



## THE EFFECT OF FINANCIAL LITERACY, TECHNOLOGY LITERACY, AND LIFESTYLE ON THE USE OF ELECTRONIC MONEY (CASE STUDY OF ISLAMIC BANKING STUDENTS IN JAKARTA)

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### Abstract

*The current study aims to determine the effect of financial literacy, technology literacy, and lifestyle on the use of electronic money on Islamic Banking students. The type of this study is a quantitative approach using a descriptive technique. The method used in the study was distributing questionnaires to 91 students who enroll Islamic Banking course in Jakarta who use electronic money. Further, non-probability sampling and purposive sampling methods were applied to yield the data. Processing the data were then calculated by SPSS 25 and Microsoft Excel. The data analysis utilized a Multiple Linear Regression Analysis. The results of this study indicate that financial literacy, technological literacy and lifestyle simultaneously have positive and significant effects on the use of electronic money. The partial test shows that the financial literacy variable (X1) does not have a significant effect on the use of electronic money (Y), while the technological literacy variable (X2) has a positive and significant effect on the use of electronic money (Y), and the lifestyle variable (X3) has a positive effect and significant to the use of electronic money (Y).*

**Keywords:** *Financial Literacy, Technology Literacy, Lifestyle, Electronic Money.*

### Abstrak

Penelitian ini bertujuan untuk mengetahui pengaruh *Financial Literacy, Technology Literacy dan Lifestyle* terhadap Penggunaan Uang Elektronik pada Mahasiswa Perbankan Syariah di Jakarta. Jenis penelitian ini adalah pendekatan kuantitatif dengan menggunakan teknik deskriptif. Metode yang digunakan dalam penelitian ini adalah menyebarkan kuesioner kepada 91 mahasiswa yang mengikuti kursus perbankan syariah di Jakarta yang menggunakan uang elektronik. Selanjutnya, metode *non-probability sampling* dan *purposive sampling* diterapkan untuk menghasilkan data. Pengolahan data kemudian dihitung dengan SPSS 25 dan Microsoft Excel. Analisis data menggunakan Analisis Regresi Linier Berganda. Hasil penelitian ini menunjukkan bahwa literasi keuangan, literasi teknologi dan gaya hidup secara simultan berpengaruh positif dan signifikan terhadap penggunaan uang elektronik. Uji secara parsial menunjukkan bahwa



variabel literasi keuangan (X1) tidak berpengaruh signifikan terhadap penggunaan uang elektronik (Y), sedangkan variabel literasi teknologi (X2) berpengaruh positif dan signifikan terhadap penggunaan uang elektronik (Y), dan variabel gaya hidup (X3) berpengaruh positif dan signifikan terhadap penggunaan uang elektronik (Y).

**Keywords: Literasi Keuangan, Literasi Teknologi, Gaya Hidup, Uang Elektronik.**

### Introduction

Money is an essential thing in fulfilling human life sustainability which needs to be taken seriously. The success of managing finances is largely determined by the principles used. There are two types of money such as coins and banknotes in conducting transactions in the community. However, along with the development of financial technology, a new combination has emerged. This is called the implementation of non-cash payment system or so-called electronic money (e-money)(Amri, 2022).

In Indonesia, the non-cash payment system or e-money has been initiated since 2007, and is regulated by Bank Indonesia as an authorized party. After that, in 2014, Bank Indonesia carries out socialization and campaigns related to the use of e-money through the *Gerakan Nasional Non Tunai (GNNT)* or National Non-Cash Movement (NNCM). The campaign serves to increase public awareness in using non-cash transactions which will eventually form groups of people who are accustomed to using e-money instruments in carrying out their economic activities (Amri & Gultom, 2022). Over time, the development of payment transactions towards a cashless society has become a trend likewise with the increasing use of digital technology in consumption activities.

Through this very rapid technological development, everyone can make transactions through an application on a smartphone without having to bother carrying wallets and cash, because consumers can make digital payments safely and effectively, and can be approved in a short time.

Based on Bank Indonesia Regulation Number 20/6/PBI/2018 concerning e-money, the definition of e-money is a payment instrument consisting of three categories. These categories are the value of money is deposited first to the issuer after it is issued, the value of electronic money is stored in a chip-based and server-based, and electronic money value management are deposits which can be transferred in a payment transaction and or fund transfer.

In a modern era, the payment transaction system with e-money is one of the trends happening in society. Its convenience, speed and security in transactions are the reasons Indonesian citizens switch to electronic or non-cash payment transactions(Amri & Ramdani, 2020). The payment



transaction using e-money is considered profoundly effective. The following is electronic money spread across Indonesia started from 2015 until 2021.

**Table 1. Amount of Electronic Money Circulating in Indonesia**

Year	Million of Units		
	Chip Based	Server Based	Number of Electronic Money Instruments
2015	20,360,000	13,960,000	34,310,000
2016	26,380,000	24,820,000	51,200,000
2017	40,910,000	49,090,000	90,000,000
2018	55,480,000	111,720,000	167,210,000
2019	60,340,000	231,960,000	292,300,000
2020	68,400,000	363,880,000	432,280,000
2021	79,580,000	495,750,000	575.330,000

Source: Bank Indonesia (2021)

Table 1 above pictures from 2015 to December 2021, that it is portrayed the growth of e-money instruments circulating in Indonesia, both on chip-based and server-based, continue to increase. This shows that people accept e-money as a means of payment in their daily activities. The circulation of electronic money continues to accelerate every year, so that consumers must be able to understand its uses, and have the ability to distinguish between what they need, and what they want.

Basically, consumers' knowledge literacies continue on their attitudes taken. The financial attitudes and behaviors are the main controllers to make decisions in transactions using e-money, even though the consumer knows, and has detailed knowledge about financial products and services. However, in reality, there are still many consumers who have not applied their knowledge properly so that it has an impact on consumptive behavior in terms of e-money transactions.

Thus, knowledge literacy is indispensable in e-money transactions. Because knowledge literacy can expand good ideas, financial technology, being sensible to the environment, or tinkering critical so that it can help society. There are two literacies which are crucial to be introduced and understood by the public. They are called financial literacy and technological literacy. Knowledge of financial literacy and technological literacy will promote people to be more qualified in managing finances.

According to *Otoritas Jasa Keuangan (OJK)* or The Financial Services Authority (FSA) Regulation Number 76 (2016) mentions that financial



literacy is the ability to understand and use financial information in making the right decisions and managing finances effectively. The knowledge, skills and beliefs can help improve the quality of decision making and managing, which in turn can lead to a prosperous life (Ismanto et al., 2019). Therefore, to avoid financial issues or what is known as a trade off situation, everyone must understand financial literacy to be free from these financial problems.

Furthermore, the development of technological devices will make it easier for the public to access various existing digital information and services, so that technological literacy knowledge is a mandatory. Thus, technological literacy is a way of thinking, behaving and implementing knowledge in order to handle, communicate, and disseminate information effectively using various electronic media in varied formats (Sulianta, 2020).

Previous research has examined that financial literacy and technological literacy have a positive or significant effect on the use of e-money (e.g., Madituh Gabsir, 2020). In contrast to research by Giriani & Susanti (2021), it presents that financial literacy has a negative and insignificant effect on the use of electronic money. From these two studies, there are differences in the results in the financial literacy variables, so the authors are interested in re-examining them with the same variables. The higher the literacy level of a person in using e-money, it indicates that the consumptive behavior of that person is lower. Further, the changes in individual behavior in using e-money can be influenced by lifestyle.

Lifestyle is defined as the attitude of the individual when interacting with the environment as a whole. This can be regarded from the individual method of managing finances to meet their shopping needs, how this person spends his time, and his living way of life (Fitri & Basri, 2021). Therefore, attitudes and financial behavior can be seen as a determinant of the lifestyle of the person.

With the advent of modern lifestyle, the majority of people tend to buy or sell goods using online transactions. They use an electronic payment system because it is easier for people to fulfill their daily needs. Let's say, when a product has convenience in helping people to transact, people will decide to use that product. However, if you are too hedonic in using these products, it will cause people to become consumptive. The results of research conducted by (Yahya, 2021) discovered that lifestyle influences consumer behavior. The results of his study are in line with research conducted by (Ramadhani, 2019). Thus, the author is interested in re-examining the same variable because it aims to test the consistency of the research results.

Furthermore, related to the subject of this research, the researcher took a sample of Islamic Banking students in Jakarta. The decision was



made as students are agents of change in society who have important roles in changing the situation to become better, being social controllers, and able to build successor leadership. The students are considered to be able to understand the transformation of the development of the education world who are most of the time literate with the times. Therefore, the students must have a balanced capacity in the community. However, in a real life, there are still many students who have not properly applied their financial knowledge in transactions using e-money.

Islamic Banking students have better insight about economics and finance, and have studied materials related to the courses. There is a chance that they will become bankers in the future. So, they must be able to manage their own finances, and also have the ability to handle economic problems in society. As a result, in managing personal finances, these students are expected to have understanding, awareness and experiences to make favorable financial planning so that they can prosper.

Based on the explanation above, the theory is not in accordance with reality as informed by (Ismanto et al., 2019) that a person's literacy level determines the maturity level of decision making in financial or banking institutions. He mentioned that financial and technological attitudes are the main controllers, or the final decision maker in e-money transactions. However, in reality, the financial attitude of the Indonesian people is still dominated by short-term goals. Further, regarding the lifestyle in the use of e-money, Irwansyah, et al. (2021) elaborates that a person's lifestyle can affect a person's consumption patterns. So, it has an impact on the demand for a product, and is related to interests, activities and opinions. However, in fact, the majority of people's lifestyles cannot distinguish between their needs and their wishes in e-money transactions, causing hedonic behavior in transactions (Luth'v et al., 2022);(Ramdani et al., 2021). So, the authors conducted this current study due to the urgency of determining the effect of financial literacy, technological literacy, and lifestyle in using e-money among students. It is expected that this research can be used as a reference for the community, especially students in using e-money transactions for the future, so they can minimize the financial risk and uncertainty.

## **Literature Review**

### **1. Financial Literacy**

Financial literacy is the ability to understand how to use financial knowledge in order to make the right decisions and manage finances effectively. With this knowledge, skills and confidence, it can assist and improve the quality of financial and management decision-making, which ultimately leads to a prosperous life (Ismanto et al., 2019). The



concept of financial literacy is divided into five categories. The categories are knowledge of financial concepts, being communicative to financial concepts, being able to manage personal financial issues, having skillful in making appropriate financial decision, and effective in a long-term financial planning.

The National Survey on the literacy index for the third time by FSA in 2019 demonstrated in the national financial literacy index has reached around 38.03%. Thus, the following picture has increased compared to the results of the FSA survey in the previous 2 periods in 2013 and 2016. The following is a picture of the national financial literacy index:

**Picture 1. National Financial Literacy Index**



Source: *Otoritas Jasa Keuangan (OJK)* – Financial Services Authority (FSA) (2020)

The survey results can be practiced as a guide for scholars to estimate our knowledge of the financial service sectors. Financial literacy has a large gap. It is believed that many people have access to financial affairs, and even have financial products, yet do not understand its uses and risks which probably can harm the community. Now, the task of Indonesian people, especially the students who are the agent of change, is to take actions by upgrading their knowledge of financial literacy. So, they can enjoy the perks or benefits of financial services within minimizing financial losses.

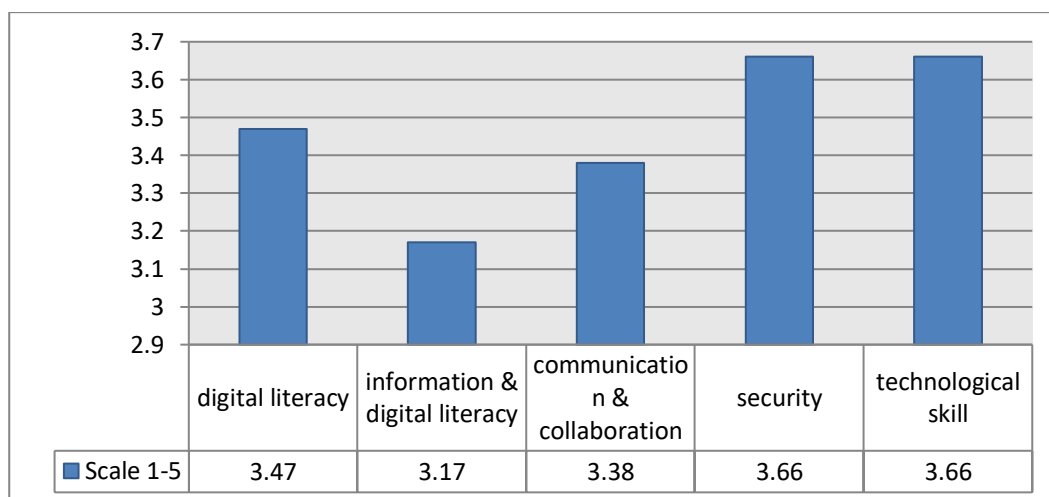


## 2. Technological Literacy

Technological literacy is a way of thinking, behaving and implementing knowledge in order to handle, communicate, and disseminate information effectively using various electronic media in varied formats (Sulianta, 2020). The purpose of technological literacy is to provide education to the public and to use technology wisely, creatively and innovatively, as well as to know the legal aspects related to its information and electronic transactions.

Based on the survey, the results of The Ministry of Communication and Information Technology (KEMKOMINFO) in collaboration with Katadata (2020), it is presented that Indonesia has a total of 202.6 million Internet users. In the midst of increasing the Internet users, knowledge related to technological literacy is an essential aspect, so that technological media can be effectively used by the community. The survey results illustrate that the technological literacy index in Indonesia is at the point of the "medium" category. The following is a picture of the Indonesian technology literacy index from the 2020 survey (Kemkominfo, 2020):

**Picture 2. National Financial Literacy Index 2020**



Source: Kominfo (2022)

The survey above displays that the level of technological literacy of the Indonesian people is still in the "medium" level. Thus, it is necessary to expand the understanding of the technological literacy to ensure the success of the community in responding to all matters related to technology. Because in this increasingly modern era, most activities or transactions are carried out through digital media.



### 3. Lifestyle

Lifestyle is a person's desire to actualize real conditions in the socio-economic perspective of his environment. A person's lifestyle can affect a person's consumption patterns, thus impacting the demand for a product. For example, for a consumer who runs a healthy lifestyle, he will tend to avoid any food that are perceived to be detrimental to his health. In this case, the consumer will tend to pay attention to their health and some fitness products (Irwansyah et al., 2021).

As reported by (Simarmata et al., 2021), the indicators of lifestyle are divided into three classifications, as shown:

- a. Interest, that is, the desire or being attracted in the product being purchased.
- b. Activity, is buying a product based on a favorite hobby or job
- c. Opinion is called an argument from consumers against a product to be purchased. The goal is to describe evaluations, expectations and beliefs.

It can be concluded that from an economic point of view, lifestyle is a person's behavior in spending his money and how to allocate his finances.

### 4. Electronic Money (e-money)

Electronic money or e-money is defined as a legal non-cash transaction system where the value of money is firstly being deposited to the issuer, and the money is stored through electronic media later. E-money is used through computer networks, such as the internet and other digital systems (Firmansyah & Dacholfany, 2018). Bank Indonesia Regulation Number 20/6/PBI/2018 concerning e-money, describes e-money as a payment instrument issued on the basis of the value of money that is firstly deposited to the issuer, then the value of the money is stored electronically in a chip or server-based. At the same time, the value of e-money managed by the issuer is not a deposit as referred by the law enactment about banking (Indonesia, 2018).

An American economist, Irving Fisher, revealed that changes in the money supply can cause rapid changes in the prices of goods and services (Abdullah & Wahjusaputri, 2018). With the increasing number of organizers or issuers of e-money promoting their service products, it will affect the volume of e-money in Indonesia. Thus, the following are transaction volume figures (Money, 2022).





## Methodology

The current study employed a quantitative approach that functioned to test the independent variables (financial literacy, technological literacy, lifestyle) and the dependent variable (electronic money). Quantitative approach is a research method based on the philosophy of positivism which is realistic and concrete. The data were calculated using statistical analysis which was also used to test the hypothesis (Sugiyono, 2019). The population in this study were active students who enroll Islamic Banking course coming from three different universities such as UHAMKA, UIN and UNJ. Determination of the sample in this study using the Slovin formula with a significant level of 10%. Referring to the sample, it was then selected 91 students who used e-money to do transactions in their daily life.

The sampling technique was applied using the non-probability sampling called purposive sampling. The data sources were consisted of primary data obtained from questionnaires via Google forms distributed by researchers, while the secondary data obtained from journals, articles and other literature. The questionnaire measurement scale used a Likert scale of 1 to 5, namely strongly disagree, disagree, neutral, agree, and strongly agree (Sugiyono, 2018). This study practiced the SPSS 25 software and Microsoft Excel to calculate the data. Additionally, the data analysis technique were validity test, reliability test, classical assumption test, hypothesis test,  $R^2$  test and multiple linear regression.

## Result and Discussion

The results of the current study were obtained from 91 active students of Islamic Banking in Jakarta. They were the students of UIN, UHAMKA and UMJ batch 2018 until 2022. After the questionnaire had been filled in, then the data was processed using Microsoft Excel and SPSS 25. The data analysis is yielded below:

### 1. Validity Test

The validity test is used in measuring whether or not a questionnaire is valid. It is declared valid if the statements contained in the questionnaire are able to explain something being measured (Ghozali, 2018). The statement or question indicator is said to be valid if the table of correlated item total correlation ( $r_{\text{count}}$ ) > product moment table ( $r_{\text{table}}$ ) or it can also be seen from the sig (2-tailed) value which is said to be valid if sig (2-tailed) < 0.05 so vice versa. The results of the validity test of each variable are:



**Table 2. Validity Test**

Statement	$r_{\text{count}}$	$r_{\text{table}}$	Sig (2-tailed)	Remark
<b>Financial Literacy (X1)</b>				
X1.1	0,756	0,206	0,000	Valid
X1.2	0,642	0,206	0,000	Valid
X1.3	0,653	0,206	0,000	Valid
X1.4	0,714	0,206	0,000	Valid
X1.5	0,685	0,206	0,000	Valid
X1.6	0,574	0,206	0,000	Valid
X1.7	0,618	0,206	0,000	Valid
<b>Technological Literacy (X2)</b>				
X2.1	0,622	0,206	0,000	Valid
X2.2	0,674	0,206	0,000	Valid
X2.3	0,697	0,206	0,000	Valid
X2.4	0,609	0,206	0,000	Valid
X2.5	0,497	0,206	0,000	Valid
X2.6	0,639	0,206	0,000	Valid
<b>Lifestyle (X3)</b>				
X3.1	0,438	0,206	0,000	Valid
X3.2	0,725	0,206	0,000	Valid
X3.3	0,444	0,206	0,000	Valid
X3.4	0,514	0,206	0,000	Valid
X3.5	0,573	0,206	0,000	Valid
X3.6	0,642	0,206	0,000	Valid
X3.7	0,367	0,206	0,000	Valid
X3.8	0,518	0,206	0,000	Valid
<b>Electronic Money (Y)</b>				
Y.1	0,438	0,206	0,000	Valid
Y.2	0,626	0,206	0,000	Valid
Y.3	0,579	0,206	0,000	Valid
Y.4	0,517	0,206	0,000	Valid
Y.5	0,708	0,206	0,000	Valid
Y.6	0,714	0,206	0,000	Valid

Source: Current data (2022)

## 2. Reliability Test

The reliability test is the test used to measure the consistency of a questionnaire in a study, meaning that the questionnaire is intended to



be reliable if the answers from each respondent are always stable in every statement in the questionnaire. The indicator for measuring the reliability is by using the Cronbach's alpha ( $\alpha$ ) statistical test  $> 0.60$  (Gunawan, 2018). The following are the results of the reliability test of each variable in the current study:

**Table 3. Reliability Test**

Variable	Cronbach's Alpha	Number of Items	Remark
X1 (Financial literacy)	0,776	7	Reliable
X2(Technological literacy)	0,715	6	Reliable
X3 (Lifestyle)	0,643	8	Reliable
Y (Electronic money)	0,644	6	Reliable

Source: Current data (2022).

Further, for statistical data in the current study, it is known that the mean, median, min, max and std deviation values are followed:

**Table 4. Descriptive Statistics**

Variable	(N)	Mean	Median	Min	Max	Std. Deviation
X1 Financial literacy	91	29.76	30.00	19	35	3.510
X2 Technological literacy	91	26.87	27.00	21	30	2.301
X3 Lifestyle	91	31.32	32.00	20	40	4.184
Y Electronic money	91	25.74	26.00	18	30	2.792

Source: Current data (2022).

#### 4. Normality Test

The normality test aims to determine residuals or confounding variables that have a normal distribution or vice versa. If the data is normally distributed, then the Asymp Sig. (2-tailed)  $> 0.05$  (Ghozali, 2018). The data below has an Asymp Sig value. of 0.200 and the value is  $> 0.05$ . So, it can be proved that the data is normally distributed.



**Table 5. Normality Test, One Sample Kolmogorov-Smirnov**

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		91
Normal Parameters <sup>a,d</sup>	Mean	.0000000
	Std. Deviation	2.58995164
Most Extreme Differences	Absolute	.066
	Positive	.036
	Negative	-.066
Test Statistic		.066
Asymp. Sig. (2-tailed)		.200 <sup>c,d</sup>

Source: Current data (2022)

### 5. Multicollinearity Test

The way to find out is by looking at the tolerance values and VIF (Variance Inflation Factor) values, where if the VIF value is  $< 10$  and tolerance  $> 0.1$  then multicollinearity does not occur (Ghozali, 2018). The following is a table of test results using SPSS 25:

**Table 6. Multicollinearity Test**

Model	Coefficients <sup>a</sup>	Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Literasi Keuangan	.689	1.452
	Literasi Teknologi	.714	1.401
	Gaya Hidup	.939	1.065

Source: Current data (2022).

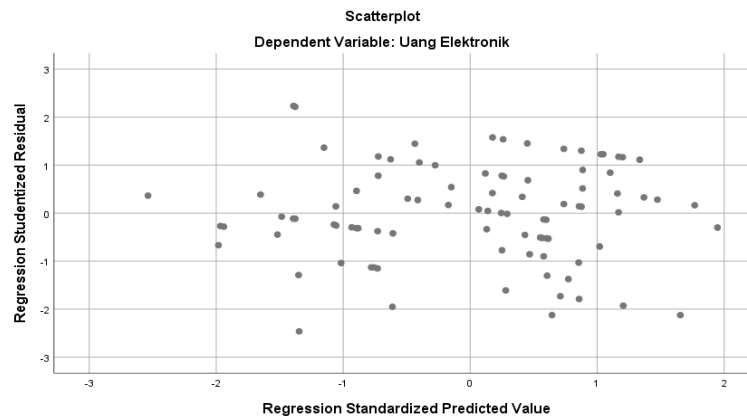
From the table above, it can be shown that the VIF value of each variable is  $< 10$  and the tolerance value of each variable is  $> 0.1$ . So, it can be concluded that the regression model is a good regression model because there is no multicollinearity, and there is no correlation between variables.

### 6. Heteroscedasticity Test

If the variance of the residuals from one observation to another observation is constant, then it is called homoscedasticity. In other words, it means that the regression model is called good and vice versa (Ghozali, 2018). To find out the results of the test, the processing data was carried out using the graphical method through SPSS 25, namely:



**Picture 3. Heteroscedasticity Test Graphic Method**



From the picture above, it can be represented that the dots do not form a clear pattern, and on the Y axis the dots are above and below the number 0. Thus, it can be concluded that this regression model is confirmed to be good, because there is no heteroscedasticity.

## 7. Multiple Linear Regression Analysis

**Table 7. Multiple Linear Regression Test**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model	B	Std. Error	Beta			
1	(Constant)	11.525	3.083		3.738	.000
	Literasi Keuangan (X1)	-.076	.074	-.100	-1.031	.306
	Literasi Teknologi (X2)	.452	.109	.405	4.158	.000
	Gaya Hidup (X3)	.175	.052	.313	3.349	.001

Source: Current data (2022)

From the statement above, it can be portrayed that the regression equation model for financial literacy, technological literacy and lifestyle variables on the use of electronic money. Thus, the regression equation can be interpreted as follows:

$$Y = \alpha + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = 11,525 + (-0,076) X_1 + 0,452 X_2 + 0,175 X_3 + e$$



## 8. Hypothesis Testing

### a. Coefficient of Determination ( $R^2$ )

**Table 8. Determination Coefficient Test ( $R^2$ )**

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.679 <sup>a</sup>	.539	.443	1.97326

Source: Current data (2022)

From the table above, it can be seen that the value of the coefficient of determination ( $R^2$ ) is 0.539 or 53.9%. So, it can be concluded that the percentage of contributions to the influence of financial literacy, technological literacy and lifestyle variables on the use of electronic money is able to explain the variation of the independent variable to the variation of the dependent variable by 53.9% and its remaining 46.1% can be explained, or influenced by other variables that are not used in the current study.

### b. Partial Effect Analysis (T Test)

**Table 9. T Test (Partial)**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.525	3.083		3.738	.000
	Literasi Keuangan (X1)	-.076	.074	-.100	-1.031	.306
	Literasi Teknologi (X2)	.452	.109	.405	4.158	.000
	Gaya Hidup (X3)	.175	.052	.313	3.349	.001

Source: Current data (2022).

$$Df = 91 - 3 - 1$$

$$Df = 87 \text{ within Sig} = 0,05 \rightarrow \text{So, } t_{\text{table}} = 1,663$$



**c. Simultaneous Influence Analysis (F Test)**

**Table 10. F Test (Simultaneous)**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	173.562	3	57.854	11.484	.000 <sup>b</sup>
	Residual	438.284	87	5.038		
	Total	611.846	90			

Source: Current data (2022).

$$Df_1 = k - 1 \quad Df_2 = n - k$$

$$Df_1 = 4 - 1 \rightarrow 3 \quad Df_2 = 91 - 4 \rightarrow 87$$

So, 3 and 87 within sig = 0,05 then  $f_{table} = 2,71$

**Discussion**

**1. The Effect of Financial Literacy on the Use of Electronic Money**

Based on the partial hypothesis test table (t test) the  $t_{count}$  value for the financial literacy variable is -1.031 while the  $t_{table}$  value is 1.663. Thus, it is known that  $-1.031(t_{count}) < 1.663(t_{table})$  and a significant value of  $0.306 > 0.05$ . So, it can be concluded that financial literacy (X1) partially has no positive and insignificant effect on the use of electronic money (Y) for Islamic Banking students in Jakarta.

The results of this study are in line with the research conducted by (Giriani & Susanti, 2021) which examined the effect of financial literacy, service features, and ease of use on the use of e-money, and research conducted by Adibah Yahya (2021) which examined determinants of student consumptive behavior issue.

Thus, it can be concluded that the high level of student financial literacy does not affect the use of electronic transactions. This means that e-money users are not affected by the person's high literacy level. The use of e-money today does not require high knowledge and understanding of each user. As according to the most answers in the current questionnaire, that e-money is easy to learn, time efficient and practically accessible.

However, the results of this analysis are inversely proportional to the statement of the questionnaire in the study, whereby 16.5% of the respondents' answers were still unsure about managing personal finances by allocating budgets and financial records; and only 2.2% agreed that e-money services could help control finances.

This can lead to consumptive behavior towards these students. It is in accordance with the identification of the problem in this study that



financial literacy knowledge has not been fully understood comprehensively, and has not been applied properly by the students in using e-money as a payment method. Thus, students must be able to apply their financial knowledge in daily transactions using e-money to avoid financial management failures.

## **2. The Effect of Technological Literacy on the Use of Electronic Money**

Based on the partial hypothesis test table (T Test) the  $t_{count}$  value for the technological literacy variable is 4.158 while the  $t_{table}$  value is 1.663. Thus, it is confirmed that  $4.158 (t_{count}) > 1.663 (t_{table})$  and a significant value is  $0.000 < 0.05$ . So, it can be determined that technological literacy (X2) partially has a positive and significant effect on the use of electronic money (Y) among Islamic Banking Students in Jakarta.

The results of the current study are in accordance with study conducted by Madituh Gabsir (2020) which explored the effect of financial literacy and technological literacy on the adoption of electronic money in students (a case study among Faculty of Economy and Business Students at Atma Jaya University, Yogyakarta).

Thus, it can be considered that technological literacy can assist students stay active at all times. In order to ensure that individuals are aware of the changing trends in financial products and services, companies or issuers also need to be aware as technology can be either useful or harmful depending on how it is used. To encourage everyone to be as active as possible in using financial products and services, e-money is a great way to participate. Through e-money payment methods, of course, it can influence individual behavior attitudes.

## **3. The Effect of Lifestyle on the Use of Electronic Money**

Based on the partial hypothesis test table (T test) the  $t_{count}$  for the lifestyle variable is 3.349 and the  $t_{table}$  value is 1.663. Thus, it is known that  $3.349 (t_{count}) > 1.663 (t_{table})$  and a significant value of  $0.001 < 0.05$ . So, it can be regarded that lifestyle (X3) partially has a positive and significant effect on the use of electronic money (Y) in Islamic Banking students in Jakarta.

The results of this study are corroborated with a study yielded by Adibah Yahya (2021) who examined the determinants of student consumptive behavior and a study carried out by (Fitri & Basri, 2021) who discovered the influence of lifestyle on consumer behavior in the





millennial generation in the pandemic COVID19 era with economic knowledge as a moderating variable.

To sum up, the test results show that lifestyle influences students' behaviors in using e-money. The students as millennial generation are often referred to as smart and creative generation. Today's students live pampered with various kinds of sophisticated technology. This is evidenced nowadays that the existence of e-money services is implemented as a practical transaction method. The results of the analysis that had been carried out on Islamic Banking students in Jakarta through their answers in the current questionnaire that most students buy goods in e-money services that are useful for its long-term functions. This can prove that students are able to distinguish between what they need and what they want.

#### **4. The Effect of Financial Literacy, Technology Literacy and Lifestyle on the Use of Electronic Money**

Based on the table of simultaneous hypothesis testing (F test) above, it can be seen that the results of the F test obtained an  $f_{count}$  of 11.484 and sig 0.000. Then,  $f_{count} (11.484) > f_{table} (2.71)$  and  $sig 0.000 < 0.05$ . This means that  $H_{04}$  is rejected and  $H_{a4}$  is accepted. Thus, it can be concluded that the independent variable which are financial literacy (X1), technological literacy (X2) and lifestyle (X3) jointly and simultaneously have positive and significant effects on the dependent variable the use of electronic money (Y) in Islamic Banking students in Jakarta.

#### **Conclusion**

Based on the data that had been obtained, and in line with the tests that had been carried out on the formulation of existing problems and hypotheses, it can be figured that: Partial Influence (T Test): a) Financial literacy (X1) has no effect and is not significant on the Use of Electronic Money (Y) among Islamic Banking students, b) Technological literacy (X2) has a positive and significant effect on the Use of Electronic Money (Y) among Islamic Banking students, and c) Lifestyle (X3) has a positive and significant effect on the Use of Electronic Money (Y) among Islamic Banking students. Simultaneous Influence (F Test), Financial literacy (X1), technological literacy (X2) and lifestyle (X3) together has a positive and significant effect on the Use of Electronic Money (Y) among the students.



## **Recommendations**

The researcher had tried his best in completing the current study, but due to the limitations of the researcher's capacity, there are still some shortcomings in this study. So, here are some suggestions from the researcher:

### **1. With Regard to Electronic Money Issuers**

The authorities are advised to provide education to the public through webinars, seminars, socializations, etc. It is hoped that the public can comprehensively acknowledge or understand the policies or systems of the electronic money.

### **2. Concerning to the Next Researchers**

For those who will research on similar topic, it is recommended to add other variables that can affect the use of e-money. For instance, the scholars can make an attempt to discover the variables of convenience, usefulness and promotion. It is due to in the current study that affects the use of e-money, 46.1% are explained or influenced by variables other than financial literacy, technological literacy and lifestyle. In addition, referring to the study respondents, it is recommended to explore Islamic bank customers so that the scope of the research will be more extensive.

### **3. With Respect to the Electronic Money Users**

Pointing to the financial literacy variable, it is recommended that e-money users, especially students, it is best to apply their financial knowledge and understanding to make good financial decisions and make e-money as a transaction tool that can control financial use. This is counted to minimize consumptive behavior in using electronic money. While the technological literacy variable, it is suggested that e-money users, especially students, pay attention to every policy issued by e-money issuers, in order to diminish the occurrence of risks and misuse of e-money services. The last variable which is lifestyle, it is advised that e-money users, especially students, need pay attention to their needs and desires every time they want to buy products from e-money services to reduce their failures in managing finances.



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