that the results of this study are in line with the research conducted by [1 5] which states that *financial behavior* has a positive and significant effect on *saving decisions*.

The results of this study are in accordance with *the Theory of Planned behavior* (TPB). Because *the Theory of Planned behavior* (TPB) is a theory that reveals motivational factors that can affect behavior with indications in the form of how individuals try hard to try, how much effort will be made to carry out the plan that has been made to carry out the behavior. The influence of [20] *financial behavior* on *saving decisions* has made Generation Z experience a change in behavior that initially likes to go into debt but begins to slowly change to like saving. These changes can make the debt habit of Generation Z disappear.

5.4 The Influence *Financial Attitude* On *Saving Decision*

Based on the results of the bootstrapping test in table 9. Hypothesis 4 which states that the *financial attitude* variable has a positive and significant effect on *saving decisions*, **is supported**. Because, based on the results of the bootstrapping test, the P-Value value of the *financial attitude variable* in this study is $0.016 < 0.05$. This means that the results of this study are in line with the research conducted by [1 2], [1 8] which states that *financial attitude* has a positive and significant effect on *saving decisions*.

The results of this study are in accordance with *the Theory of Planned behavior* (TPB). Because *the Theory of Planned behavior* (TPB) is a theory that reveals motivational factors that can affect behavior with indications in the form of how individuals try hard to try, how much effort will be made to carry out the plan that has been made to carry out the behavior. The influence of [2 0] *financial attitude* on *saving decisions* has a good impact on the finances of Generation Z. Based on the existing phenomenon with Generation Z starting to save, it has opened up a new perspective on the wealth management of Generation Z. The higher *the financial attitude* owned by generation Z, the saving behavior in generation Z will also be higher so that it can separate basic needs (main) and secondary needs (sideline).

6. CONCLUSIONS

Based on the results of the tests that have been carried out, the researcher obtained the results that hypothesis 1 and hypothesis 2 are not supported because the results of hypothesis 1 testing state that financial literacy does not affect saving decisions. Meanwhile, the test results of hypothesis 2 state that materialism has a positive and significant effect on saving decisions. This can happen because in 2023 generation Z has a high level of financial literacy possessed by Generation Z. But in 2024 generation Z will begin to change this slowly by changing their behavior by saving using the soft saving method. This method is a saving concept that provides flexibility and comfort for individuals in managing their finances. This means that Generation Z starts saving of their own volition without any coercion. With the interest of Generation Z in saving, the level of materialism owned by Generation Z will decrease, which will make the benchmark by Generation Z in making materialistic behavior a bad example so that it will make Generation Z prefer to save rather than waste money without benefit. This is also what makes hypothesis 3 and hypothesis 4 supported or financial behavior and financial attitude have a positive and significant effect on saving decisions.

Based on this research, the researcher hopes that Generation Z can improve their financial literacy so that they can avoid debt behavior and increase their knowledge in determining decisions in saving. For the next researcher, it is hoped that they can research other variables such as hedonism, cultural influence, and motivation on saving decisions and research different research objects such as in other cities or districts.

Disclaimer (Artificial intelligence)

Option 1:

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc) and text-to-image generators have been used during writing or editing of manuscripts.

REFERENCES

- [1] S. Pangestu and E. B. Karnadi, "The effects of financial literacy and materialism on the savings decision of generation Z Indonesians," *Cogent Bus. Manag.*, vol. 7, no. 1, 2020, doi: 10.1080/23311975.2020.1743618.
- [2] G. F. Goenadi, W. R. Murhadi, and E. Ernawati, "The Influence of Financial Literacy on Financial Inclusion: Social Capital As Mediating Variable," *Media Ekon. dan Manaj.*, vol. 37, no. 2, pp. 195–209, 2022.
- [3] L. Mardianti and D. S. Oktapiani, "Pengaruh Literasi Keuangan Dan Gaya Hidup Terhadap Keputusan Menabung Mahasiswa Program Studi Manajemen Fakultas Ekonomi Dan Bisnis Universitas Teknologi Sumbawa," *Proceeding Student Conf.*, vol. 2, no. 5, pp. 251–259, 2024, [Online]. Available: <https://conference.uts.ac.id/index.php/Student/article/view/1209>
- [4] Lina Permatasari, Wida Purwidiyanti, Erna Handayani, Yudhistira Pradhipta, and Aryoko, "The Influence of Financial Literacy, Materialism, and Allowance on Saving Decision and Consumptive Behavior in Generation Z," in *Shaping the Sustainable Future: Trends and Insights in Economics, Business, Management, and Information Technology, 2023*, pp. 228–243.
- [5] F. Fadhli and I. R. Johan, "the Influence of Financial Literacy and Perception of Qanun Toward Saving Behavior Acehese People," *J. Child, Fam. Consum. Stud.*, vol. 2, no. 1, pp. 36–46, 2023, doi: 10.29244/jcfcs.2.1.36-46.
- [6] H. Mabkhot and S. Talat, "Impact of Social factors, Self-control, and Financial Education on

- Financial Literacy and Financial Saving Behaviour among University Students in Saudi Arabia,” *Eurasian J. Educ. Res.*, vol. 2023, no. 106, pp. 192–210, 2023, doi: 10.14689/ejer.2023.106.012.
- [7] J. J. K. . Worang, J. E. Tulung, and M. H. . Pandowo, “the Influence of Financial Literacy and Financial Inclusion on Saving Behavior in Manado Pengaruh Literasi Keuangan Dan Inklusi Keuangan Terhadap Perilaku Menabung Di Kota Manado,” *J. Ekon. Manajemen, Bisnis dan Akunt.*, vol. 10, no. 4, pp. 893–902, 2022.
- [8] M. A. Sekarwati and Susanti, “Pengaruh Literasi Keuangan, Inklusi Keuangan dan Modernitas Individu Terhadap Perilaku Menabung Mahasiswa Perguruan Tinggi Negeri Surabaya,” *J. Ekon. Keuang. dan Manaj.*, vol. 16, no. 2, pp. 268–275, 2020, [Online]. Available: <https://journal.feb.unmul.ac.id/index.php/INOVASI/article/view/7720/1099>
- [9] A. S. Alshebami and T. H. H. Aldhyani, “The Interplay of Social Influence, Financial Literacy, and Saving Behaviour among Saudi Youth and the Moderating Effect of Self-Control,” *Sustain.*, vol. 14, no. 14, 2022, doi: 10.3390/su14148780.
- [10] S. Hesti, “Pengaruh Pendidikan Manajemen Keuangan Terhadap Perilaku Menabung Melalui Literasi Keuangan (Studi Pada Mahasiswa Prodi S1 Manajemen Konsentrasi Manajemen Keuangan Fakultas Ekonomi Dan Bisnis Universitas Jambi),” *Dr. Diss. Univ. JAMBI*, no. september 2016, pp. 1–6, 2022.
- [11] A. E. Saputra, “Pengaruh Pengetahuan, Promosi, Dan Fasilitas Terhadap Keputusan Menabung Dengan Minat Menabung Sebagai Variabel Intervening,” *J. Al Mujaddid Hum.*, vol. 8, no. 1, pp. 8–20, 2022, doi: 10.58553/jalhu.v8i1.116.
- [12] V. Mardiana and R. Rochmawati, “Self-Control Sebagai Moderasi Antara Pengetahuan Keuangan, Financial Attitude, Dan Uang Saku Terhadap Perilaku Menabung,” *J. Pendidik. Ilmu Sos.*, vol. 30, no. 2, pp. 83–98, 2020, doi: 10.23917/jpis.v30i2.11872.
- [13] Y. Z. F. N. Saffana, Sudarno, and K. B. Sangka, “Pengaruh Sikap Materialisme Terhadap Perilaku Menabung Dimediasi Pembelajaran Ekonomi Dan Teman Sebaya Pada Mahasiswa FKIP UNS,” *J. Pendidik. Ekon.*, vol. 11, no. 2, pp. 103–113, 2023.
- [14] D. J. Dewi, S. Falah, K. Patma, and A. Salle, “Pengaruh Pengetahuan Keuangan Dan Materialisme Terhadap Perilaku Menabung Pada Mahasiswa Dengan Impulsive Consumption Sebagai Variabel Mediasi,” *J. Akunt. Dan Keuang. Drh.*, vol. 16, no. 2, pp. 44–54, 2021, doi: 10.52062/jakd.v16i2.1895.
- [15] Ramdhany Efendy and Serli Oktapiani, “Pengaruh Literasi Keuangan, Financial Attitude, Dan Financial Behavior Terhadap Keputusan Menabung Mahasiswa,” in *Seminar Nasional Manajemen Inovasi*, 2024, pp. 345–354. [Online]. Available: <https://dinastirev.org/>
- [16] E. Febriliantino, I. Indriasari, and M. F. Darmaputra, “Pengaruh Literasi Keuangan, Efikasi Keuangan, Perilaku Keuangan, Dan Faktor Demografi Terhadap Pengambilan Keputusan Menabung (Studi Kasus Pada Mahasiswa Manajemen Universitas PGRI Semarang),” *Jpro*, vol. 5, no. 1, pp. 122–127, 2024.
- [17] Kemal Sandi, W. Saporila, and D. Ari., “Pengaruh Financial Knowledge dan Financial Attitude Terhadap Financial Behavior Pada Youth Entrepreneur Kota Malang,” *J. Adm. Bisnis*, no. Ekosistem Strat p, p. 140, 2020.
- [18] R. L. Tendean, B. T. Charista, and M. I. Malelak, “Pengaruh Financial Knowledge, Financial Attitude, Dan Financial Self Efficacy Terhadap Saving Behavior Pada Pengguna E-Commerce Generasi Z,” *Distrib. - J. Manag. Bus.*, vol. 10, no. 2, pp. 141–154, 2022, doi: 10.29303/distribusi.v10i2.228.
- [19] A. Anastasya and A. S. Pamungkas, “Pengaruh Financial Literacy, Financial Attitude, dan Self Control terhadap Saving Behavior,” *J. Manajerial Dan Kewirausahaan*, vol. 5, no. 2, pp. 343–352, 2023, doi: 10.24912/jmk.v5i2.23403.
- [20] J. Jennifer and A. S. Pamungkas, “Pengaruh Self Control, Financial Literacy Dan Parental Socialization Terhadap Saving Behavior,” *J. Manajerial Dan Kewirausahaan*, vol. 3, no. 1, p. 8, 2021, doi: 10.24912/jmk.v3i1.11259.
- [21] J. J. Xiao, *Handbook of consumer finance research.*, vol. 19, no. 1. 2016. [Online]. Available: <http://search.ebscohost.com/login.aspx?direct=true&db=psych&AN=2008-10782-007&site=ehost-live%5Cnhttp://sdevaney@purdue.edu>
- [22] M. H. Alfani, P. Nuraini, Z. Hamzah, and S. O. Bella, “Pengaruh Financial Behavior Terhadap Keputusan Investasi Tabungan Emas Pada Bank Syariah,” *J. Tabarru’ Islam. Bank. Financ.*, vol. 06, no. 01, pp. 305–311, 2023, [Online]. Available:

- [https://doi.org/10.25299/jtb.2023.vol6\(1\).13580](https://doi.org/10.25299/jtb.2023.vol6(1).13580)
- [23] W. Adityandani and N. Asandimitra Haryono, "Pengaruh Demografi, Financial Attitude, Financial Knowledge, Dan Suku Bunga Terhadap Perilaku Menabung Masyarakat Kota Surabaya," *J. Ilmu Manaj.*, vol. 7, no. 2, pp. 316–326, 2018.
- [24] C. Ming Thung, C. Ying Kai, F. Sheng Nie, L. Wan Chiun, and T. Chang Tsen, "Determinants of saving behaviour among the university students in Malaysia," *Univ. Tunku Abdul Rahman*, no. May, p. 109, 2012, [Online]. Available: <http://eprints.utar.edu.my/607/1/AC-2011-0907445.pdf>
- [25] A. Yudha and A. Pradana, "Combination of Financial Knowledge and Financial Attitude in Establishing Good Financial Management Behaviour for Students After the COVID-19 Pandemic," *J. Manaj. Teor. dan Terap. | J. Theory Appl. Manag.*, vol. 15, no. 2, pp. 224–235, 2022, doi: 10.20473/jmtt.v15i2.37906.
- [26] J. F. Hair, J. J. Risher, M. Sarstedt, and C. M. Ringle, "The Results of PLS-SEM Article information," *Eur. Bus. Rev.*, vol. 31, no. 1, pp. 2–24, 2019.

Internet sources:

<https://banyumaskab.bps.go.id/statictable/2023/11/14/496/jumlah-penduduk-menurut-kelompok-umur-dan-jenis-kelamin-di-kabupaten-banyumas-2022.html>

<https://data.goodstats.id/statistic/pierrerainer/sensus-bps-saat-ini-indonesia-didominasi-oleh-gen-z>

<https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/40800>