

JAGO-DIGI: Building Digital Financial Literacy for Jakarta's Young Generation: A Conceptual Model toward Global Competitiveness

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Abstract

This conceptual paper aims to develop a comprehensive theoretical model for building digital financial literacy among Jakarta's young generation as a means to enhance their participation and competitiveness in the global economy. The rapid digital transformation within financial services has generated new opportunities for inclusion and innovation, yet it has also introduced serious challenges such as limited digital financial awareness, impulsive online consumption patterns, and the rising threat of digital fraud and misinformation. To address these complex issues, this study employs a qualitative and conceptual approach by conducting an extensive literature review encompassing digital financial literacy, financial inclusion, digital citizenship, and innovative learning frameworks. Based on the synthesis of these theoretical perspectives, the paper proposes a conceptual model that integrates three key dimensions: education, technology, and community participation. This integrative model highlights the importance of interactive e-learning platforms, digital simulation, and game-based learning as innovative pedagogical strategies to strengthen financial understanding, responsible digital behavior, and sound decision-making skills. The findings of this conceptual analysis suggest that improving digital financial literacy is not only crucial for individual empowerment but also serves as a strategic foundation for sustainable and inclusive economic growth. The significance of this study lies in its theoretical contribution to supporting Jakarta's transformation into a smart, financially literate, and globally competitive city driven by informed and digitally responsible young citizens.

Keyword: Digital Financial Literacy; Financial Inclusion; Digital Citizenship; Innovative Learning; Global Competitiveness; Jakarta Smart City

1. Introduction

This study is grounded in the context of the rapid digital transformation within Indonesia's financial services sector. This transformation has created new opportunities for inclusion and innovation, aligning with the Indonesian government's strategic priority to enhance financial inclusion and literacy nationwide.

Nationally, financial inclusion in Indonesia reached 76.19% in 2019; however, the level of financial literacy remained relatively low at only 38.03% (Suleiman et al., 2022). The significant gap between inclusion and literacy levels indicates that many consumers lack adequate knowledge about the financial products and services they use. In Jakarta in particular, enhancing digital financial literacy among the young generation has become increasingly crucial—not only as a means of individual empowerment but also as a strategic foundation for sustainable and inclusive economic growth.

Generation Z (Gen Z), born in the digital era and familiar with technological innovation, represents a significant demographic group entering their productive years and demonstrating high adaptability to digital financial services. As digital natives, they are active consumers on platforms such as Instagram, which makes them particularly vulnerable to impulsive consumption behaviors driven by exposure to advertisements and social media trends (Widiastuti et al., 2023). Therefore, fostering digital financial literacy (DFL) among Jakarta's young generation is viewed as a strategic means to enhance their participation and competitiveness in the global economy.

Although digitalization offers convenience in financial transactions (Astuti, 2020), this acceleration has also generated complex and persistent challenges that have not yet been fully addressed. The key gaps identified include:

1. **Digital Financial Awareness Gap:** The digital transformation has introduced challenges such as limited financial awareness among younger generations. Low levels of financial literacy can lead consumers to make poor financial decisions, incur excessive debt, or even fall victim to illegal investment products and digital fraud. Specifically, Gen Z faces the risk of adopting hedonistic lifestyles driven by viral content and trends on social media.
2. **Consumerism and Behavioral Risks:** There is a notable pattern of impulsive online consumption, as Gen Z tends to make unplanned purchases influenced by discounts and advertisements. Research confirms that a hedonistic lifestyle positively correlates with impulsive online shopping behavior. In some cases, even individuals with relatively high levels of financial literacy may still engage in excessive consumption if they exhibit strong consumerist tendencies (Widiastuti et al., 2023).
3. **Digital Threats:** The growing threat of digital fraud and misinformation presents another critical issue. Online investment fraud has become the second most frequently reported criminal case in Indonesia, highlighting the tangible risks faced by consumers with low levels of digital literacy (Suleiman et al., 2022).
4. **The Need for an Integrative Model:** Previous studies on digital financial literacy have often focused on correlational analysis or the application of specific technologies such as FinTech, but have yet to propose a comprehensive theoretical model that integrates key dimensions—education, technology, and community participation—to build digital financial literacy holistically. Existing models may not adequately address the complex demands of the digital era, including cybersecurity protocols and cloud-based systems (Fariz & Winarsih, 2025).

Based on the identified gaps and prevailing urgency, this conceptual study seeks to address the following research question: *“How can a comprehensive theoretical model be developed to build digital financial literacy among Jakarta's young generation in order to enhance their participation and competitiveness in the global economy, while addressing challenges such as limited digital financial awareness, impulsive online consumption patterns, and the growing threat of digital fraud?”*

The main significance of this conceptual study lies in its theoretical and practical contributions, namely:

- 1) **Theoretical Contribution (Integrative Model):** This study proposes an integrative conceptual model that unites three core dimensions: education, technology, and community participation. The model is developed through an extensive synthesis of literature encompassing digital financial literacy, financial inclusion, digital citizenship, and innovative learning frameworks. It emphasizes innovative pedagogical strategies—such as interactive e-learning platforms, digital simulations, and game-based learning—to strengthen financial understanding, responsible digital behavior, and sound decision-making skills.
- 2) **Strategic Contribution (Smart City Vision):** The findings of this conceptual analysis provide a significant theoretical contribution to supporting Jakarta’s transformation into a smart city, in line with Indonesia’s broader goal of fostering competitive, technology-driven, and sustainable urban development (Atmaheni & Adiarto, 2024). This model facilitates the creation of a financially literate and globally competitive city driven by informed and digitally responsible young citizens. This context is also relevant considering Indonesia’s ongoing efforts to address smart city challenges, such as the lack of an integrated legal and governance framework.

2. Literature Review

2.1 Basic Concepts of Financial Literacy

Financial literacy serves as the foundation for Digital Financial Literacy (DFL). According to the definition provided by Indonesia’s Financial Services Authority (*Otoritas Jasa Keuangan*, OJK), financial literacy refers to the knowledge, skills, and confidence that influence an individual’s attitude and behavior to improve the quality of decision-making and financial management in order to achieve personal well-being (Suleiman et al., 2022).

Similarly, the Organisation for Economic Co-operation and Development (OECD) defines financial literacy as a combination of awareness, knowledge, skills, attitudes, and behaviors necessary to make sound financial decisions and ultimately attain individual financial well-being (Ningrum et al., 2025).

The main objective of financial literacy is to ensure that individuals are able to select financial products and services that best fit their needs by understanding their associated benefits and risks. Financial literacy education aims to enhance individuals’ decision-making quality while fostering positive changes in attitudes and behaviors toward better financial management (Suleiman et al., 2022).

Indicators or dimensions used to measure financial literacy include fundamental knowledge of financial concepts—such as savings, investment, debt, and insurance—financial planning and management, as well as an understanding of risk and return (Widiastuti et al., 2023).

2.2 Digital Financial Literacy (DFL) and Fintech Literacy

Digital Financial Literacy (DFL), often referred to as Fintech Literacy, refers to an individual’s understanding and ability to navigate and utilize technology-driven financial services (Fintech). Financial Technology (Fintech) is defined as innovation within financial services where technology serves as the key enabler. Bank Indonesia refers to Financial Technology (Fintech) as *Layanan Keuangan Digital* (Digital Financial Services) (Astuti, 2020).

Fintech Literacy has become increasingly important with the emergence of various financial technology services, such as electronic payments (e-payments), crowdfunding, investment management, *insurtech*, and online lending. This form of literacy requires users to possess adequate knowledge about service providers, the types of products and services offered, as well as their rights and obligations as consumers (Suleiman et al., 2022).

Given the growing importance of digital skills (*e-literacy*) in the digital era, there is an urgent need for a nuanced understanding that integrates both financial knowledge and technological advancement. For instance, corporate clients must develop sufficient *e-literacy* to effectively leverage their knowledge and maximize the benefits of digital financial solutions.

2.3 The Role and Implications of Digital Financial Literacy (DFL) in the Digital Environment

Digital Financial Literacy (DFL) is highly significant, as the financial landscape has been dramatically transformed by digitalization, creating both new opportunities and emerging risks.

Opportunities and Benefits, in terms of access and efficiency, the use of financial technology (Fintech) enables rapid and convenient access to market information and a variety of investment products. For micro, small, and medium enterprises (MSMEs), a high level of Fintech Literacy facilitates business growth, particularly in the financial sector, by improving access to capital. Fintech Literacy can serve as an intermediary between financial service providers and MSME actors, thereby fostering greater financial inclusion. Moreover, adequate financial literacy—including its digital component—enhances individuals' ability to evaluate risks and returns, leading to more rational and less speculative investment decisions.

Risks and Challenges, however, insufficient DFL poses significant risks to consumers. One major risk is vulnerability to fraud: consumers with low literacy levels are more prone to becoming victims of illegal investment products, online investment scams, and misinformation. In Indonesia, online investment fraud ranks as the second-largest category of police reports. Another major issue is over-indebtedness and data misuse. Without sufficient knowledge, consumers may fall into deep debt or become victims of data exploitation and aggressive collection practices, especially in cases involving illegal peer-to-peer (P2P) lending.

Furthermore, consumptive behavior represents another serious challenge. Even individuals with relatively high financial literacy may still exhibit impulsive consumption patterns if they have strong consumerist tendencies, particularly amid the convenience of digital transactions. Fintech services, by enabling cashless transactions and instant spending, can encourage a consumerist lifestyle and reduce users' ability to control their personal expenditures.

2.4 Financial Inclusion

Financial Inclusion is a fundamental concept in economic development that aims to ensure that individuals and businesses have access to useful and affordable financial products and services.

In Indonesia, financial inclusion is officially defined through three key dimensions: 1) Availability of Access to Formal Financial Services: Financial inclusion refers to the availability of access to various financial institutions, products, and services that align with the needs and capacities of society, with the ultimate goal of improving public welfare (Suleiman et al., 2022). 2) Service Characteristics: Access must be smooth, secure, and timely, with

minimal or affordable costs. 3) Comprehensive Coverage: Full financial inclusion occurs when all population segments are able to utilize products and services from formal financial institutions for multiple purposes, such as saving, investing, and insurance.

The Government of Indonesia has made the enhancement of financial inclusion a top national priority. Financial inclusion is considered essential for several strategic reasons: 1) Improving Welfare: Inclusive access to financial services is crucial for economic growth and poverty reduction. 2) System Stability: Financial inclusion contributes to strengthening the stability of the financial system and promoting inclusive development. 3) Reducing Barriers: Financial inclusion seeks to eliminate both price and non-price barriers that prevent individuals and communities from accessing financial services (Suleiman et al., 2022).

Financial inclusion in the modern era is highly driven by technology, known as Digital Financial Inclusion. Utilization of Technology: Digital financial inclusion specifically leverages technology to reach populations that do not have bank accounts (the unbanked). Accessibility and Efficiency: Technological innovations and the expansion of internet access, including digital financial services (fintech), have helped improve accessibility to financial services and simplify daily transactions. The Role of Fintech: Fintech literacy (which is closely related to Digital Financial Literacy or DFL) has a positive and significant influence on the enhancement of financial inclusion. Fintech can serve as an intermediary between financial service providers and Micro, Small, and Medium Enterprises (MSMEs), thereby promoting financial inclusion.

Although financial inclusion has increased significantly, Indonesia still faces major challenges: 1) Achievements and Targets: In 2019, the national financial inclusion rate was 76.19%. The government targets a 90% financial inclusion rate by 2024. The *National Survey on Financial Literacy and Inclusion (SNLIK)* in 2022 recorded that Indonesia's financial inclusion rate had reached 85.10%. 2) Literacy–Inclusion Gap: There remains a wide gap between financial inclusion and financial literacy levels. In 2022, the inclusion rate of 85.10% was far above the literacy rate of only 49.68%. This gap indicates that many consumers have access to financial products and services but lack adequate knowledge about the products or services they use. 3) Digital Inclusion Strategy: In the context of Jakarta, where smartphone penetration exceeds 90%, strengthening Digital Financial Literacy (DFL) is crucial to achieving inclusive participation in the digital economy.

2.5 The Concept of Digital Citizenship

The concept of Digital Citizenship can be described as responsible and ethical behavior in the use of technology. Digital Citizenship encompasses several dimensions, particularly when applied to the financial domain: Digital Citizenship involves ethical and responsible behavior in using technology. Fundamentally, this concept includes Digital Ethics, Online Safety, and Participation in Digital Communities. In the context of digital finance, Digital Citizenship (DC) implies that the younger generation is not only required to use Financial Technology (FinTech) tools but also to understand their implications for privacy, security, and ethical consumption.

The implementation of Digital Citizenship is closely related to Digital Financial Literacy (DFL), as it helps individuals make wise decisions amid technological challenges. Digital Citizenship requires individuals to demonstrate responsible behavior in financial aspects, including: 1) Wise Decision-Making: Financial literacy is fundamentally about having

the knowledge, skills, and confidence to improve the quality of decision-making and financial management to achieve well-being. Financial education should bring about positive changes in individuals' attitudes and behaviors. 2) Avoiding Consumptive Behavior: Responsible digital citizenship discourages impulsive and unplanned consumption patterns. Generation Z, for instance, is vulnerable to online shopping behaviors driven by advertising and hedonistic lifestyles. Good DFL is essential for Gen Z to understand the impact of lifestyle and consumerism on their personal financial capacity (Suleiman et al., 2022). 3) Understanding Investment Risks: Individuals with adequate literacy can assess the risks and returns of financial products, leading to more rational and non-speculative investment decisions. Good digital citizenship encourages behavior that avoids trend-based or social-media-driven investments without sufficient financial competence, which could make individuals vulnerable to illegal fraud (Mawarni & Hendrawaty, 2025).

The digital aspect of Digital Citizenship (DC) is crucial, as FinTech services involve handling sensitive personal and financial information (Gani et al., 2025): 1) Data Protection: DC requires an understanding of privacy and data security implications when using fintech tools. The vulnerability of FinTech systems to cyber risks, hacking, and data misuse is a major concern. 2) Fraud Risks: A lack of digital literacy makes consumers vulnerable to scams and frauds, data misuse, and aggressive debt collection methods. Online investment fraud is even the second-largest category of police reports in Indonesia. 3) Understanding Products: Digital citizenship requires fintech users to have knowledge about service providers, the products offered, as well as their rights and obligations as consumers.

At a broader level, enhancing Digital Citizenship among the younger generation is strategically important. It serves as a foundation for supporting Jakarta's transformation into a financially literate and globally competitive smart city, driven by young, informed, and digitally responsible citizens. The digital transformation of sectors such as transportation, for example, emphasizes that informational capital must include cybersecurity protocols and secure cloud-based systems. This demonstrates that digital security is an essential component of every digital ecosystem (Fariz & Winarsih, 2025). The smart city concept in general also faces challenges in regulating and managing complex technologies such as IoT and data analytics, highlighting the need to address data privacy issues among citizens.

2.6 Innovative Learning Approaches

Innovative Learning Approaches are defined as contemporary methods designed to enhance learners' literacy and engagement by transforming traditional education into an interactive experience. This approach is particularly emphasized in the context of digital financial education due to its relevance to the learning preferences of the younger generation (digital-native youth).

Contemporary research highlights that innovative approaches involve the integration of technology and practical experience. Game-Based Learning and Gamification: Studies underscore the importance of game-based learning. The Financial Services Authority (OJK), for instance, has developed mobile applications—including game-based apps—to promote financial literacy, targeting children and students. Innovation in literacy also includes the use of gamification elements (Ramadhani & Wibowo, 2025). E-Learning Platforms and Interactive Digital Applications: Innovation involves the use of e-learning platforms and interactive digital applications. These platforms allow flexible, technology-driven learning, providing a more

engaging and in-depth learning experience (Yasinta Salsabila Anjani et al., 2025). Digital Simulations: This approach includes digital simulations, which are among the approved activities for implementing financial education. In the context of Islamic finance, such innovations may take the form of sharia investment simulations (Ramadhani & Wibowo, 2025).

In summary, Innovative Learning in financial literacy refers to the use of technology-based tools and methodologies (such as games, e-learning, and simulations) to create a dynamic, interactive, and practical learning experience that aligns with the characteristics of digital learners and effectively fosters responsible financial behavior.

3. Material and Method

This study employs a qualitative and conceptual research design, focusing on theoretical exploration rather than empirical testing. The primary objective is to develop a comprehensive conceptual model aimed at enhancing digital financial literacy among the youth in Jakarta. The method utilized is a systematic literature review, involving the collection, evaluation, and synthesis of previous studies relevant to financial literacy, technology adoption, digital citizenship, and innovative learning.

3.1 Design Study

Since this research is conceptual in nature, it does not involve direct human respondents. The “sample” in this context refers to secondary data obtained from various credible academic and institutional sources, including: reputable journal articles indexed in Scopus and Google Scholar (covering the period 2016–2025); official reports from institutions such as the Financial Services Authority (OJK), Bank Indonesia (BI), and the World Bank; as well as books and policy documents related to digital transformation and financial inclusion.

The primary research instrument is document analysis, supported by qualitative synthesis techniques. The researcher acts as the main instrument in the process of interpreting and coding data from the literature sources. Additionally, conceptual mapping and thematic analysis techniques are employed to identify patterns and relationships among theoretical constructs.

3.1.1 Research Procedure

The research steps were conducted systematically as follows:

1. Identification of relevant literature related to digital financial literacy and the factors influencing it;
2. Selection and screening of sources based on inclusion criteria such as relevance, publication quality, and theoretical contribution;
3. Thematic coding and theoretical synthesis to integrate insights from various theoretical frameworks (Financial Literacy, Technology Adoption, and Educational Innovation);
4. Development of a conceptual model that maps the integrative relationships among the dimensions of education, technology, and community participation.

3.2 Data Analysis

Data analysis was conducted through qualitative synthesis and conceptual modeling. A thematic analysis approach was employed to identify patterns and relationships among concepts, while diagrammatic modeling was used to visualize the interactions between variables. This synthesis process followed the principles of inductive reasoning, ensuring that

the resulting model possesses both theoretical accuracy and contextual relevance to the financial behavior of Jakarta's young generation.

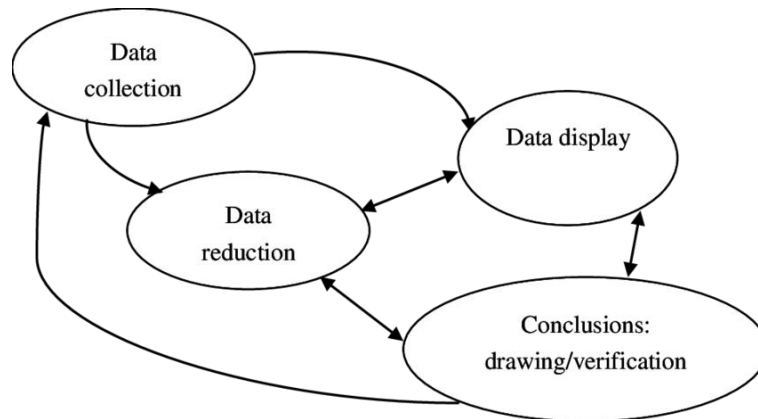


Figure 1. Components of Miles and Huberman's Interactive Model Data Analysis (https://www.researchgate.net/figure/Components-of-Data-Analysis-Interactive-Model-Source-Miles-Huberman-1994_fig1_305769366)

4. Result

The results of this conceptual study are not presented in the form of numerical data or hypothesis testing, but rather as theoretical findings and a conceptual model that explain how Digital Financial Literacy (DFL) can be systematically developed among Jakarta's young generation to enhance their global competitiveness.

4.1 Three-Dimensional Conceptual Model

The main result of this study is the development of an integrative theoretical model that combines three key dimensions:

1. Education: Emphasizes the importance of integrating digital financial literacy into both formal and non-formal education systems. Innovations such as e-learning, game-based learning, and digital simulations have proven effective in enhancing financial understanding and decision-making skills.
2. Technology: Serves as a catalyst for expanding access to financial services and reinforcing safe and responsible digital behavior. FinTech-based innovations, mobile banking, and educational applications act as the primary tools for strengthening digital financial literacy.
3. Community Participation: Represents the social dimension that highlights the role of communities, educational institutions, government, and the private sector in building a collaborative and inclusive digital literacy ecosystem.

4.2 Key Conceptual Finding

From the synthesis of the literature, it was found that digital financial literacy serves as a crucial foundation for empowering young individuals in the digital economy era. Technology-based innovative learning approaches (such as digital simulations and gamification) can enhance students' engagement and understanding of digital finance. Community involvement and cross-sector collaboration strengthen the sustainability of digital literacy programs while fostering responsible financial behavior within digital environments. The integration of education, technology, and social participation creates a dual impact — not only improving individual capacity but also promoting inclusive and sustainable economic growth.

5. Discussion

Digital Financial Literacy (DFL) is positioned as a strategic instrument in developing human capital within Jakarta's knowledge-based economy. Enhancing DFL is not only crucial for individual empowerment but also serves as a strategic foundation for sustainable and inclusive economic growth. Furthermore, these conceptual findings significantly support the transformation of Jakarta into a financially literate and globally competitive smart city, driven by digitally informed and responsible young citizens.

This framework also bridges the gap in traditional financial education, which often overlooks ethical and digital risk dimensions. The key gaps identified in digital financial literacy include limited financial awareness, impulsive online consumption patterns, and increasing threats from digital fraud and misinformation. To mitigate these risks, the model incorporates the concept of Digital Citizenship, which fundamentally demands responsible and ethical behavior in technology use. In the context of digital finance, this means that young people must not only utilize Financial Technology (FinTech) tools but also understand their implications for privacy, security, and ethical consumption. Good digital citizenship requires comprehension of privacy and data security implications when using FinTech tools and plays a vital role in helping individuals avoid trend-based or social media-driven investments that may expose them to illegal fraud schemes.

By adopting experiential learning, this model aligns with the characteristics of Generation Z, who value participation, interactivity, and creativity. Gen Z are *digital natives*— a key demographic group highly adaptive to digital financial services. Innovative learning approaches are emphasized for their relevance to youth learning preferences, transforming traditional financial education into interactive and engaging experiences. The model highlights innovative pedagogical strategies, such as interactive e-learning platforms, digital simulations, and game-based learning. Digital simulations, for instance, represent one of the permitted methods within financial education initiatives. This approach supports the broader objective of financial education to enhance decision-making quality and foster positive behavioral and attitudinal changes in financial management. The curriculum should shift toward student-centered and experiential learning approaches, emphasizing practical engagement. Indeed, several financial service institutions believe that financial lessons can be delivered most effectively when consumers directly interact with financial products and services — a principle of learning by doing.

6. Conclusion, Implication, and Recommendation

6.1 Conclusion

The main conclusion of this conceptual study is the development of a comprehensive theoretical model for building Digital Financial Literacy (DFL) among the youth of Jakarta, aimed at enhancing their competitiveness in the global economy.

The following are the main points summarizing the findings and strategic contributions of this research:

1) Three-Dimensional Integrative Conceptual Model

The main conclusion of this study is the proposed integrative conceptual model that unites three key dimensions:

1. **Education:** Emphasizes the need to integrate DFL into both formal and non-formal education systems through innovative pedagogical strategies.
2. **Technology:** Positions technology as a catalyst for expanding access to financial services and strengthening safe and responsible digital behavior. Innovations such as FinTech, mobile banking, and educational applications serve as the main tools.
3. **Community Participation:** Highlights the collaborative roles of communities, educational institutions, government, and the private sector in building an inclusive and sustainable digital literacy ecosystem.

2) Innovative Learning Strategies

The model concludes that to address complex challenges—such as limited digital financial awareness, impulsive online consumption patterns, and digital fraud threats—pedagogical approaches must be innovative. The emphasized strategies include: interactive e-learning platforms, digital simulations, and game-based learning. These strategies aim to strengthen financial understanding, foster responsible digital behavior, and enhance sound decision-making skills.

3) Strategic Contributions and Economic Implications

The findings of this conceptual analysis highlight the broader significance of improving DFL, namely: 1) **Empowerment of Individuals and Economic Growth:** Enhancing DFL is not only crucial for individual empowerment but also serves as a strategic foundation for sustainable and inclusive economic growth. 2) **Smart City Transformation:** This model provides a significant theoretical contribution to supporting Jakarta's transformation into a financially literate and globally competitive smart city. This transformation is driven by young citizens who are informed and digitally responsible. 3) **Dual Impact:** The integration of educational, technological, and social participation dimensions creates a dual impact—not only improving individual capacity but also fostering inclusive and sustainable economic growth.

6.2 Implication

6.2.1 Theoretical Implications

This research enriches the discourse on Digital Financial Literacy (DFL) by proposing a comprehensive theoretical model that integrates three core dimensions: education, technology, and community participation. This integrative model was developed through an

extensive synthesis of literature encompassing DFL, financial inclusion, digital citizenship, and innovative learning frameworks.

The primary contribution of this model lies in addressing existing gaps, as previous studies on digital financial literacy have often focused on correlation analyses or the application of specific technologies (such as FinTech) and have not fully offered a holistic theoretical model that unites these three key dimensions.

Significantly, these conceptual findings provide a theoretical contribution that supports Jakarta's transformation into a financially literate and globally competitive smart city. The model serves as a strong foundation for future empirical research—particularly to quantitatively test the effectiveness of integrating the dimensions of education, technology, and community participation in enhancing DFL, thereby strengthening the participation and competitiveness of Jakarta's young generation in the global economy.

6.2.2 Practical Implication

These conceptual findings provide an actionable framework for various stakeholders involved in human capital development and the digital economic growth of Jakarta:

1) For Policymakers (Jakarta Provincial Government)

This model serves as a strategic guideline for integrating DFL into Jakarta's smart city transformation agenda. Policies should prioritize DFL as a strategic foundation for sustainable and inclusive economic growth. Given that smartphone penetration in Jakarta exceeds 90%, policymakers can utilize this integrative model to strengthen inclusive participation in the digital economy and cultivate digitally informed and responsible young citizens. The model is also relevant in addressing smart city challenges such as the absence of an integrated legal framework and the need for robust cybersecurity protocols.

2) For Educators and Educational Institutions

The model offers crucial pedagogical innovations to instill financial responsibility among Generation Z. Educators are encouraged to adopt experiential learning approaches and student-centered teaching methods. The innovative strategies emphasized include interactive e-learning platforms, digital simulations, and game-based learning. These strategies aim to transform traditional education into an engaging and interactive experience, with the primary goal of improving individual decision-making quality and fostering positive changes in financial management attitudes and behaviors.

3) For the FinTech Industry and the Private Sector

This conceptual model highlights the dimension of community participation, opening up broad opportunities for collaboration within the FinTech industry. Collaboration in empowering the younger generation is essential, as Generation Z is highly adaptive to digital financial services. The industry can leverage technology to expand financial inclusion and act as an intermediary between financial service providers and business actors—such as MSMEs—to enhance access to capital. Furthermore, the FinTech industry has practical implications to proactively educate consumers about their rights and obligations, as well as the importance of understanding data privacy and security implications when using FinTech tools, in line with the principles of digital citizenship.

6.3 Recommendation

The following are the key recommendations derived from this study, categorized according to the dimensions of the conceptual model:

6.3.1. Pedagogical and Educational Recommendations

This recommendation focuses on innovations in financial education delivery to address challenges such as limited digital financial awareness and impulsive consumer behavior.

1. **Innovative DFL Integration:** This model recommends the integration of digital financial literacy (DFL) into both formal and non-formal education systems through the use of innovative pedagogical strategies.
2. **Implementation of Technology-Based Learning:** The recommended strategies specifically include: **Interactive E-Learning Platforms:** To provide deeper and more flexible learning experiences. **Digital Simulations:** The use of digital simulations as a permitted form of financial education activity to strengthen financial understanding. **Game-Based Learning:** Utilizing elements of gamification to transform traditional financial education into a more engaging and high-quality learning experience, aligned with the characteristics of digital natives (Gen Z).
3. **Focus on Behavior and Decision-Making:** The ultimate goal of these pedagogical innovations is to strengthen financial understanding, promote responsible digital behavior, and enhance sound decision-making skills.

6.3.2. Technological and Digital Ethics (Digital Citizenship) Recommendations

Given the growing threats of digital fraud and misinformation, this model emphasizes the need for technology to be used responsibly.

Governments and industries should leverage FinTech-based technologies, mobile banking, and educational applications to strengthen Digital Financial Literacy (DFL) and expand access to financial services. DFL must be integrated with Digital Citizenship (DC), which requires responsible and ethical behavior in the use of technology. FinTech industries and educators must ensure that young generations understand the implications of privacy and data security when using FinTech tools. This is essential to help individuals avoid trend-based investments driven by social media, which can make them vulnerable to illegal scams.

6.3.3. Policy and Strategic Collaboration Recommendations

This study positions Digital Financial Literacy (DFL) as a strategic tool to support broader development agendas.

1. **Inclusive Growth Policy Priority:** Policymakers in Jakarta should position the enhancement of DFL as a strategic foundation for sustainable and inclusive economic growth.
2. **Supporting the Smart City Vision:** The proposed conceptual model is recommended as a framework to support Jakarta's transformation into a financially literate and globally competitive smart city, driven by digitally informed and responsible young citizens.
3. **Cross-Sector Collaboration:** Collaboration among communities, educational institutions, government, and the private sector (particularly FinTech) is recommended to build a collaborative and inclusive digital literacy ecosystem. For the FinTech industry, this opens opportunities for partnership in empowering the younger generation.

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