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Factors Influencing Financial Well-Being Among Gen Z in the Digital Era

Syafira Ulya Firza[1*], Agustina[2], Fandi Halim[3], Mie Mie[4]

[1,2,3,4] Universitas Mikroskil, Medan, North Sumatera, Indonesia

ABSTRACT: This study investigates the factors influencing the financial well-being of Generation Z in the digital era, focusing on the mediating role of financial inclusion behavior. A quantitative survey was adopted to collect data from 390 Gen Z respondents. The findings reveal that both Financial Attitude and Social Influence have a strong direct impact on financial well-being. These two factors, along with Digital Financial Literacy, also significantly drive Financial Inclusion Behavior. A key finding is that while digital literacy strongly influences behavior, it has no direct effect on financial well-being, instead, its positive impact is fully channeled through active use of digital financial services. The study confirms that financial inclusion behavior successfully mediates the relationship between all three independent variables and financial well-being. This research underscores that while attitudes and social influence can directly improve a sense of well-being, financial knowledge must be actively applied through financial behaviors to achieve a similar result. The findings provide valuable insights for financial educators and financial companies, highlighting the importance of promoting not just knowledge but also the active use of digital tools to enhance the financial security of young adults.

KEYWORDS: Financial, Inclusion, Well-Being, Influence, Digital

I. INTRODUCTION

In the current digital era, the financial landscape has undergone a fundamental transformation, driven by rapid technological advancements and the widespread adoption of digital platforms. Generation Z, as the first generation to grow up entirely in a digital ecosystem, is at the center of this change. They no longer rely solely on traditional financial services but instead actively integrate various digital instruments—from e-wallets and mobile banking to online investment platforms—into their daily lives. This behavioral shift offers a great opportunity to increase financial inclusion, but it also presents new challenges, where factors such as digital literacy, cybersecurity, and social influence can significantly shape their financial behavior and well-being. Unlike previous generations, Gen Z measures well-being not only by material indicators like income and assets, but also by their mental state, emotional stability, and overall life satisfaction, making their experiences—both positive and negative—closely tied to online interactions. Issues such as self-image, social comparison, and the pressure to always be connected have become an inseparable part of their daily lives, which directly influences how they perceive their well-being.

Based on Figure 1, a survey conducted by IDN Times in 2024, it is evident that Gen Z in Indonesia's greatest concerns are social and economic inequality (60%) and mental health and well-being (51%). This phenomenon has direct implications for the financial lives and well-being of Gen Z (IDN TIMES, 2024). Concerns about economic inequality are often manifested as personal financial anxiety, where job uncertainty and the pressure to meet digital lifestyle standards create a psychological burden. On the other hand, issues of mental health and well-being are closely related to social pressure in the online realm, which indirectly influences consumptive behavior and how they view financial success.

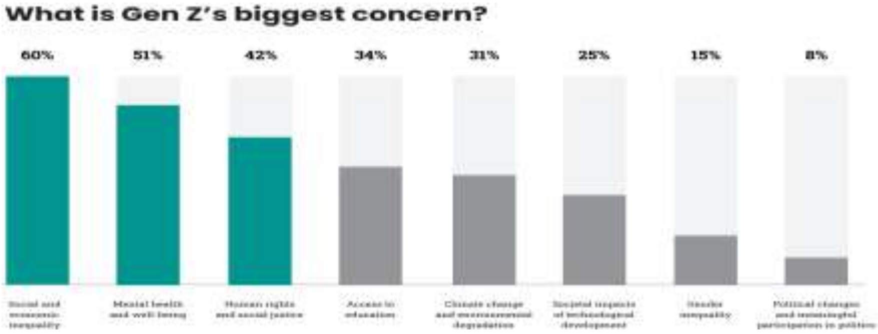

Figure 1: Gen Z's Biggest Concern (IDN TIMES, 2024)

Factors Influencing Financial Well-Being Among Gen Z in the Digital Era

The concerns felt by Generation Z in Indonesia underscore the importance of financial inclusion behavior, which is not limited to having a bank account, but includes active participation in the digital financial ecosystem. When an individual actively uses digital platforms to save, manage a budget, and invest, they gain a sense of control and autonomy over their finances. This active participation directly contributes to increased financial well-being, as it can reduce anxiety, build a sense of security, and provide optimism about their financial future. Thus, financial inclusion behavior is not only an indicator of access, but also a powerful predictor of positive psychological and emotional outcomes, making it a key mechanism for addressing existing concerns. Prior research reveals that financial inclusion behavior influences financial well-being (An et al., 2025; Kaur & Singh, 2025; Mahato & Kanth, 2025; Mamilla et al., 2025; Rai et al., 2025).

However, this active participation does not occur in isolation, but is driven by a series of crucial, interacting factors. Digital financial literacy serves as a primary foundation, where a strong knowledge of digital platforms and tools empowers individuals to use them effectively, thereby mitigating feelings of anxiety and uncertainty. Empirical evidence regarding the effect of digital financial literacy on financial inclusion behavior remains inconclusive, with some studies supporting the relationship (Amnas et al., 2024; An et al., 2025; Kanth et al., 2025; Mamilla et al., 2025; Rai et al., 2025; Zaimovic et al., 2025) and others disputing it (Aljaradat & Shukla, 2025; Das & Maji, 2025). Additionally, a positive financial attitude—such as an optimistic view of saving and investing—logically triggers an individual's internal motivation to take financial action. The literature presents mixed evidence: certain studies highlight the role of financial attitude in shaping financial inclusion behavior (Angeles*, 2022; Anyangwe et al., 2022; Hamurcu et al., 2025; Riitsalu & Murakas, 2019; Shroff et al., 2025; Zaimovic et al., 2025), whereas others fail to confirm such an effect (Saurabh & Nandan, 2018; Tohar & Akron, 2025). Lastly, social influence plays an equally important role; trends on social media and peer behavior can serve as powerful external triggers that motivate Gen Z to try and adopt digital financial services. While some studies demonstrate that social influence plays an important role in shaping financial inclusion behavior (Chen et al., 2025; Liu et al., 2025; Zhu et al., 2025), other findings do not support this relationship (Kumar et al., 2024; Pruijssers et al., 2023). Thus, these three elements—knowledge, attitude, and environmental influence—collectively drive individuals to engage in financial inclusion behavior, which ultimately enhances their well-being comprehensively.

Based on the explanations, this research aims to deeply analyze the complex relationships between digital financial literacy, financial attitude, and social influence with financial well-being through the mediating role of financial inclusion behavior. Based on this objective, the research questions are focused on examining: Do digital financial literacy, financial attitude, and social influence have an effect on financial inclusion behavior? Does financial inclusion behavior have an effect on financial well-being? And does financial inclusion behavior mediate the effects of digital financial literacy, financial attitude, and social influence on financial well-being?

By analyzing these relationships, this study aims to provide a richer and more practical understanding of how knowledge, attitude, and social environment connect with tangible actions, which ultimately influence a sense of financial security and well-being for Generation Z in Indonesia. The findings from this study are expected to provide concrete guidance for policymakers, educators, and the financial industry to develop more effective strategies in promoting positive financial behaviors and enhancing the financial well-being of the younger generation.

II. METHODOLOGY

This study employs a quantitative research design with a causal-explanatory approach. The objective is to analyze the causal relationships between the independent variables (Digital Financial Literacy, Financial Attitude, and Social Influence), the mediating variable (Financial Inclusion Behavior), and the dependent variable (Financial Well-being). Data for this research were collected using a survey method, which is a suitable instrument for gathering information from a large number of respondents.

The population of this study is Generation Z individuals in Indonesia. Given this condition, a non-probability sampling method, specifically convenience sampling, was chosen. The sample size was determined using the Lemeshow formula for an unknown population with a 95% confidence level and a 5% margin of error, which requires a minimum of 385 respondents. This study successfully collected and processed a total of 390 valid questionnaires to ensure the reliability and generalizability of the findings.

The research instrument is a structured questionnaire designed to collect primary data from respondents. It consists of multiple sections, each corresponding to a specific variable in the research model. The questionnaire utilizes a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) to measure the responses of the participants.

Data for this study were collected through an online survey platform to efficiently reach the target population of Generation Z. Prior to the main data collection a pilot study was conducted to test the validity and reliability of the questionnaire items. The main data collection phase involved disseminating the digital questionnaire through various social media channels and online communities. A total of 390 completed and valid questionnaires were successfully obtained. The data were then processed and analyzed using appropriate statistical software to test the hypotheses. Table 1 shown the operational definitions of the variables, along with their respective dimensions and indicators.

Table 1: Operational Definition of Variables

Variable	Definition	Dimension	No. of Indicator
Financial Well-Being	Refers to an individual's subjective sense of financial security, control, and peace of mind regarding their financial life.	Financial Distress	3
		Financial Preparation	3
		Perceived Financial Security	3
Financial Inclusion Behavior	Refers to the actions of individuals in actively using and participating in digital financial services and markets.	Transactional Activitity	3
		Financial Market Participation	3
Digital Financial Literacy	Refers to the knowledge and ability of individuals to effectively understand and apply digital financial tools and concepts.	Basic Digital Financial Knowledge	3
		Digital Security Awareness	3
		Practical Skills	3
Financial Attitude	Refers to an individual's mindset and beliefs regarding money, financial management, and risk.	Attitude Towards Saving and Investing	3
		Attitude Towards Spending	3
		Attitude Towards Debt	3
Social Influences	Refers to the perceived pressure from social networks and digital environments to engage in certain financial behaviors.	Social Media Influence	3
		Peer Influence	3

This research employed Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3.0 as the primary analytical tool. This methodology was selected for its robust capability in analyzing complex predictive models and its suitability for research involving latent variables and multiple mediation paths. The analysis was conducted in two distinct stages to ensure comprehensive evaluation. First, the measurement model (outer model) was rigorously assessed for validity and reliability, employing tests such as convergent validity through factor loadings and Average Variance Extracted (AVE), and internal consistency via Cronbach's alpha and Composite Reliability. Following the confirmation of a sound measurement model, the structural model (inner model) was evaluated to test the research hypotheses. This stage involved examining the path coefficients, t-statistics, and p-values to determine the strength and significance of the theoretical relationships among the variables.

III. RESULTS AND DISCUSSIONS

RESULTS

This study adopted a quantitative approach using primary data collected through a questionnaire. The survey instrument was designed in a digital format and distributed online to Generation Z individuals residing in Indonesia. From the total responses received, a total of 390 questionnaires were successfully collected, processed, and analyzed to support the findings presented in this research.

Table 2: Demographic Results

Aspect		Total	Percentage
Gender	Female	152	38,97
	Male	238	61,03
Age	13 to 16	36	9,23
	17 to 20	98	25,13
	21 to 24	91	23,33

	25 to 28	165	42,31
Education	Junior High School (Middle School)	11	2,82
	High School	101	25,90
	Bachelor	218	55,9
	Master/Doctor	60	15,38

Based on Table 2, the demographic profile of the 390 respondents indicates a male majority (61.03%), with the largest age group falling between 25 and 28 years old (42.31%). In terms of education, the sample was predominantly comprised of individuals with a Bachelor's degree, which accounted for more than half of the total respondents (55.9%).

Prior to conducting the main data analysis, the research instrument underwent a rigorous evaluation to confirm its validity and reliability. This section presents the results of these tests, which were performed to ensure the quality and consistency of the data collected from the 390 respondents. We evaluated the measurement model to check its validity and reliability. For validity, we used factor loadings to determine whether our indicators effectively represent their intended variables. An indicator is considered to have high validity if its factor loading is greater than 0.7. In addition, we ensured that an indicator's loading on its intended variable was higher than its loadings on any other variable. We also used the AVE, where a construct is considered valid if its AVE value exceeds 0.5. For reliability, we assessed the consistency of our indicators using Cronbach's alpha and Composite Reliability. Data is deemed reliable if the values for both are greater than 0.7.

Table 3: Measurement Model Results

Variable	Dimension	Indicator	Loading Factor	AVE	Cronbach's Alpha	Composite Reliability
DFL	BDFK	BDFK_1	0,885	0,773	0,963	0,968
		BDFK_2	0,879			
		BDFK_3	0,878			
	DSA	DSA_1	0,882			
		DSA_2	0,870			
		DSA_3	0,867			
	PS	PS_1_1	0,890			
		PS_2_2	0,877			
		PS_3_3	0,886			
FA	ATSI	ATSI_1	0,884	0,780	0,965	0,970
		ATSI_2	0,887			
		ATSI_3	0,861			
	ATS	ATS_1	0,870			
		ATS_2	0,890			
		ATS_3	0,882			
	ATD	ATD_1	0,885			
		ATD_2	0,888			
		ATD_3	0,901			
SI	SMI	SMI_1	0,906	0,820	0,956	0,965
		SMI_2	0,914			
		SMI_3	0,904			
	PI	PI_1	0,921			
		PI_2	0,888			
		PI_3	0,899			
FIB	TA	TA_1	0,884	0,792	0,947	0,958
		TA_2	0,881			
		TA_3	0,884			
	FMP	FMP_1	0,911			
		FMP_2	0,873			
		FMP_3	0,905			
FWB	FD	FD_1	0,895	0,780	0,965	0,970
		FD_2	0,862			
		FD_3	0,885			
	FP	FP_1	0,888			

		FP_2	0,879			
		FP_3	0,889			
	PFS	PFS_1	0,883			
		PFS_2	0,883			
		PFS_3	0,884			

According to Table 3, the measurement model was evaluated to confirm its validity and reliability. Convergent validity was established as all constructs demonstrated Average Variance Extracted (AVE) values above the recommended threshold of 0.5, with all factor loadings exceeding 0.7. Additionally, the reliability of the constructs was confirmed, as all variables reported Composite Reliability and Cronbach's Alpha values well above the acceptable standard of 0.7. These results indicate that the measurement model is robust and reliable for the subsequent analysis.

Following the satisfactory evaluation of the measurement model's validity and reliability, the subsequent analysis focuses on the structural model to test the hypothesized relationships between the latent variables. Based on the SmartPLS output, the resulting model is illustrated as follows:

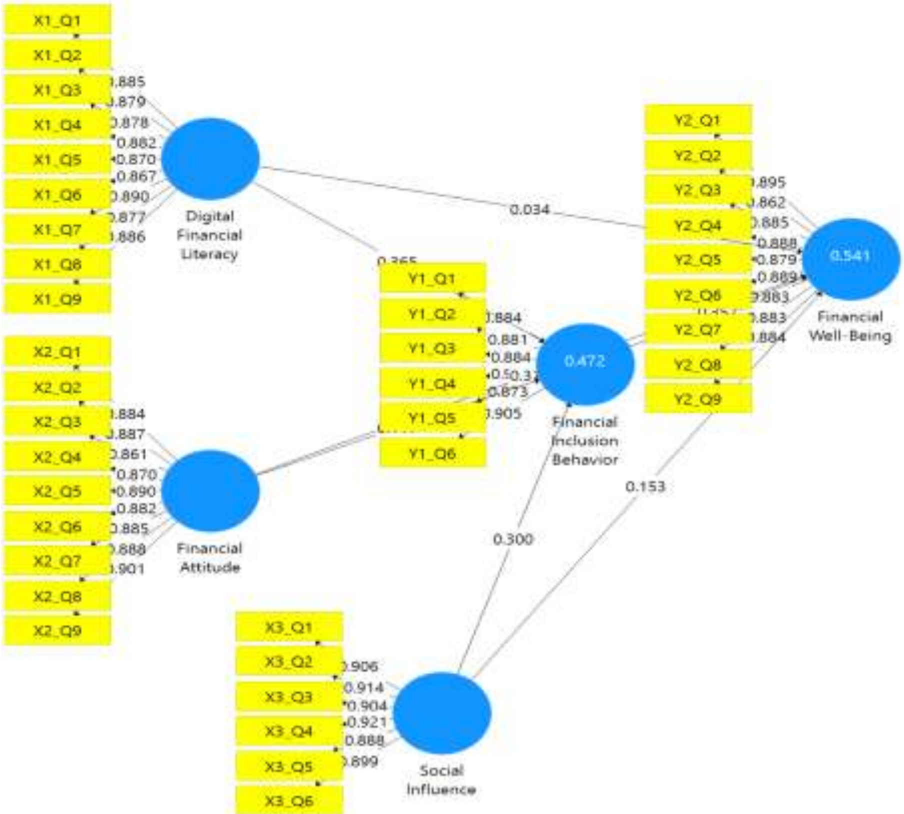

Figure 1: Structural Model for This Research

Based on Figure 2, structural model, the following table presents the results of the hypothesis testing. The analysis was conducted to determine the significance and direction of the relationships between the independent variables and the dependent variable, as mediated by financial inclusion behavior.

Table 4: Measurement Model Results

	Original Sample	*T* Values	*P* Values	Decision
DFL -> FIB	0,365	7,498	0,000	Significant Positive
DFL -> FWB	0,034	0,656	0,512	Not Significant
DFL -> FIB -> FWB	0,131	5,364	0,000	Mediator
FA -> FIB	0,117	2,137	0,033	Significant Positive
FA -> FWB	0,318	6,334	0,000	Significant Positive
FA -> FIB -> FWB	0,042	1,999	0,046	Mediator
SI -> FIB	0,300	5,925	0,000	Significant Positive
SI -> FWB	0,153	3,283	0,001	Significant Positive

SI -> FIB -> FWB	0,107	4,888	0,000	Mediator
FIB -> FWB	0,357	7,934	0,000	Significant Positive

Based on the results presented in Table 4, the analysis confirms several significant relationships within the proposed model, revealing a complex interplay of direct and indirect effects. We found that both Digital Financial Literacy (DFL) and Social Influence (SI) are strong, positive predictors of Financial Inclusion Behavior (FIB), indicating that both knowledge and social environments are crucial in motivating the use of digital financial tools. Similarly, Financial Attitude (FA) also has a significant positive effect on FIB, suggesting that a positive mindset encourages active engagement. The data also reveals significant direct links from both FA and SI to Financial Well-being (FWB), demonstrating that attitude and social environment can independently contribute to a sense of security. However, a key finding is the non-significant direct relationship between DFL and FWB, which sets the stage for a crucial mediation effect. The analysis of indirect paths confirms that FIB acts as a vital mediator for all three independent variables. The effect of DFL on FWB is fully mediated by FIB, meaning that knowledge must be put into practice to generate a sense of well-being. Furthermore, the effects of both FA and SI on FWB are partially mediated by FIB, which confirms a dual-pathway effect where these factors contribute to well-being both directly and by driving behavioral engagement.

DISCUSSIONS

1. Digital Financial Literacy affects Financial Well-Being with Financial Inclusion Behavior acts as Mediator

The findings demonstrate a strong and significant relationship between Digital Financial Literacy (DFL) and Financial Inclusion Behavior (FIB). This result is consistent with earlier studies that emphasize the role of digital literacy in facilitating individuals' participation in the financial system (Alqam & Hamshari, 2024a; Amnas et al., 2024; An et al., 2025; Kanth et al., 2025; Mamilla et al., 2025; Rai et al., 2025; Zaimovic et al., 2025). A higher level of digital financial literacy equips individuals with the necessary knowledge and skills to navigate various digital financial products and services, ranging from e-wallets and mobile banking applications to online investment platforms. Such knowledge not only reduces uncertainty but also fosters trust in digital systems, which ultimately enhances individuals' willingness to adopt and utilize these services. The positive association identified in this study therefore underscores the practical importance of digital literacy in empowering individuals to actively engage in financial inclusion practices. In other words, digital financial literacy serves as a catalyst that transforms financial knowledge into active behavioral participation within the financial ecosystem.

Interestingly, the direct path from DFL to Financial Well-Being (FWB) was found to be non-significant, thereby contradicting earlier research that reported a positive influence of digital literacy on well-being (Alqam & Hamshari, 2024b, 2024a; Hooda et al., 2025; Kumar et al., 2024; Lone et al., 2025). This finding has important theoretical implications. It suggests that financial knowledge in isolation may be insufficient to directly improve an individual's financial well-being, which is often understood as a subjective perception of financial security, satisfaction, and resilience. Although individuals may possess a strong understanding of digital financial tools, such knowledge remains latent unless it is translated into concrete financial actions. Merely knowing about digital investments, budgeting apps, or online savings platforms does not automatically result in better financial outcomes. Instead, knowledge must be operationalized through active decision-making and engagement with financial services. This gap between knowing and doing highlights the critical role of behavior as a bridge between literacy and well-being, aligning with behavioral finance theories which argue that financial outcomes are not driven solely by cognition but also by consistent behavioral patterns.

The mediation analysis provides further insight into this process. The results confirm a significant indirect effect of DFL on FWB through FIB, thereby establishing FIB as a full mediator. This finding implies that the pathway from digital literacy to financial well-being is entirely dependent on behavioral application. In practical terms, individuals do not necessarily feel more financially secure simply because they are literate in digital finance; instead, they derive well-being from the confidence and empowerment that comes with actively engaging in inclusive financial practices. The act of saving money digitally, making informed investment decisions, or responsibly managing credit through digital platforms translates abstract knowledge into tangible psychological and financial outcomes. In essence, financial well-being is not achieved through knowledge per se, but through the behavioral enactment of that knowledge in everyday financial activities.

2. Social Influence affects Financial Well-Being with Financial Inclusion Behavior acts as Mediator

The findings of this study indicate that Social Influence (SI) exerts a strong and positive effect on Financial Inclusion Behavior (FIB). This result aligns with previous studies (Chen et al., 2025; Liu et al., 2025; Zhu et al., 2025) which highlight the importance of social context in shaping financial behavior. In particular, this dynamic is especially salient among younger generations, such as Gen Z, for whom peer norms, social networks, and digital communities serve as powerful drivers of decision-making.

Observing friends, family members, or online influencers actively engaging with digital financial tools normalizes their use, reduces perceived uncertainty, and creates a sense of collective validation. This form of social reinforcement not only lowers psychological barriers but also fosters a sense of confidence, thereby motivating individuals to participate in inclusive financial practices. As such, the results affirm that financial inclusion behavior is not solely an individual decision based on rational cost–benefit analysis but is also deeply embedded within broader social interactions.

Moreover, the results show that SI has a significant direct positive effect on Financial Well-Being (FWB). This finding is consistent with prior studies (Ripley-McNeil & Cramer, 2025; Sharma et al., 2025) which underscore the role of social factors in shaping individuals' sense of financial security and satisfaction. Belonging to a financially literate and supportive social group can enhance well-being through multiple mechanisms, including shared knowledge, collective problem-solving, and the reassurance of emotional support. When individuals perceive that their peers are equipped to handle financial challenges and are committed to similar financial goals, it fosters a collective sense of resilience and confidence. This direct pathway suggests that the benefits of social influence extend beyond behavioral changes, providing individuals with psychological reassurance and a heightened sense of financial stability even before they actively engage in financial inclusion practices. In essence, being part of a financially-aware social environment generates intrinsic well-being by creating a sense of belonging, mutual trust, and security.

Finally, the mediation analysis provides further insight into the mechanism by which SI influences FWB. The results demonstrate a significant indirect effect of SI on FWB through FIB, while the existence of a significant direct effect indicates partial mediation. This dual-pathway effect highlights that social influence contributes to financial well-being in two complementary ways: first, by directly enhancing psychological comfort and financial confidence through social support, and second, by indirectly fostering active financial inclusion behavior that produces tangible financial outcomes. The behavioral pathway is especially important, as it transforms social encouragement into practical financial engagement, such as saving, investing, or responsible borrowing, which subsequently strengthens perceptions of well-being. Taken together, these findings confirm that social influence functions both as a motivational trigger and as a source of psychological reassurance, thereby playing a crucial role in linking social environments, behavioral engagement, and financial well-being.

3. Financial Attitude affects Financial Well-Being with Financial Inclusion Behavior acts as Mediator

The analysis confirms a positive and significant effect of Financial Attitude (FA) on Financial Inclusion Behavior (FIB). This result is consistent with the Theory of Planned Behavior, which posits that attitudes toward a behavior are one of the strongest predictors of behavioral intention and subsequent action. Prior studies (Angeles*, 2022; Anyangwe et al., 2022; Hamurcu et al., 2025; Riitsalu & Murakas, 2019; Shroff et al., 2025; Zaimovic et al., 2025) similarly suggest that individuals who hold positive perceptions of financial practices—such as saving, budgeting, and investing—are more motivated to engage in those behaviors. A constructive financial attitude shapes one's willingness to adopt digital tools that simplify financial management, such as budgeting apps, online savings accounts, or investment platforms. Thus, attitudes serve as a cognitive foundation that guides decision-making, lowers resistance to innovation, and enables individuals to translate their beliefs and values about money into consistent financial inclusion practices. This link emphasizes that fostering a positive financial attitude is a prerequisite for meaningful behavioral engagement in the financial system.

Beyond its effect on behavior, FA also demonstrates a strong and direct positive effect on Financial Well-Being (FWB). The findings are in line with previous research (Brasil et al., 2024; Hernandez-Perez & Cruz Rambaud, 2025; She et al., 2024), which highlights the central role of mindset in shaping perceptions of financial security and satisfaction. Individuals with a disciplined, optimistic, and responsible financial outlook are more likely to feel confident in their ability to manage present and future challenges, regardless of immediate economic circumstances. This psychological component of financial well-being is critical, as it reflects not only the objective availability of financial resources but also the subjective interpretation of one's financial situation. A positive financial attitude fosters resilience, encourages long-term planning, and reduces stress, thereby contributing directly to a stronger sense of financial stability. The direct path identified in this study underscores the importance of nurturing constructive financial attitudes as a central component of financial education and personal development.

The mediation analysis further enriches this understanding by showing that FIB partially mediates the relationship between FA and FWB. This indicates that while a positive financial attitude directly enhances well-being, it also operates indirectly by motivating individuals to engage in financial inclusion behaviors that generate practical benefits. In other words, individuals with favorable financial attitudes are not only predisposed to feel more secure but are also more likely to adopt behaviors—such as consistent saving, investment in digital platforms, and responsible borrowing—that reinforce this sense of control and security. This dual-pathway effect suggests that financial well-being is strengthened both psychologically, through mindset, and behaviorally, through action. By confirming partial mediation, the results highlight the complementary nature of cognition and behavior: attitudes provide the motivational foundation, while behaviors transform intentions into tangible financial outcomes.

Together, these findings emphasize that fostering positive financial attitudes has both direct and indirect benefits for improving financial well-being.

IV. CONCLUSIONS

This study set out to examine the intricate relationships between Digital Financial Literacy, Financial Attitude, and Social Influence on the Financial Well-Being of Generation Z, with a specific focus on the mediating role of Financial Inclusion Behavior. The findings provide compelling evidence that the proposed model offers a valid and comprehensive explanation of how young adults navigate their financial lives in the digital era. Several key insights emerged from the analysis. First, as hypothesized, Digital Financial Literacy and Social Influence were identified as strong predictors of Financial Inclusion Behavior. A noteworthy addition was the discovery of a significant direct effect of Financial Attitude on Financial Inclusion Behavior, which demonstrates that a positive mindset toward money translates into proactive engagement with digital financial tools. Second, both Financial Attitude and Social Influence showed direct positive effects on Financial Well-Being, indicating that individual mindset and social dynamics can independently shape one's sense of financial security. Finally, and most critically, the mediation analysis confirmed that Financial Inclusion Behavior serves as a central mechanism linking all three antecedents to Financial Well-Being. The strongest evidence was the full mediation of Digital Financial Literacy, showing that knowledge alone is insufficient to improve well-being unless it is actively applied through consistent financial behaviors. For Financial Attitude and Social Influence, partial mediation was observed, suggesting that while these factors exert a direct influence on well-being, their impact is significantly amplified when translated into inclusive financial actions.

The results of this study carry both theoretical and practical implications. From a theoretical standpoint, the findings contribute to the refinement of behavioral finance literature, particularly through the lens of the Theory of Planned Behavior and Social Cognitive Theory. The demonstration of full mediation in the case of digital literacy is a key contribution, as it highlights the evolving nature of financial literacy in the digital age. Unlike traditional frameworks that often emphasize knowledge as a direct predictor of well-being, this study underscores that action is the missing link between knowing and thriving. This suggests that future research must pay closer attention to the behavioral component of financial literacy, focusing on how knowledge is operationalized in everyday financial practices. Moreover, the findings extend our understanding of the role of social context in financial decision-making, offering fresh insights into how peer networks, attitudes, and digital platforms collectively shape the financial well-being of younger generations.

On a practical level, this study provides clear recommendations for stakeholders—including educators, policymakers, financial institutions, and families—who are committed to improving Gen Z's financial future. For educators and policymakers, the findings signal the need to go beyond traditional financial education models that focus merely on knowledge dissemination. Instead, programs should prioritize behavioral reinforcement by integrating gamification, interactive digital platforms, and social media-based campaigns to convert passive understanding into active financial habits. For financial institutions, the challenge lies in designing digital products that not only offer functional efficiency but also embed social features, such as peer comparison tools, achievement-sharing functions, and collaborative goal-setting, to leverage the powerful influence of community validation. Lastly, parents and mentors play a vital role in fostering open dialogue about money and modeling positive financial behaviors, thereby cultivating a supportive environment that normalizes financial literacy and inclusive practices. Together, these interventions can ensure that financial knowledge, attitudes, and social influence are transformed into actionable behaviors that meaningfully enhance the financial well-being of Generation Z.

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