

# **The Influence of Fintech Payments, Financial Behavior, Lifestyle, on The Consumption Behavior of Generation Z In Palu City**

**Lesmana Adelyanto Sampe<sup>1\*</sup>, Muslimin<sup>2</sup>**

<sup>1</sup> Student of Management Undergraduate Study Program, Tadulako University, Indonesia

<sup>2</sup> Department of Management, Tadulako University, Indonesia

\*Corresponding author.email: [lesmanasampe@gmail.com](mailto:lesmanasampe@gmail.com)

## **Abstract**

This study aims to determine the effect of Fintech Payments, Financial Behavior and Lifestyle on consumption behavior in generation z in Palu City and the data used is primary data. The method used in this research is a quantitative method with a research sample using purposive sampling which amounted to 60 samples. The analysis method used multiple linear analysis, test F and T test. The results of this study indicate that Fintech Payments, financial behavior and lifestyle have a positive effect on consumption behavior simultaneously. As well as fintech payments have a positive effect on consumption behavior partially, financial behavior has a positive effect on consumption behavior partially.

**Keyword:** fintech payment, financial behavior, lifestyle, consumption behavior

## 1. Introduction

The development of digital technology in recent years has progressed very rapidly. Technological innovation is rapidly changing the consumption of goods and services (Morewedge et al., 2021). One of the technological innovations that can be said to have changed the world is financial technology, or better known as FinTech payment. (Ayu, 2023). Incorporating technology into the financial system, the public can easily access the various financial services available (Aseng, 2020). Fintech is a type of financial service that uses technology as the basis for its operations. (Chen & Chen, 2021). Fintech payment facilitates various types of financial transactions such as payment, investment, lending, fund transfer, financing, funding, and so on. Fintech is a term for financial models and technologies that enable products and services to be sold flexibly across multiple markets. (A. M. Abu Daqar et al., 2020). With the development of fintech in everyday life, people find it easier to use financial products and services, such as digital payments or e-payments that can be done anytime and anywhere quickly. (Diana & Leon, 2020). Almost everyone has a smartphone today, they can open the fintech app installed to make payments easily and efficiently, without the need to make a direct transaction. This convenience allows people to adapt quickly to fintech, which in turn will affect Generation Z's financial behavior. (Waluyo et al., 2023).

Financial behavior encompasses a range of actions, decisions, and attitudes of individuals towards managing their finances. It involves how a person creates, manages and allocates their financial resources (Kanda & Sephiani, 2024). Generation Z often has a long-term thinking orientation where their needs are prioritized over wants, they tend to be frugal and rarely experience financial difficulties. On the other hand, there are also those who tend to think short-term and do not consider long-term needs, thus often facing financial problems due to irresponsible behavior. If this wasteful tendency is not changed and nurtured, it can have a negative and self-defeating impact. (Wahyuni et al., 2023). Irresponsible financial behaviors, such as impulsive spending, uncontrollable debt, or lack of financial planning are the result of an overly extravagant lifestyle.

Lifestyle reflects the way a person lives their life, including how they spend their money and allocate their time. It describes a person's pattern of life as reflected in their activities, interests, and views on spending and time use. In the past, people didn't put much importance on appearance and lifestyle, but now things are different. Lifestyle has penetrated into all groups and Generation Z is no exception. (Afifah & Yudiantoro, 2022). This will directly shape Generation Z's lifestyle habits in terms of secondary, primary and tertiary needs, and trigger a high sense of prestige if they do not follow the trend and buy these items. If these needs can be controlled, it will result in healthy consumption behavior. However, if it cannot be controlled, it will lead to consumption behavior (Fungky et al., 2022).

Consumption behavior occurs when a person has the urge to continue consuming goods excessively, not only to meet needs but also to satisfy their personal desires. This indicates that fulfilling wants is considered more important than basic needs, which reflects the consumptive patterns prevalent in society, especially within generation Z who tend to be wasteful. (Ernawati & Muslimin, 2022). Consumption usually refers to the behavior of consumers who use goods and services with a higher monetary value than the value they produce. (Sadewa & Ariani, 2022). As a result, Gen-Z is often perceived as a generation that tends to be consumptive, especially in online shopping and food compared to saving or investing, which leads to excessive consumption patterns without paying attention to their consumption behavior. (Oktaviani et al., 2023).

This study aims to determine whether fintech payment, financial behavior, and lifestyle can influence the consumption behavior of generation Z in Palu city. Based on the various facts and phenomena described above, the researcher took the research title "the

influence of fintech payment, financial behavior, and lifestyle can influence the consumption behavior of generation Z in Palu city". This research is expected to provide useful knowledge and information about the various factors that influence consumption behavior, especially in terms of fintech payments. An in-depth study of fintech payments is very important given the rapid development of technology.

## **2. Literature Review**

### **2.1 Consumption Behavior**

Consumption behavior is the act of consuming goods and services excessively and without planning, which is actually less or even unnecessary. This behavior is driven more by the desire to satisfy pleasure, by prioritizing wants over needs. (Azka Fikri, 2021). The consumption behavior of individuals is caused by the influence of the appearance of the product or its packaging as well as advertisements disseminated through various media, both electronic and print. In addition, the urge to follow trends, fashions, and lifestyles in society, as well as the desire for social recognition and honor are also important factors. (Nur & ponirin, 2021).

### **2.2 Fintech Payment**

Fintech payment is defined as a technology-based financial services innovation that generates various business models, products, and applications related to financial payment services. (Anisah & Crisnata, 2021). Fintech payment is a financial technology used in online payment systems through electronic wallets, also known as digital money. (Kusumar & Mendari, 2021). Payment fintech has become essential for users, especially students involved in internet businesses, as it offers alternative payment methods that facilitate access to financial services in a practical, efficient, convenient, and cost-effective manner. (Gunawan & Aini, 2024).

### **2.3 Financial Behavior**

Financial behavior encompasses how responsible individuals manage their finances wisely, including how they use and handle their money and financial resources. It concerns the decisions and actions that individuals take regarding the management of their personal finances, such as how they spend, save, invest and budget. (Handayani et al., 2022)

### **2.4 Lifestyle**

Lifestyle is the method adopted by individuals to navigate their lives that includes their activities, interests, views, consumption patterns, and aspirations. (Gunawan et al., 2020). Generation Z's decision to purchase certain goods is influenced by their lifestyle, which is reflected in their valued activities, interests and opinions. (Fatima & Tanamal, 2020).

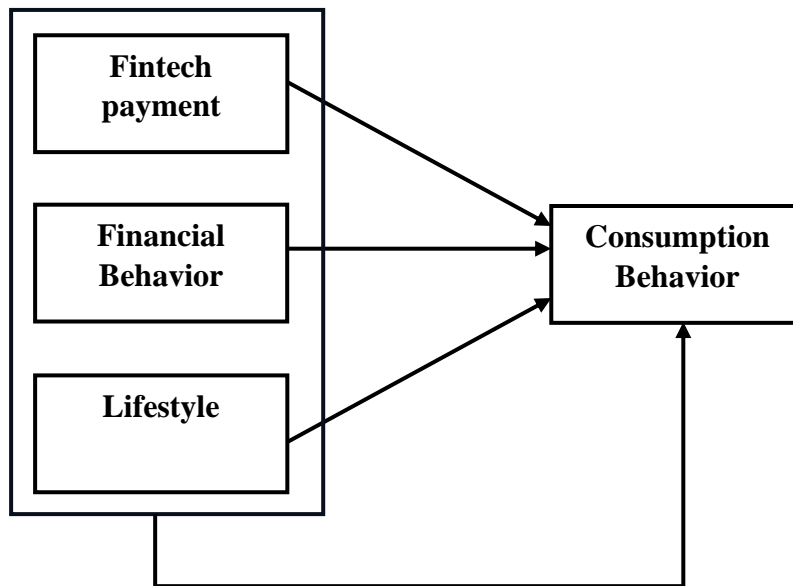
## **3. Material and Method**

This research uses quantitative research methods. The literature study quantitative research method is a research method by collecting and analyzing data from books, literature, articles, and also various related studies. Literature study is a data collection method that focuses on finding data and information through various types of documents, such as written documents, photographs, or library sources relevant to the research. It is important to remember that desk research can have a significant impact on the credibility of the research results being conducted. The population of this study is generation z in the Palu City. By using purposive sampling method and obtained a research sample with criteria:

1. generation z in Palu City

2. generation z who use fintech payment

### 3.1 Design Study



Based on the framework above:

H1: fintech payment has a positive effect on consumption behavior

H2: financial behavior has a positive effect on consumption behavior

H3: lifestyle has a positive effect on consumption behavior

H4: fintech payment, financial behavior, lifestyle have a simultaneous effect on consumption behavior

## 4. Result

**Table 1.** Partial Regression Test Result

Model	Unstandardized B	Coefficients Std. Error	Standardized Coeffients Beta	t	Sig.
Constant	2.476	2.584		.959	.342
X1	.237	.060	.440	4.541	.000
X2	.387	.130	.389	2.974	.004
X3	.067	.101	.084	.657	.514

1. The test results obtained the t value for the fintech payment variable shows the value of  $t_{count} = 4.541 > t_{table} = 1.671$  with a significance value of 0.05, thus indicating that fintech payment has a positive and significant effect on consumption behavior. Then H1 Fintech payment has a positive effect on the consumption behavior of generation z in Palu city can be accepted.
2. The test results obtained the t value for the financial behavior variable shows the value of  $t_{count} = 2.974 > t_{table} = 1.671$  with a significance value of 0.05, thus indicating that financial behavior has a positive and significant effect on consumption behavior. Then H2 Financial behavior has a positive

effect on the consumption behavior of generation z in Palu city can be accepted.

3. The test results obtained the t value for the lifestyle variable shows the value of  $t_{count} = .657 < t_{table} = 1.671$  with a significance value of 0.514, thus indicating that lifestyle has no influence on consumption behavior. Then H3 is rejected.

**Table 2.** simultaneous Test Result

Model	Sum of squares	df	Mean square	F	Sig.
Regression	366.496	3	122..165	24.156	.000 <sup>b</sup>
Residual	283.104	56	5.055		
Total	649.600	59			

The results of data processing show that the value of  $f_{count} = 24.156 >$  from  $f_{table} = 2.761$  with a probability value, namely significance of  $0.000 < 0.05$ . This means that Fintech payment, Financial behavior and lifestyle simultaneously have a significant effect on consumption behavior, so H4 Fintech payment, Financial behavior and lifestyle simultaneously affect the consumption behavior of generation Z in Palu city can be accepted

**Table 3.** Result of the Coefficient of Determination

Model	R	R square	Adjusted R R square	Std. error of the Estimate
1	.751 <sup>a</sup>	.564	.541	2.24843

The coefficient of determination (R<sup>2</sup>) basically measures the extent to which the model's ability to explain variations in the dependent variable. The Adjusted R<sup>2</sup> value of 0.541 indicates that fintech payment, financial behavior, lifestyle affect consumption behavior by 54%, while the remaining 46% is influenced by other variables not included in this study.

## 5. Discussion

### The Effect of Fintech Payment on the Consumption Behavior of Generation Z in Palu City

the results showed that fintech payment has a positive and significant effect on consumption behavior in Palu City. This means that many generation z can utilize fintech payment well and feel that internet access makes them make transactions. The presence of this technology financial service offers comfort and convenience for its users because it can be accessed very flexibly, without time and location restrictions. The utilization of this financial technology also increases the effectiveness and efficiency of the payment system in

the buying and selling transaction process. Thus, the convenience and efficiency offered by these services encourage increased consumption behavior among its users.

### **The Influence of Financial Behavior on the Consumption Behavior of Generation Z in Palu City**

The results showed that financial behavior has a positive and significant effect on consumption behavior in Palu City. This means the more rational a person's financial behavior is, the more their consumption behavior will be controlled because they have been trained to manage their finances. their consumptive behavior is under control because they have been trained to manage their financial resources more efficiently. their financial resources more efficiently. However, even though they have good financial habits, Generation Z can still exhibit consumptive behavior. This indicates that it is not only internal factors that play a role, but also the influence of external factors on their consumption habits.

### **The Influence of Fintech Payment, Financial Behavior, Lifestyle on Generation Z Consumer Behavior in Palu City**

The results of this study indicate that fintech payments, financial behavior and lifestyle have a positive and significant effect simultaneously on consumption behavior in Palu City. This means that Generation Z, which grew up in the era of advanced technology, has a tendency towards consumption behavior that is positively influenced by fintech payments, financial behavior, and their fast-paced, online-connected digital lifestyle. The ease of fintech payments, increased financial awareness, and instantaneous lifestyle favor impulsive and quick purchases in this group. However, it is important to remember that not all individuals in Generation Z share the same consumptive behavior, with some having a higher awareness of prudent financial management.

## **6. Conclusion, Implication, Recommendation**

### **Conclusion**

Based on the results of the research and discussion that has been stated previously, the conclusions can be drawn as follows: Partially fintech payments have a significant effect on consumption behavior in generation z in the Palu City, Partially financial behavior has a significant effect on consumption behavior in generation z in the city. And Simultaneously fintech payments, financial behavior and lifestyle have a significant effect on consumption behavior in generation z in the Palu City.

### **Implications**

This research discusses the importance of understanding the factors that influence Generation Z's consumption behavior in Palu, including their use of fintech in payments, financial habits, and lifestyle. The implication is that Generation Z needs to use financial technology wisely, improve their understanding of financial management to manage budget and investment efficiently, and maintain a balance between needs and lifestyle to reduce unhealthy consumptive behavior.

### **Recommendation**

Based on this research, several recommendations can be made to reduce the consumption attitudes of Generation Z. First, Generation Z must understand how fintech payments work and the benefits so they can use them wisely, as well as getting to know the

features of fintech applications to make daily financial transactions easier without getting caught up in them. consumptive behaviour. second, the need to increase knowledge about personal financial management through financial literacy education and training, so that they are able to manage money, create a budget and save to avoid financial problems in the future. By setting clear short-term and long-term financial goals, such as monthly savings targets or long-term investment goals, Generation Z can more easily control impulsive spending. Take advantage of the features in the fintech application to track expenses and income, as well as monitor daily expenses so that the budget that has been created is maintained. third, lifestyle and spending habits so as not to get caught up in social pressure to always follow the latest trends which can lead to excessive spending, by focusing on primary needs and being wise in spending money on secondary and tertiary needs. Divert some of your consumption spending to savings and investments, to ensure future financial stability and prepare for emergency situations. Conduct regular evaluations of financial habits and lifestyle to identify areas where expenses can be reduced and increase financial efficiency. Avoid using credit cards or loans for consumption purposes and focus on cash or debit payments to avoid unmanageable debt. By implementing these steps, Generation Z can manage their finances more effectively and avoid excessive consumption behavior.

## 7. References

- A. M. Abu Daqar, M., Arqawi, S., & Abu Karsh, S. (2020). Fintech In The Eyes Of Millennials And Generation Z (The Financial Behavior And Fintech Perception). *Banks And Bank Systems*, 15(3), 20–28. [https://doi.org/10.21511/Bbs.15\(3\).2020.03](https://doi.org/10.21511/Bbs.15(3).2020.03)
- Afifah, N., & Yudiantoro, D. (2022). *Pengaruh Gaya Hidup Dan Penggunaan Uang Elektronik Terhadap Perilaku Konsumtif*. 5(2). <https://doi.org/10.37531/Yum.V5i2.1669>
- Anisah, N., & Crisnata, H. F. (2021). Analisis Tingkat Literasi Keuangan Pengguna Fintech Payment Ovo. *jad : Jurnal Riset Akuntansi & Keuangan Dewantara*, 4(1), 46–58. <https://doi.org/10.26533/Jad.V4i1.752>
- Aseng, A. C. (2020). Factors Influencing Generation Z Intention In Using Fintech Digital Payment Services. *Cogito Smart Journal*, 6(2), 155–166. <https://doi.org/10.31154/Cogito.V6i2.260.155-166>
- Ayu, I. (2023). *Pandangan Ekonomi Islam Terhadap Fintech Peer To Peer Lending Pada Generasi Z*. <https://doi.org/10.52166/Darelilmi.V10i1.4768>
- Azka Fikri. (2021). Pengaruh Penggunaan ShopeePay Sebagai Dompot Digital Terhadap Perilaku Konsumtif Mahasiswa Feb Usu. *Komunika*, 17(2). <https://doi.org/10.32734/Komunika.V17i2.7556>

- Chen, F., & Chen, X. (2021). How Does Fintech Affect Consumer Non-Cash Payment Satisfaction? The Moderating Role Of Financial Knowledge. *South Asian Journal Of Social Studies And Economics*, 217–231. <https://doi.org/10.9734/Sajsse/2021/V12i430329>
- Diana, N., & Leon, F. M. (2020). Factors Affecting Continuance Intention Of Fintech Payment Among Millennials In Jakarta. *European Journal Of Business And Management Research*, 5(4). <https://doi.org/10.24018/Ejbmr.2020.5.4.444>
- Ernawati, & Muslimin. (2022). *Literasi Keuangan Terhadap Perilaku Konsumtif Mahasiswa Fakultas Ekonomi Dan Bisnis Universitas Tadulako*. 8. <https://jimutuntad.com/index.php/jimut/article/download/304/292>
- Fatima, S., & Tanamal, J. (2020). Pengaruh Faktor Pribadi Terhadap Keputusan Mahasiswa Fakultas Ekonomi Universitas Tadulako Membeli Smartphone Xiaomi. *On Line*, 6(1).
- Fungky, T., Sari, T. P., & Sanjaya, V. F. (2022). Pengaruh Gaya Hidup Serta Literasi Keuangan Terhadap Perilaku Konsumtif Generasi Z Pada Masa Pandemi. *Jurnal Valuasi: Jurnal Ilmiah Ilmu Manajemen Dan Kewirausahaan*, 2(1), 82–98. <https://doi.org/10.46306/V1s.V2i1.71>
- Gunawan, A., & Aini, A. (2024). *The Influence Of Financial Literacy And Financial Technology Payment On Financial Management In Msmes*. 5(1). <https://jurnal.umsu.ac.id/index.php/insis/article/view/18458>
- Gunawan, A., Pirari, W. S., & Sari, M. (2020). Pengaruh Literasi Keuangan Dan Gaya Hidup Terhadap Pengelolaan Keuangan Mahasiswa Prodi Manajemen Universitas Muhammadiyah Sumatera Utara. *Jurnal Humaniora : Jurnal Ilmu Sosial, Ekonomi Dan Hukum*, 4(2), 23–35. <https://doi.org/10.30601/Humaniora.V4i2.1196>
- Handayani, M. A., Amalia, C., & Sari, T. D. R. (2022). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Dan Kepribadian Terhadap Perilaku Manajemen Keuangan (Studi Kasus Pada Pelaku Umkm Batik Di Lampung). *Ekombis Review: Jurnal Ilmiah Ekonomi Dan Bisnis*, 10(2). <https://doi.org/10.37676/ekombis.V10i2.2262>
- Kanda, A. S., & Sephiani, D. (2024). *Literasi Keuangan Dan Dampaknya Terhadap Perilaku Keuangan Generasi Z Di Kabupaten Bandung Barat*. 2. <https://doi.org/10.59841/Glory.V2i2.903>
- Kusumar, F., & Mendari, A. S. (2021). *Fintech Payment : Pengaruhnya Pada Perilaku Manajemen Keuangan Mahasiswa Di Palembang*. <https://doi.org/10.31315/Be.V19i2.8065.G4718>
- Morewedge, C. K., Monga, A., Palmatier, R. W., Shu, S. B., & Small, D. A. (2021). Evolution Of Consumption: A Psychological Ownership Framework. *Journal Of Marketing*, 85(1), 196–218. <https://doi.org/10.1177/0022242920957007>
- Nur, W. B., & Ponirin. (2021). *Pengaruh Electronic Word Of Mouth Terhadap Perilaku Konsumtif Melalui Hedonic Shopping Motives*. 7(4). <https://doi.org/10.22487/Jimut.V7i4.250>
- Oktaviani, M., Oktaria, M., Alexandro, R., Eriawaty, E., & Rahman, R. (2023). Pengaruh Literasi Keuangan Terhadap Perilaku Konsumtif Generasi Z Pada Mahasiswa. *Jurnal Ilmiah Ilmu Sosial*, 9(2), 136–145. <https://doi.org/10.23887/Jiis.V9i2.68587>
- Sadewa, M. A., & Ariani, L. (2022). Pengaruh Gaya Hidup Brand Minded Terhadap Perilaku Konsumtif Pada Mahasiswa. *Jurnal Bimbingan Dan Konseling Pandohop*, 2(1), 34–41. <https://doi.org/10.37304/Pandohop.V2i1.4395>
- Wahyuni, S. F., Radiman, R., & Kinanti, D. (2023). Pengaruh Literasi Keuangan, Lifestyle Hedonis Dan Sikap Keuangan Pribadi Terhadap Perilaku Keuangan Mahasiswa. *Owner*, 7(1), 656–671. <https://doi.org/10.33395/Owner.V7i1.1304>



Waluyo, F. S. P., Nugroho, A. W., & Akbari, D. A. (2023). *Pengaruh Financial Literacy, Financial Experience, Dan Fintech Terhadap Financial Behavior Masyarakat Kota Depok*. 6. <https://doi.org/10.32663/6rtapz94>