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Gender Issues in Digital Financial Literacy and Financial Behavior among Millennials

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Abstract
The study examines the effect of digital financial literacy on financial behavior which is proxied by spending and saving behavior. In particular, this study investigates the role of gender differences in the dependency relationship between digital financial literacy on financial behavior. The population was undergraduate students of the Faculty of Economics, Sriwijaya University, Indonesia. We employed the snowball sampling method and obtained 136 respondents as samples. Ordinary Least Square and Pairwise Comparisons were used to test the hypotheses. The results show that digital financial literacy has a positive and significant effect on spending behavior and saving behavior, respectively. Moreover, there is a difference between men and women in the effect of digital financial literacy on spending behavior. Nevertheless, it is found that there is no difference between men and women in the effect of digital financial literacy on saving behavior.

Keywords: Digital Financial Literacy, Spending Behavior, Saving Behavior, Financial Behavior, Gender, Millennials

Isu Gender dalam Hubungan Literasi Keuangan Digital dan Perilaku Keuangan pada Generasi Milenial

Abstrak
Penelitian ini bertujuan untuk menyelidiki pengaruh literasi keuangan digital terhadap perilaku keuangan yang diproksikan dengan perilaku belanja dan menabung. Secara khusus penelitian ini menyelidiki perbedaan gender dalam hubungan pengaruh literasi keuangan digital terhadap perilaku keuangan. Populasi penelitian ini adalah mahasiswa Fakultas Ekonomi Universitas Sriwijaya, dengan metode snowball sampling diperoleh 136 responden sebagai sampel. Analisis data menggunakan regresi linier berganda dengan Ordinary Least Square dan Pairwise Comparison. Hasilnya menunjukkan bahwa literasi keuangan digital berpengaruh positif dan signifikan terhadap perilaku belanja dan perilaku menabung. Selanjutnya, terdapat perbedaan antara laki-laki dan perempuan dalam pengaruh literasi keuangan digital terhadap perilaku belanja, akan tetapi tidak terdapat perbedaan antara laki-laki dan perempuan dalam pengaruh literasi keuangan digital terhadap perilaku menabung.

Kata kunci: Literasi Keuangan Digital, Perilaku Belanja, Perilaku Menabung, Perilaku Keuangan Perbedaan Gender, Generasi Milenial

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INTRODUCTION

Literacy is defined as the ability that arises as a result of the learning process through the process of reading and writing. Furthermore, the literacy of a person is not only known as

knowledge but could be applied in visible skills, where these skills contribute to daily life (Ministry of Education and Culture, 2021; UNESCO, 2021; EDC, 2021). In terms of financial literacy, financial literacy is the ability, skill and confidence to manage finances in order to improve individual, social and community welfare. Therefore, there is a fundamental difference between financial knowledge and financial literacy (Huston, 2010). Financial knowledge is one of the elements that build financial literacy. Knowledge is obtained from the learning process (both through experience and learning in the classroom), while financial literacy is a combination of abilities (e.g., IQ, EQ) and knowledge concerning form personal finance behavior that influences every decision-making where the ultimate goal is to gain prosperity financially.

Economic growth with simultaneous digital technology growth has attracted significant attention to academic discourse in business and economic research (Ozili, 2020). In recent years, emerging digital financial services have attracted the attention of stakeholders (such as policy makers and academics) as a potential pathway for financial literacy. In particular, digital payment technology through digital platforms, and Internet-based money transfer systems combined with the use of mobile phone technology have made the financial system more accessible. The adoption and use of digital services could influence and shape daily financial activities that have the potential to contribute to ensuring the economic growth of society.

In many emerging countries, financial literacy appears to be a potential transformative agent that leads to poverty reduction and ensures a more financially literate society (Aziz & Naima, 2021). The Indonesian Financial Services Authority (FSA) conducted a survey to the Indonesian people and the results showed that the majority of the people were at level three out of four, namely literacy adequacy (75.69 percent). Literacy adequacy means that a person has knowledge and beliefs about financial service institutions and financial products and services, including features, benefits and risks, rights and obligations related to financial products and services (Financial Services Authority, 2019). In addition, the data presented by OJK also reveals that only respondents from the banking sector have good financial literacy compared to respondents from other sectors. In the context of this study, commercial banks in Indonesia have invested heavily in technology infrastructure to achieve efficient transaction flows, better access to clients, and quality products and services. Although financial literacy is frequently regarded as an essential aspect of development, Indonesia keeps lagging behind in ensuring financial institutions' access to wider context.

The development of digital technology and e-commerce has changed consumer behavior in saving and spending. E-commerce includes not only the retail trade sector of goods and services, but also financial services with different platforms such as loans, mortgages, payment instruments, peer-to-peer lending and comparison of financial institution products and services. Setiawan, et al. (2020) revealed that Indonesia has the largest potential share of the e-commerce market and currently has the largest e-commerce transaction in Southeast Asia. In addition, the trend of e-commerce users continues to grow and is predicted to reach 75.3 percent of the total population of Indonesia by 2023 (Jayani, 2019).

Therefore, this study aims to examine the relationship between financial literacy and financial behavior, especially among millennials. As is known, millennials dominate the Indonesian population with a percentage of 25.87 percent (Central Statistics Agency, 2021). Millennials are a generation that uses digital technology and digital fintech more than that of previous generations. A previous study found that millennials who have access to social media have a significant influence on financial behavior (Sivansankaran, et al., 2017). Furthermore, many previous studies have found a relationship between financial literacy and shopping behavior (Zuliahati, et al., 2020; Sivansankaran, et al., 2017; Allgood & Walstad, 2016), yet there are few studies discuss the effect of digital financial literacy on financial behavior (e.g., Setiawan, et al., 2020; Prasad & Meghwal, 2017). The distinction of this study from prior research lies in its specific scope, as it is limited to millennial respondents who possess similar knowledge due to their shared academic backgrounds. Furthermore, by addressing gender differences, this study provides mitigation of the financial gap that might arise during millennials' productive years, potentially resulting in lower incomes and less disposable income for saving or spending behavior. This is especially important given that millennials will be assuming leadership positions and serving as strategic decision-makers for at least the next two decades. On the specific matter regarding financial technology, women, particularly in developing countries, may still encounter barriers when it comes to accessing and using digital financial services. Thus, this study contributes to a broader understanding of the economic implications of gender disparities and encourage future discussions on policies and practices that promote financial equity to further inspire efforts to enhance financial inclusion and empower women by improving their access to and use of digital financial services.

The rest of the paper was organized as follows. Section two presents the literature based on previous studies. Section three displays the methodology. Section four provides empirical findings and discussion. The remaining sections are managerial implications and conclusions which provide contribution and future trend for further study.

Literature Review

Behavioral economics seeks to combine lessons from psychology with the laws of economics. The basic insight of behavioral economics is that human behavior is not guided by the dictates of rationality embodied in super-computers that can analyze the costs and benefits of each action (Dolan, et al, 2012). Instead, it is run by our brain that "very human", sociable, emotional, and sometimes distracted by fallacies. In short, the mental shortcuts that serve us so well in many lives can also get us into trouble, both as individuals and as a society. Nofsinger (2001) defined behavioral finance as studying how humans actually behave in a financial setting. In addition, financial behavior defines as any human behavior that is relevant to money management. Common financial behaviors include cash, credit, and saving behaviors (Xiao, 2008). Therefore, this theory is considered relevant to the problem raised in this study which analyzes the relationship between digital financial literacy, saving behavior, and spending behavior.

Digital financial literacy is knowledge of online shopping and savings systems through online payments and banking (Prasad & Meghwal 2017). Tony and Desai (2020) stated that digital financial literacy is a combination of two concepts including financial literacy and digital platforms. Thus, digital financial literacy defines as financial literacy in digital financial technology. According to data from the Central Statistics Agency (2020), Indonesia is currently struggling to improve financial literacy, which is being pursued by rapid technological developments, so focus needs to be given to empowering the Indonesian population in terms of digital financial literacy. If a household can have one person who is digitally and financially advanced, government plans and practices can be implemented and achieved. Governments and other financial institutions should seek to create a higher level of awareness for financial products and services related to digital platforms (Prasad & Meghwal 2017).

Several previous studies have tried to link financial literacy with other economic and financial behaviors (Moore, 2003; Prasad & Meghwal, 2017; Setiawan, et al, 2020). In this study, we classify financial behavior into saving behavior and spending behavior, such as the studies conducted by Henager & Cude (2016); Widyastuti, et al. (2016); Morgan & Trinh (2019); Setiawan, et al. (2020). On household balance sheet liabilities, Moore (2003) discovered that people who are least financially literate tend to have more debt. Campbell (2006) showed that those with lower incomes and less education are less likely to refinance their debt during periods of falling interest rates. Stango and Zinman (2009) found that those who could not correctly calculate interest rates generally borrow more and accumulate less wealth.

The influence of literacy on saving behavior has been carried out by previous studies such as Sabri & MacDonald (2010), Widyastuti et al, (2016), Varcoe et al. (2005), Henager and Cude (2016), support the relationship between the two variables. While the relationship between financial literacy and spending behavior, previous studies by Perry (2011), Allgood & Walstad (2016), Varcoe, et al. (2005), Henager & Cude (2016), found that financial literacy can positively influence spending behavior. Therefore, many previous studies have analyzed the effect of financial literacy on spending and saving behavior (e.g., Varcoe, et al., 2005; Sabri & MacDonald, 2010; Henager & Cude, 2016; Widyastuti, et al., 2016). Meanwhile, studies investigating the effect of digital financial literacy on spending and saving behavior are still sparse in the literature. The study by Setiawan, et al (2020) found a positive and significant relationship between digital financial literacy on saving behavior and spending behavior among millennials in Indonesia with an age range of 25-40 years and various backgrounds. This study uses a sample of millennials with the same educational background and a shorter age range. Therefore, the hypothesis proposed in this study is:
H1a: Digital financial literacy has a positive and significant effect on spending behavior.
H1b: Digital financial literacy has a positive and significant effect on saving behavior.

We propose an additional hypothesis in this study to examine gender differences in the relationship between the influence of digital financial literacy on financial behavior. The hypothesis was suggested due to the fact that there is an influence between gender to financial behavior (Woodyard & Robb, 2012; Walczak & Pieńkowska-Kamieniecka, 2018).

Furthermore, the study of Hira & Loibl (2008), found that if women and men are involved in money management tasks, women will be more responsible for these tasks and men are more likely to be responsible for investment-related activities. Furthermore, although gender differences in education, income, and wealth have narrowed over time, long-term financial security measures for women are still at lower levels than for men (Hira & Loibl, 2008). In general, women invest less money and invest their money in less risky investments than men. Women may also differ from men in their access to information, as well as their ability or inclination to use the available information. Based on these arguments, we propose the second hypothesis in this study:

H2a: There is a significant difference between male and female in the relationship between digital financial literacy and spending behavior.

H2b: There is a significant difference between male and female in the relationship between digital financial literacy and saving behavior.

METHOD

This study was conducted in Palembang, South Sumatra Province, Indonesia using an empirical approach by collecting data from questionnaires that were distributed online to respondents. Previously, the questionnaire was distributed randomly to a small sample as a pre-test and the results showed that the instrument used in the study was able to explain the variables. Thus, it implies that the questionnaire could be used as an approach to collect the data. The questionnaire consisted of simple questions related to demographics (e.g., gender, ethnicity, education of father, and family economic background) and structured questions containing the instruments of the variables. Structured questions consist of instruments of digital financial literacy (consisting of 8 questions), spending behavior (consisting of 7 questions), and saving behavior (consisting of 8 questions). Furthermore, the distribution of the questionnaires was obtained using the snowball sampling method to collect the required number of samples in the study.

The population of this study is undergraduate students of the Faculty of Economics, Sriwijaya University, both Palembang and Indralaya campuses. The criteria for the sample are active students who have taken at least two semesters of lectures. Furthermore, we have limited the sample based on determinants of financial literacy such as age, gender, and educational background, therefore the sample is considered to have the same background. Furthermore, we collected 150 feedbacks from respondents. However, based on the outlier test, the sample used in the study has been reduced because 14 out of 150 samples were indicated as large outliers. Therefore, there are 136 samples remaining that met the criteria.

We used instruments to measure the variables. The possibilities of feedback from respondents are "yes" which represents one or "no" which represents zero. The answers to each variable were added up to represent the value in each variable. Meanwhile, the control variables use nominal measurements with predefined categories. We used several control variables, including gender (Woodyard & Robb, 2012; Walczak & Pieńkowska-Kamieniecka, 2018), race (Rante, 2010; Robb & Woodyard, 2011; Rucks-Ahidiana, 2016; Purniawati & Lutfi, 2017), family background (Robb & Woodyard, 2011; Rucks-Ahidiana,

2016), and family financial background (Perry & Morris, 2005; Robb & Woodyard, 2011; Rucks-Ahidiana, 2016). The operational variables are presented in Table 1.

Tabel 1. *Variables Operational*

Variable	Measurement	Indicator	Response Possibility
Digital Financial Literacy (x)	The sum of the scores of the 8 question instruments	Questions regarding understanding of digital payment products, digital investments, digital loans, experience with digital financial products, customer protection for digital financial services, as well as the ability to manage and evaluate the use of digital financial products, and questions related to financial risks in digital financial services	Yes = 1, no = 0
Spending Behavior (y1)	The sum of the scores of the 7 question instruments	Questions regarding spending experience and behavior using digital platforms	Yes = 1, no = 0
Saving Behavior (y2)	The sum of the scores of the 8 question instruments	Questions regarding saving experience and behavior using digital platforms	Yes = 1, no = 0
Gender (kontrol)	Male = 1; Female = 2	Gender of respondent	Male of female
Race (control)	South Sumatra = 1; Outside South Sumatra = 2	Origin of respondent	South Sumatra or Outside South Sumatra
Family Background (control)	Primary/Middle/Senior School = 1 Diploma/Bachelor Degree = 2 Master/Doctoral Degree = 3	Education of father	• Primary/Middle/Senior School • Diploma/Bachelor Degree • Master/Doctoral Degree
Family Financial Background (control)	<3,2 million Rupiahs = 1 3,2-5 million Rupiahs a = 2 >5 million Rupiahs = 3	Income of family	• <3,2 million Rupiahs • 3,2-5 million Rupiahs • >5 million Rupiahs

Reliability tests ensures that the data is worthy of further analysis. Furthermore, tests for normality, heteroscedasticity and multicollinearity were performed to avoid bias towards the results of the study. After all the tests are met, we use multiple linear regression models by exploiting the Ordinary Least Square method to test hypothesis one with the following equation:

DFL = a + b1YSB + b2GEN + b3CONTROL + e……(1)
DFL = a + b1YSVB + b2GEN + b3CONTROL + e……..(2)

Where YSB represents spending behavior, YSVB represents saving behavior, DFL is the dependent variable which is digital financial literacy, and CONTROL represents control variables comprised of gender, race, family background, and family financial background. Afterwards, we employed a pairwise comparison test to test the second hypothesis, the pairwise test was carried out twice since there were two proxies of the dependent variable in this study.

FINDING AND DISCUSSION

Descriptive statistics aim to display a descriptive description of the data. Descriptive statistics present the arithmetic mean, standard deviation, maximum and minimum value. The independent variables consisted of spending behavior and saving behavior while the dependent variable was proxied by digital financial literacy, while the control variables used were gender, race, family background which was proxied the education of the father and family financial background which was proxied by family income.

Table 2. *Descriptive Statistics*

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Digital Financial Literacy	136	0	8	5.44	1.767
Spending Behavior	136	0	7	5.35	1.649
Saving Behavior	136	0	8	5.49	2.630
Valid N (listwise)	136				

According to Table 2, the results of the descriptive statistics from the influence of digital financial literacy on spending behavior can be shown by the mean value (calculated average) of 5.44 while the spending and saving behavior show the mean value of 5.35 and 5.49, respectively. Meanwhile, the standard deviation of digital financial literacy is 1,767, shopping behavior is 1,649, and saving behavior is 2,630. The higher value of the mean compared to the standard deviation indicates a small gap in the data. The demographic of the respondents is shown in Table 3 with the percentage of female respondents being greater than male respondents. The race of respondents from South Sumatra is 44.9 percent relatively balanced with respondents from outside South Sumatra as much as 55.1 percent. The education level of the father of the respondent is dominated by bachelor and diploma as much as 72.8 percent. Furthermore, the financial background of the family respondents is 30.9 percent for income levels above 5 million Rupiah, 40.4 percent for income between 3.2 million to 5 million Rupiah and 28.7 percent for income below 3.2 million Rupiah.

Table 3. *Demographic of respondents*

Information	Number	Percentage
Gender	Female: 102	Female: 75%
	Male: 34	Male: 25%
Race	South Sumatra: 61	South Sumatra: 44.9%
	Outside South Sumatra: 75	Outside South Sumatra: 55.1%
Family Background	Primary/Middle/Senior School: 14	Primary/Middle/Senior School: 10.3%
	Diploma/Bachelor Degree: 99	Diploma/Bachelor Degree: 72.8%
	Master/Doctoral Degree: 23	Master/Doctoral Degree: 16.9%
Family Financial Background	<3,2 million Rupiahs: 39	<3,2 million Rupiahs: 28.7%
	3,2 - 5 million Rupiahs: 55	3,2 - 5 million Rupiahs: 40.4%
	>5 million Rupiahs: 42	>5 million Rupiahs: 30.9%

Prior to running the data, we ensured that the data was valid and reliable by testing the validity using Pearson correlation and the reliability test using Cronbach's alpha. The results show that each instrument used by digital financial literacy, spending behavior and saving behavior is valid and reliable. Furthermore, the classical assumption test was carried out for each equation used in the study consisting of normality, multicollinearity and heteroscedasticity tests to avoid bias against the results of the study. The results show that the data are normal and there is no indication of multicollinearity and heteroscedasticity. Therefore, the data in this study deserves to be tested using the proposed model.

The coefficient of determination aims to determine how much the ability of the independent variable to influence the dependent variable. The closer to the number one indicates the coefficient of determination is related. Based on the results of statistical testing of digital financial literacy on spending behavior, it can be seen that the adjusted R Square value is 0.112 (Table 4). Adjusted R Square shows the actual coefficient of determination

Table 4. *The Effect of Digital Financial Literacy on Spending Behavior*

Model		Unstandardized Coefficients		t	Sig.	Adjusted R Square	Sig. (ANOVA)
		B	Std. Error				
1	(Constant)	2.981	1.057	2.820	.006	.112	<.001[b]
	Gender	.508	.311	1.636	.104		
	Race	-.285	.273	-1.041	.300		
	Education of Father	-.009	.280	-.033	.974		
	Family Income	.600	.187	3.211	.002		
	Digital Financial Literacy	.134	.077	1.751	.082		

Dependent Variable: Spending Behavior

of 11.2 percent. Thus, it can be concluded that the independent variable affects the dependent variable. In other words, the influence of spending behavior and the control variable consisting of gender, race, education of father, and family income on digital financial literacy is 11.2 percent, meanwhile 88.8 percent of the regression model is influenced by other factors.

The F test aims to simultaneously determine whether the independent variable affects the dependent variable. The basis for decision-making in the F test is that the independent variables simultaneously affect the dependent variable with a significance level of less than 0.05. Based on the results of statistical testing, namely ANOVA, the results obtained are the significance value of the variables studied simultaneously is less than 0.001. It can be concluded that the independent variable simultaneously affects the dependent variable.

The t-test aims to partially determine whether the independent variable affects the dependent variable. The decision is taken when the significance value is less than the significance level based on the confidence level, thus the hypothesis is accepted. Based on the results of statistical testing using the t-test on the variables studied, it is known that the gender variable has a significance value of 0.104, the ethnic variable has a significance of 0.300, the education of father has a significance level of 0.974, family income has a significance level of 0.002 and digital financial literacy variable has a significance of 0.082. Thus, the first hypothesis (H1a) is accepted. It can be concluded that digital financial literacy has a significant and positive effect on shopping behavior at the 90 percent confidence level or the 10 percent significance level.

Table 5. *The Effect of Digital Financial Literacy on Saving Behavior*

Model		Unstandardized Coefficients		t	Sig.	Adjusted R Square	Sig. (ANOVA)
		B	Std. Error				
1	(Constant)	1.838	1.597	1.151	.252	.204	<.001[b]
	Gender	.086	.469	.182	.856		
	Race	-.105	.413	-.255	.799		
	Education of Father	-.222	.423	-.525	.600		
	Family Income	.132	.282	.466	.642		
	Digital Financial Literacy	.710	.116	6.128	<.001		

a. Dependent Variable: Saving Behavior

Based on the statistical results of the second equation model that examines the effect of digital financial literacy on saving behavior, the adjusted R square data is 0.204 or 20.4 percent (see Table 5). It implies that the dependent variable is influenced by the independent variable by 20.4 percent while the rest is influenced by other factors. Based on the results of the F test, the results of the influence of digital financial literacy on saving behavior show a significance of 0.01 or less than 0.05. Thus, it can be concluded that digital financial literacy and all the control variables have a simultaneous effect on saving behavior.

Table 6. *Gender Differences in the Effect of Digital Financial Literacy on Spending Behavior*

Dependent Variable: Spending Behavior

		Mean Difference (I-J)	Std. Error	Sig.[b]	95% Confidence Interval for Difference[b]	
(I) Gender	(J) Gender				Lower Bound	Upper Bound
Male	Female	-1.497*	.445	.001	-2.378	-.616
Female	Male	1.497*	.445	.001	.616	2.378

Based on estimated marginal means

*. The mean difference is significant at the .05 level.

b. Adjustment for multiple comparisons: Bonferroni.

Furthermore, the results of the partial test found that gender has a significance level of 0.252, the race has a significance level of 0.856, education of father shows a significance level of 0.799, the family income has a significance level of 0.642. Meanwhile, digital financial literacy shows a significance level of 0.05. Thus, the second hypothesis (H1b) proposed in this study is accepted. It can be concluded that digital financial literacy has a positive and significant effect on saving behavior at a confidence level of 95 percent (significance level 5%).

Table 7. *Gender Differences in the Effect of Digital Financial Literacy on Saving Behavior*

Dependent Variable: Saving Behavior

		Mean Difference (I-J)	Std. Error	Sig.[a]	95% Confidence Interval for Difference[a]	
(I) Gender	(J) Gender				Lower Bound	Upper Bound
Male	Female	-.004	.723	.995	-1.435	1.427
Female	Male	.004	.723	.995	-1.427	1.435

Based on estimated marginal means

a. Adjustment for multiple comparisons: Bonferroni.

The test using pairwise comparisons aims to show significant differences in the factor variables that affect the independent variable on the dependent variable. The basis for decision-making in the pairwise comparisons test is if the significance value is less than 0.05 then there is a significant difference thus the alternative hypothesis is accepted. Based on the results of statistical testing, there are significant differences between male and female

gender in the influence of digital financial literacy on spending behavior (see Table 6). Therefore, the hypothesis H2a is accepted.

Table 7 displays the results of statistical testing using pairwise comparison testing. It can be concluded that there is no significant difference between the males and females in the relationship between digital financial literacy and saving behavior. It is indicated by a significance value greater than 0.05, which is 0.995, therefore hypothesis H2b is rejected.

According to the comparison of the t-table with the t-statistic it can be seen that digital financial literacy has a significant and positive effect on spending behavior. It is indicated by the probability value or significance level of 0.000 which is smaller than 0.05 with the t-count value of 1.751 which is greater than the t-table of 1.656 (1.751>1.656) and the coefficient value of the digital financial literacy variable is 0.001 (table 3). A positive value in the coefficient indicates a positive relationship between digital financial literacy and spending behavior. These results have supported the hypothesis proposed in the study. If digital financial literacy increases, financial behavior as spending behavior is in line with its implication in understanding digital financial literacy. The results of this study support the theory in this study, namely financial behavior, where according to Nofsinger (2001) financial behavior studies how humans behave in a financial determination or financial management. Therefore, the greater understanding of financial literacy leads a person to a better skill in managing spending behavior. For example, the pattern of life of a person that is not consumptive in spending money on shopping expenses or the existence of savings in managing expenses both routine and non-routine. The better one understands digital financial literacy, the better one can apply this understanding of financial literacy, in this case digital financial literacy. On the other hand, the lower the understanding of digital financial literacy, the lower the willingness of someone to understand and even reluctant to apply good digital financial literacy to manage their spending behavior. Erawati (2016) stated that with good financial literacy, a person is able to identify his finances for his main needs and can make good use of his finances. Meanwhile, if someone cannot manage finances well, they tend not to be able to separate the needs and desires that must be met first so that they can increase spending behavior. In addition, a study conducted by Silfiyah & Susanti (2021) stated that financial literacy has a significant effect on online spending behavior. It is indicated by the lower financial literacy, the more intense a person is to spend money to shop online so they need to do good financial planning and a commitment to realize expenses in accordance with the budget that has been set.

Furthermore, based on the comparison of the t-table with the t-statistic in Table 4, it could be seen that digital financial literacy has a significant positive effect on saving behavior. It is indicated by the probability value or significance level of 0.000 which is smaller than 0.05 with the t-count value of 6.128 which is greater than the t-table of 1.656. The coefficient value of the digital financial literacy variable is 0.001. Further, the positive coefficient indicates that the relationship between digital financial literacy and saving behavior is positive. It supports the hypothesis which states that there is a positive and significant influence between digital financial literacy and saving behavior. In addition, the hypothesis is also in line with the theory of financial behavior which states that the greater

knowledge and insight in digital financial literacy, the better financial management will be which will have an impact on life in the future. Digital financial literacy could be put to good use, and makes finances more organized, thus the money you have could be saved properly by having good saving behavior. The money that is owned is not only spent on fixed and variable expenses, but humans manage their finances by setting aside their funds for investment in savings. On the other hand, if someone does not understand the knowledge and insight about digital financial literacy properly, they will not apply saving behavior. It can be indicated by the absence of funds budgeted for saving so that they do not have any investment in any form that will have an impact in the future. In addition to being supported by the theory of financial behavior, the result of this study supports the study conducted by Ramalho and Forte (2019) which states that greater knowledge and beliefs about financial literacy leads to better financial behavior.

In addition, this study examines gender differences in the relationship between digital financial literacy on spending behavior and saving behavior, respectively. The results show that gender differences are significant in the effect of digital financial literacy on spending behavior, on the contrary, gender differences are insignificant in the effect of digital literacy on saving behavior. Behavioral finance is an important part of human activity that has an undeniable impact on current and future prosperity. This behavior applies to both men and women. However, many aspects of their behavior in this regard differ, for example, in the use of banking services (Yiu, et al., 2007). Men use online banking more often than women and this is not solely due to their preference for this form of contact with banks, but also to the fact that they are more comfortable with computers or gadgets. On the other hand, new functions in online banking are becoming less attractive to women. Furthermore, women are less likely than men to save or invest financial resources. This is because they buy food and other basic household items more often than men, this is the nature of a woman who shapes their behavior long before they even decide to start a household, as well as men who limit the expenditure of their financial resources (Johnson, 2004). Although the scope of financial behavior depending on gender may also change over time. This argument supports the results of the study which found significant differences between men and women in the effect of digital financial literacy on shopping behavior.

Lastly, the study found that there was no significant difference between male and female gender in the influence of digital financial literacy and saving behavior. Money is a more emotional topic for women than men. Spending money, on the one hand, gives them pleasure, while on the other hand, it causes long-term regret (Pine, 2009). Therefore, women tend to have good saving behavior to avoid regrets in the future, as well as men who think about supporting the family and managing their finances. Therefore, in terms of saving behavior, there is no significant difference in terms of gender. Another reason that strengthens this finding is that the subject is an educated millennial generation who is more sensitive to the importance of financial management coupled with the better ability of millennials in digital financial literacy compared to the older generation. Older people are much less likely to have a debit card, as are those with low education (Walczak & Pieńkowska-Kamieniecka, 2018), so their digital financial literacy is found lower.

CONCLUSION

The study investigates the effect of digital financial literacy on financial behavior as proxied by spending and saving behavior among millennial of undergraduate students from the Faculty of Economics, Sriwijaya University. In particular, this study investigates the issue of gender differences in the relationship between the influence of digital financial literacy on financial behavior. The results show that digital financial literacy affects spending behavior and saving behavior. The greater knowledge, insight, and trust in digital financial literacy, the better their financial behavior in terms of spending money for routine and non-routine expenses. Furthermore, an individual equipped with knowledge, insight, and trust in digital financial literacy is more likely to exhibit better financial behavior by setting aside a portion of their money for savings. It will have an impact on the pattern of financial management in the future. Furthermore, the results of this study indicate that there are significant differences between men and women in the effect of digital financial literacy on spending behavior, however there is no significant difference in the effect of digital financial literacy on saving behavior.

This study focuses on a narrow timeframe, hence it does not assess the dynamics of the financial behavioral process that is linked to gender. This study highlights several control variables but these variables are not used to investigate differences in financial behavior, therefore for further study differences in race, family educational background and family financial background deserve further investigation. Subsequently, further study is suggested to extend the observation period and increase the distribution of respondents with various backgrounds.

The results of this study have contributed to existing knowledge concerning the impact of specific factors on financial behavior. In addition to addressing gaps in the theoretical literature related to gender, digital financial literacy, and financial behavior, this study provides practical insights for policymakers, particularly in terms of education policies linked to digital financial literacy. Given that financial literacy and digitalization are concerns within the Indonesian education system, these contributions could be translated into policy design supporting the role of digital financial literacy. For example, integrating digital understanding and knowledge into curricula considered as a viable approach. In a broader context, this study suggests that millennial financial behavior has the potential to foster financial system stability. This significance is underscored by the expectation that, over the next two decades, millennials will play a pivotal role in the progression of our nation.

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